

Orient Bell Limited

Transcript of the 47th Annual General Meeting Dated 06th August, 2024

Mr. Yogesh Mendiratta, (Company Secretary):

Dear Members, Good Morning and warm welcome to the 47th Annual General Meeting of Orient Bell Limited. Before I handover to the Chairman to declare the meeting open, I would like to highlight certain points.

Today the AGM is being held through Video Conferencing i.e. VC or Other Audio Visual-Means i.e. OAVM in compliance with the circulars issued by Ministry of Corporate Affairs and Securities & Exchange Board of India. The joining of this meeting opened 30 minutes prior to the scheduled time of commencement of the meeting. The meeting will remain open for another 15 minutes of time after the end of the meeting. I would like to put forth certain points which are relevant for participation in this meeting.

Facility of joining through VC or OAVM is being made available for the Members on First Come First Served basis. The large shareholders, promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship & Grievance Committee, Auditors etc. are allowed to attend the AGM without any restrictions on account of first come first serve basis.

Since there is no physical attendance of the members, the requirement of appointing proxies is not applicable. However, the body corporate is entitled to appoint authorized representatives to attend the AGM through VC or OAVM and participate and cast their votes through e-voting.

The registered office of the company at Sikandrabad, Uttar Pradesh shall be deemed as the venue for this AGM and proceedings of the AGM shall be deemed to be transacted thereat.

All the members who have joined this meeting are by default placed on mute mode to avoid any disturbance arising from background noise and to ensure smooth conduct of the meeting.

The Company has received requests from a few of the members for registration as speaker shareholders. Considering the paucity of time, requests to speak received from only FIVE shareholders will be taken up. Once the Question – Answers session starts, the names of the shareholders will be announced one by one. The Speaker Shareholder will thereafter be unmuted by the host to start speaking. Speaker Shareholders are requested to turn their audio-video on. If the speaker shareholder is not able to join the video for any reason, the shareholder can speak through the audio mode. While speaking we would request the speakers to use the earphones so that the voice is clearly audible, minimize the noise in the background, ensure that wi-fi is not connected to any other device, no other background applications are running and there is proper lighting to have a good video experience. If there is connectivity problem at speaker's end we

Orient Bell Limited

Transcript of the 47th Annual General Meeting Dated 06th August, 2024

would ask next speaker to join. Once the connectivity improves, the speaker shareholder may be called again to speak. We would like to request shareholders to kindly limit their speech to 3 mins.

Non-registered shareholders as speakers who are attending this meeting through VC or OAVM today may also express their views and raise questions in the chat box provided. Responses for the questions, if any will be provided either during the course of the meeting or thereafter separately depending on the availability of time.

With this, I now request the Chairman Mr. Mahendra K. Daga to take over for the rest of the proceedings.

Mr. Mahendra K. Daga (Chairman): Thank You Yogesh. Good Morning & welcome to the 47th Annual General Meeting of Orient Bell. As the requisite quorum is present I Mahendra K. Daga, Chairman of the Company declare the meeting open.

I thank all the Members for joining this meeting and hope all of you are good and safe and in good health. I welcome other colleagues on the Board of the Company to the 47th AGM. Now let me ask other Directors and request present at this meeting to introduce themselves. Mr. Madhur Daga.

Mr. Madhur Daga : Good Morning everyone. I am Madhur Daga, the Managing Director of OBL. I am Member of the CSR Committee, Stakeholders Relationship and Grievance Committee and Finance & Borrowing Committee of the Company. I am attending the AGM from New Delhi.

Mr. Mahendra K. Daga (Chairman) : Mr. K.M. Pai. I think he has muted himself. He is on mute.

Mr. Mahendra K. Daga (Chairman) : Mr. P.M. Mathai.

Mr. P.M. Mathai: Good morning, everyone. I am P.M. Mathai. I am Independent Director and Chairman of Nomination & Remuneration Committee and member of the Audit Committee and Compensation Committee of the Company. I am attending this AGM from Gurgaon.

Mr. Mahendra K. Daga (Chairman): Mr. Sameer Kamboj.

Mr. Sameer Kamboj: Namaskar. My name is Sameer Kamboj, Independent Director and Chairman of the Audit Committee and member of Compensation Committee and CSR Committee and Finance & Borrowing Committee of the Company. I am attending this AGM from Faridabad.

Mr. Mahendra K. Daga (Chairman): Ms. Tanuja Joshi

Ms. Tanuja Joshi: Good Morning to all. My name is Tanuja Joshi, Independent Director and Chairperson of Stakeholders Relationship & Grievance Committee, Member of Compensation

Orient Bell Limited

Transcript of the 47th Annual General Meeting Dated 06th August, 2024

Committee, CSR Committee and Nomination & Remuneration Committee of the Company. I am attending this AGM from New Delhi.

Mr. Mahendra K. Daga: Mr. Thambiah Elango.

Mr. Thambiah Elango: Good Morning to all of you. My name is Thambiah Elango. I am newly joined Independent Board member. I am also part of the Audit Committee. I have joined this call from Bangalore.

Mr. Yogesh Mendiratta, (Company Secretary): Excuse me Sir Mr. Pai is there, he has some audio problem.

Mr. Mahendra K. Daga (Chairman): No, I think he is on mute.

Mr. Yogesh Mendiratta, (Company Secretary): Can you try again Mr. Pai or else we can proceed. I think his audio is not getting connected. So Chairman we can proceed.

Mr. Mahendra K. Daga (Chairman): Apart from the Directors, the key executives of the Company, Mr. Aditya Gupta, CEO, Mr. Himanshu Jindal, CFO and Mr. Yogesh Mendiratta, Company Secretary are also present. The Representatives of our Statutory Auditors and Secretarial Auditors are also present. Now for the further proceedings, I hand over to Company Secretary.

Mr. Yogesh Mendiratta, (Company Secretary): Thank you Chairman. Ladies & Gentlemen, in compliance with circulars issued by MCA and SEBI, this Annual General Meeting is being held through Video Conference. A live streaming of this meeting is also being webcast on NSDL's website.

The Company has taken requisite steps to enable members to participate & vote on the items being considered at this AGM. Members who have not voted earlier through remote e-voting can cast their vote in the course of the meeting through e-voting facility.

The Registers as required under the Companies Act, 2013 are open for inspection.

Since the notice is already circulated to the members, the same is taken as read. The Secretarial Auditor Report and the Report of Statutory Auditors on the Standalone & Consolidated Financial Statements for the financial year ended March 31, 2024 does not contain any qualification, reservation, adverse remarks or disclaimer. Accordingly, the said reports are taken as read.

Now, I request the Chairman to address the shareholders.

Mr. Mahendra K. Daga (Chairman): Thank you. Yogesh.

Orient Bell Limited

Transcript of the 47th Annual General Meeting Dated 06th August, 2024

Good morning and a warm welcome to all attending the 47th AGM of Orient Bell.

The business was subdued in Financial Year 2023-2024 primarily due to the muted demand in domestic markets and slowdown in exports. Your Company has not deviated from its strategic path of investing in CAPEX to strengthen its product portfolio. During the year the new GVT line at DORA was made operational in September 2023 ahead of its schedule and well within the budget. The first ever TV Campaign was launched by your Company in December 2023. The company will continue to invest in branding to further enhance brand awareness. Your Company will always remain thankful to the investors for their trust in the Company. Despite low profitability last year, the Board has recommended a 5% dividend. With these words, I would like to thank our channel partners, vendors, lenders and other stakeholders for their continued co-operation and support. I would also like to place on record my appreciation for the dedicated services and contribution made by our employees across all levels. Finally, my deepest gratitude to the Board for its guidance.

Thank You very much.

With this, I hand over to Mr. Madhur Daga, MD of the Company to say a few words.

Mr. Madhur Daga:

Thank You Chairman.

Dear Shareholders,

A warm welcome to you all at the 47th AGM of Orient Bell Limited. Financial Year 2024 was a tough year. For the full year, your Company registered net sales of Rs. 669.5 crores as against Rs. 699.6 crores previous year, a drop of 4.3%. Over capacity coupled with low domestic demand impacted offtake and prices while costs have remained elevated for most part of the year, impacting overall performance. Your Company still managed to focus on our key strategic priorities:

CAPEX – We completed the Dora expansion in the middle of financial year 2024 to ensure availability of GVT at competitive commercials especially to increase our footprint in South and West. The Dora investment has come at the right time as consumer preferences are rapidly shifting from Ceramics to GVT solutions.

VITRIFIED MIX – Your Company was able to improve Vitrified mix further in Financial Year 2024 to 51% versus 45% in the previous year. GVT salience too increased to 30% in FY 2024 from 23% in the previous year – an improvement of 7%.

Orient Bell Limited

Transcript of the 47th Annual General Meeting Dated 06th August, 2024

REACH - The Company added 70 new exclusive display centers (Orient Bell Tile Boutiques) in Financial Year 2024. In December, 2023 the Company launched its first ever ALL India TV campaign covering 17 channels and 7 languages with a unique and highly differentiated communication that builds on our vision of “**Making tile buying & selling easier**”.

The TV Campaign positioned your Company as a solution provider by focusing on our website-based price discovery, visualization tools and a wide product range. The creative strategy stands out in a cluttered industry where every other brand relies on celebrity endorsements. Our differentiated strategy has resulted in an increase in brand awareness by 50% over a four-month period. Our strategic approach to brand building continues to win accolades. Your Company was again awarded “**Best Brand**” for the 4th consecutive year by Reality+, as well as “**Best Website**”, yet again.

The Company will continue investing in marketing towards improving brand awareness and build consumer preference through FY25. We believe that this will put us in a good position once demand picks up. The real estate cycle comprising of land acquisition, cement, steel, pipes, electricals, cables, etc. has already turned for the better and tiles is one of the last products which is used in this cycle.

The Company's credit rating has been re-affirmed as "A-Stable" by CRISIL, as well as by India Ratings which has maintained its rating of IND A1 - at par with CRISIL's rating. The re-affirmation of the credit ratings by two of India's most reputed aforesaid rating agencies, reflects the unique strength and positioning of your company within the tiles industry.

With this I conclude my message to the shareholders. My gratitude to our esteemed Board, our customers, our vendors, employees, lenders and our investors for the patience and support extended to OBL in our journey towards excellence.

Thank You. With this, I hand it over back to Chairman.

Mr. Mahendra K. Daga (Chairman): Thank You Madhur. For further proceedings, I hand over to the Company Secretary.

Mr. Yogesh Mendiratta, (Company Secretary): Thank You Chairman. I would like to mention that as per the Companies Act, 2013 and SEBI Listing Regulations which provide for electronic voting, the Company has provided to its members a facility to cast their votes through the remote e-voting system administered by NSDL. Facility of voting at the meeting is also provided to members present in the meeting and who have not yet voted. Members may please go to the voting page of NSDL's e-voting website and cast their votes while at the same time watch the proceedings of the meeting.

Orient Bell Limited

Transcript of the 47th Annual General Meeting Dated 06th August, 2024

The Notice calling AGM contains ordinary businesses as well as special businesses. The Ordinary Businesses include the adoption of Annual Accounts for FY 2023-24 and the Reports of Auditors and Directors thereon, next Ordinary Business is the re-appointment of Mr. Mahendra K. Daga who is retiring by rotation and the third one is declaration of dividend @ 50 paise per equity share i.e 5 %. The Special Businesses include the approval on re-appointment and remuneration of Mr. Madhur Daga as Managing Director for a further term from 01-04-2025 to 31-03-2028 by way of Special Resolution another item is approval of related party transactions by way of Ordinary Resolution, next is approval to pay remuneration by way of commission or otherwise to Non-Executive Directors (including independent directors) for a period of 3 years from FY 2024-25 to FY 2026-27 by way of special resolution and last is the approval for appointment of Mr. Thambiah Elango as an Independent – Non Executive Director for a period of 5 years from 24th June, 2024 to 23rd June 2029 by way of Special Resolution.

Ms. Ashu Gupta, Practicing Company Secretary has been appointed as Scrutinizer to Scrutinize the remote e-voting in a fair and transparent manner. Since the AGM is being held through Video Conference, and the resolutions mentioned in the notice convening this AGM have been already put to vote through remote e-voting, there will be no proposing and seconding of the resolutions.

I will now request the Chairman to proceed further with the meeting.

Mr. Mahendra K. Daga (Chairman): Thank You Yogesh. Now I will take Questions and invite the Speakers who have registered themselves as Speaker Shareholder. First name is Ms. Anshu.

Ms. Anshu: Good Morning everyone. Good to see the Company's first ever TV Ad. Its appearance is impressive. Investments made by the Company in branding after CAPEX is a logical step. Congratulations for the TV Ad. Thank You.

Mr. Mahendra K. Daga (Chairman): Thank You Anshu and now I invite the next Speaker Ms. Yanika Verma.

Ms. Yanika Verma: Hello Good Morning to everyone my question is related to the capacity expansion the overall manufacturing capacity of the Company has been increased to 26 msm. Are there any plans of Diversification or any second stream of products?

Mr. Mahendra K. Daga (Chairman): Thank You Yanika and now I invite the next Speaker Ms. Anupama Gupta.

Moderator: May be there is some network issue from her side sir.

Orient Bell Limited

Transcript of the 47th Annual General Meeting Dated 06th August, 2024

Mr. Mahendra K. Daga (Chairman): I'll take the next one, now I invite the next Speaker Mr. Raj Kumar Sehgal

Mr. Raj Kumar Sehgal: Good Morning everyone, Am I audible so as Mr. Managing Director told in his speech that the sales were stagnant for the last two years either it is below 4% for the last financial year and it is stagnant for quite sometimes I am seeing. What are the reasons and what is the Company's plans to increase the sales because we have invested an amount in your Company's share.

Mr. Mahendra K. Daga (Chairman): Noted. Thank You Mr. Sehgal. Now I invite the next Speaker Mr. Laxmi Narayan.

Mr. Laxmi Narayan: Good Morning all. Am I audible. I appreciate enhancement of Capacity of Vitrified Tiles from 5 msm in financial year 2018 to 14.6 msm in financial year 2024. Congratulations on commissioning the GVT Line at Dora plant ahead of schedule and within budgets. Thank You.

Mr. Mahendra K. Daga (Chairman): We have received all the questions and all the comments and observations. I thank Ms. Anshu, Anupama and Mr. Laxmi Narayan for their inspiring and kind comments. The questions by the Speaker shareholder Ms. Yanika Verma and Mr. Raj Kumar Sehgal will be answered in specific by the MD and executives of the Company. The rest of the questions, if any will be answered offline in view of paucity of time. And now I request our MD & CEO to answer the questions by Yanika and Raj Kumar Sehgal.

Mr. Madhur Daga (Managing Director): Thank You Chairman. This is the MD of the Company and I am going to answer the questions asked by Ms. Yanika Verma. First of all I wanted to thank you for your comment on the manufacturing capacity expansion 26.9 million square meters. We have also modernized our plant to augment our product portfolio. The second part of your question Yanika relates to any plans of OBL to diversify or any second stream of products as regards to that my answer for the time being is 'No'. Currently we have no plans because we see a lot of potential in our core products which are 'tiles' and more importantly we have a lot of spare capacity within our own plants which can get utilized for higher sales and gaining market share so our goal is to focus on maximizing our own capacity utilization, maximize the revenue of our core products 'tiles' and once we have really achieved some comfort there then we can definitely start looking at additional stream of products and you know possibly some diversification. I now handover to our CEO Aditya Gupta to handle the next question.

Mr. Aditya Gupta: Hi Good morning everybody Mr. Sehgal this is to your question on Company's revenue being stagnant. Thanks for the question. Demand for the last two years has

Orient Bell Limited

Transcript of the 47th Annual General Meeting Dated 06th August, 2024

been sluggish. Lot of capacity addition at the industry level has further added pressure on pricing, impacting margins and off take. OBL has historically had 60% plus revenue capacity of its own which as a product category is finding less attraction with the customers. Over the last two years we have modernized our plants to stay competitive and beyond this we have also added more GVT capacities to cater to changing customer preferences with other initiatives including branding and TV commercials under vain products, brand reach and distribution. We have started seeing a better outcome both on wealth volumes and revenue. Thankyou.

Mr. Mahendra K. Daga (Chairman): Well I thank all the shareholders for joining the AGM through VC and making it a success. I also thank all our directors who have joined this Meeting.

The e-voting process will remain open for the next 15 minutes to enable those Members who have not cast their vote and would like to cast their vote and thereafter the meeting will stand concluded.

The results would be announced within two working days of the conclusion of AGM and the same would be intimated to the Stock Exchanges and will also be uploaded on the Website of the Company and NSDL. With your consent, I and other Board Members would like to leave the meeting and request all shareholders a healthy and a very safe future.

Thank you very much.