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**TRANSCRIPT OF**

**28<sup>TH</sup> ANNUAL GENERAL MEETING OF**

**SOLAR INDUSTRIES INDIA LIMITED**

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

Dear valued Shareholders, Directors, Invitees, Ladies and Gentlemen.

A very energized morning and a warm welcome to the 28<sup>th</sup> Annual General Meeting of Solar Industries India Limited.

I'm Khushboo Pasari, Company Secretary and Compliance Officer of the Company. It's 11.30 AM and the time to begin the proceedings for this meeting.

This meeting is being held today through video conferencing, as permitted by the various circulars of Ministry of Corporate Affairs and Securities and Exchange Board of India.

Before I hand over the proceedings to the Chairman of the Board Shri Satyanarayanji Nuwal, to declare the meeting open, I would like to draw attention of the Members to few important points.

I would like to inform you that the proceedings of the meeting will be recorded.

During the meeting, participants would be mute. The joining to this meeting was opened 15 minutes before the scheduled time of the commencement of the meeting, which is 11:30 AM and it will remain open for another 15 minutes after the end of the meeting.

As mentioned in the notice, the facility of participation at the Annual General Meeting through video conferencing has been made available for the Members on a first come, first served basis.

Live streaming of this meeting is being webcast on NSDL's website.

Subsequent to the circular of 8<sup>th</sup> April 2020 issued by the Ministry of Corporate Affairs, the facility to appoint a proxy to attend and cast vote for the members is not available for this AGM.

However, the bodies corporate are entitled to appoint authorized representatives to attend the AGM through video conferencing and cast their votes through e-voting.

The registered office of the Company is situated at Nagpur and shall be deemed as the venue for this AGM and proceedings of the AGM shall be deemed to be conducted at the registered office of the Company.

The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements and other documents as mentioned in the AGM notice has been made available electronically for inspection by the Members during the AGM.

Members seeking inspection of such documents can send their request to [investor.relations@solargroup.com](mailto:investor.relations@solargroup.com).

The Company has registered Speaker Shareholders as per the requests received. Accordingly, the floor will be open to ask questions or express views. It may be noted that the Company reserves the right to limit the number of Members asking questions depending upon the availability of time.

The moderator, CS Jayanee Puranik will facilitate this session once the Chairman opens the floor for question and answers. The shareholder, who have not registered as speaker, would not be allowed to speak and raise queries during the AGM.

For any Technical Support in connection with the AGM, members may contact the helpline numbers mentioned in the notice of the AGM.

With this, I now hand over the proceedings to the Chairman sir, thank you.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Thank you, Khushboo. Good morning, ladies and Gentlemen.

I extend heartiest welcome to each of you present at the 28<sup>th</sup> Annual General Meeting of the Company. Like the previous 3 years this AGM too is being hosted on digital platform. The digital platform enables wider participation of shareholders across the globe.

Khushboo, is there a requisite quorum present for this meeting?

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

Yes, Chairman sir. We have over 50 Members present for the Annual General Meeting, and we can now commence the proceedings of the meeting.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Thank you, Khushboo, the Company Secretary, informed me that we have sufficient quorum of members participating through video conferencing. Accordingly, the meeting is properly constituted, and I call this meeting to order.

Before we start the proceedings of the meeting, I request my colleagues join through audio visual mode to introduce themselves.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Shri Manish Nuwal.

**Shri Manish Nuwal - Managing Director & CEO, Solar Industries India Limited:**

I, Manish Satyanarayan Nuwal, Managing Director and CEO of Solar Industries India Limited, attending this AGM from my office at Nagpur.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Shri Suresh Menon.

**Shri Suresh Menon - Executive Director, Solar Industries India Limited:**

I, Suresh Menon, Executive Director of the Company, hereby attending the 28<sup>th</sup> AGM of Solar Industries India Limited through video conferencing from Nagpur.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Shri Milind Deshmukh.

**Shri Milind Deshmukh - Executive Director, Solar Industries India Limited:**

I, Milind Deshmukh, Executive Director of the Company, hereby attending the 28<sup>th</sup> Annual General Meeting of Solar Industries India Limited through video conferencing from my hotel in Nigeria.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Shri Amrendra Verma.

**Shri Amrendra Verma - Non-Executive Independent Director, Solar Industries India Limited:**

I'm Amrendra Verma, Independent Director of the company and also the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee, attending this Annual General Meeting of Solar Industries India Limited from my current residence in California in USA.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Smt. Sujitha Karnad.

**Smt. Sujitha Karnad - Non-Executive Independent Director, Solar Industries India Limited:**

Hi, I'm Sujitha Karnad, Independent Director of Solar Industries India Limited, hereby attending the 28<sup>th</sup> AGM through video conferencing from Kannur, Tamil Nadu.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Shri Natarajan Ramkrishna.

**Shri Natarajan Ramkrishna- Non-Executive Independent Director, Solar Industries India Limited:**

Hi, I'm Natarajan Ramkrishna attending the 28<sup>th</sup> Annual General Meeting of Solar Industries India Limited through video conferencing from my residence in Bangalore.

Thank you.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Shri Jagdish Belwal.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

There is some technical error.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

OK.

So, in the meantime, Shri Moneesh Agarwal.

**Shri Moneesh Agrawal - Jt. Chief Financial Officer, Solar Industries India Limited:**

Hi, I'm Moneesh Agrawal ,joint CFO of Solar Industries India Limited ,hereby attending the 28<sup>th</sup> AGM through video conferencing from Nagpur.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Smt. Shalinee Mandhana.

**Smt. Shalinee Mandhana - Jt. Chief Financial Officer, Solar Industries India Limited:**

Hi, I'm Shalinee Mandhana, joint CFO of Solar Industries India Limited, attending the 28<sup>th</sup> AGM of Solar Industries India Limited through video conferencing from Nagpur.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

Apart from board members and KMP's, we also have key executives and senior management joining this meeting, we recognize the presence of the statutory auditors, Shri Pramodji Bafna on behalf of S R B C and Company LLP ,joint auditors Shri C.N Rathiji on behalf of Gandhi Rathi and Company, Secretarial Auditor Shri Anantji Khamankar on behalf of Anant Khamankar and Company.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

I would now request CS Khushboo Pasari, Company Secretary and Compliance Officer to take us through the instructions regarding the e-voting process.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

Thank you, sir. The Company has taken all efforts to enable its shareholders to participate through video conference and vote at the Annual General Meeting in a seamless manner. The Company has provided remote e-voting facility to all the persons who were members on 14 June 2023 being the cutoff date to cast the votes electronically on all the resolutions as set forth in the notice.

Members may please note that there will be no voting by show of hands as the resolutions have already been put to vote through remote e-voting and the requirement to propose and second is not applicable.

Members who have not casted their votes yet electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL.

Members can click on the vote tab on the video conference screen to avail this feature. Members are requested to refer to the instructions provided in the notice or appearing on the video conference page for a seamless participation through video conference. In case members face any difficulty, they may reach on the helpline numbers.

Shri Tushar Pahade of M/s T. S. Pahade and Associates, practicing Company Secretaries has been appointed as the scrutinizer to scrutinize the remote e-voting process and e-voting system during the meeting in a fair and transparent manner.

From mining to Defence and space applications, Solar Industries India Limited is catering to the diverse needs of the customers across the globe. Solar is highly energized and confidently poised to drive sustainable value creation for its stakeholders in future.

May I now request our visionary Chairman Shri Satyanarayanji Nuwal to address the members of the Company.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

Namaskar, A very good morning to all of you.

Dear shareholders, it's given me an immense pleasure to welcome you all to the 28th Annual General Meeting of Solar Industries India Limited. It is my honor and privilege to address all the shareholders.

First and foremost, I would like to express my heartfelt gratitude for your unwavering support and dedication, which has been instrumental in our Company's success and growth. Together, we have achieved a remarkable milestone and overcome numerous challenges, and I firmly believe that our collective effort will continue to propel us towards even greater heights.

Let me begin with the energized financial performance of your company. The fiscal year 2023 started as a promising year and ended with record-breaking performance for the Company. Solar consolidated revenue grew at 75% to ₹ 6,923 Crores.

Solar consolidated EBITDA crossed crucial milestone of ₹1,320 Crores, which was 72% up from the previous year.

A healthy operational net profit for the year stood at ₹ 811 Crores, which was a massive growth of 78%. Our order book value stands at ₹ 2,944 Crores.

I am elated to inform you that the Board of Directors has recommended a final dividend of 400% this year compared to 375% in the previous year, which is ₹ 8 per share.

As we reflect upon the past year, it is important to acknowledge the dynamic nature of defence industry. Our relentless pursuit of research and development has enabled us to create cutting edge explosives solutions that meet the rigorous demand of defence organizations. Many more new and innovative products are in various stages of development. A small step but a giant leap in defence production.

Furthermore, our dedication to safety and responsible manufacturing practices has never wavered. We have continued to invest in the state-of-the-art facility, stringent quality control measures and comprehensive training programs to ensure that our operation adheres to the highest industry standard. The well-being of our employees, customers, and environment remains a top priority.

We always focus on health, safety and the environment as an integral part of our business process and a key to our existence. We lay great emphasis on providing hands-on training to our employees at all levels to create awareness of all aspects of safety.

We continue to announce our social engagement as we firmly believe that it is our moral responsibility to provide support to our neighborhoods and to our society at large.

We covered areas such as education school, infrastructure, health and maintenance of ecological balance as these are essential for the health and happiness of our society.

I thank our exceptional solar team of employees who have worked tirelessly to uphold our Company's value and mission. Their expertise, dedication, and passion for excellence has been vital to our achievements. We shall continue to invest in their professional development, recognize their contribution, and empower them.

I would like to express my deepest appreciation for their trust and continued support to our valued customers, both domestic and international. We are committed in providing best products, services, and solution on a global scale that will meet and exceed your expectations.

In conclusion, I would like to reaffirm our commitment to excellence, innovative and safety. We are proud of our accomplishment. Let us embrace the challenges that lie ahead and continue to work together to make a significant difference in the defence sector and ultimately in making our nation self-reliant "atmanirbhar".

Last, but not the least, I thank the directors for their constant guidance and support and all esteemed stakeholders for reposing their faith and confidence in us. Thank you.

I now request and authorize the Company Secretary to provide a summary of the Auditor's Report.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

Thank you, sir. The statutory auditors, SRBC and Company LLP, M/S Gandhi Rathi and Company (joint auditors) and secretarial auditor Shri Anant Khamankar ji has expressed unqualified opinion in respective audit reports for the financial year 2022-23.

There were no qualifications, observations, or adverse comments on financial statements and matters which have any material bearing on the functioning of the Company. The statutory auditor's report on standalone and consolidated financial statements are available at page numbers 179 and 249 of the Annual Report.

The secretarial auditor report is enclosed as an annexure B1 to the Board's report on page number 109 of the Annual Report.

Thank you.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

As the notice is already circulated to all the members, I take the notice convening the meeting as read.

With the permission of the members. We will now take up the resolutions by calling of the brief description of it and take resolution as read. The statement annexed to the notice in connection with the special business contains the objectives for which the resolution are proposed to be passed.

We will open the floor for any question by members after all the resolutions are tabled. Now let us take the agenda items.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

Thank you, sir. In terms of the notice of the 28<sup>th</sup> Annual General Meeting, the following items are to be considered at this meeting.

Let us take the ordinary business item number 1, 2, and 3 of the notice have been proposed as an ordinary resolution.

To proceed with the first item on the agenda as per the notice is to consider and adopt the audited financial statements both standalone and consolidated as of 31<sup>st</sup> March 2023, the profit and loss account as on that date and the report of Board of Directors and Auditors thereon.

The Company's accounts for the year ended March 31<sup>st</sup>, 2023, along with the Directors and Auditor's report, a letter to the shareholders and the Management Discussion and Analysis report were circulated to all the members of the Company.



As there were no qualifications, observations, or adverse comments on the financial statements or any other matters which have material bearing on the functioning of the Company. With the permission of the chair, I would like to take them as read.

The second item on the agenda as per the notice is to declare a final dividend on equity shares for the year ended March 31<sup>st</sup>, 2023. The board of directors has recommended a final dividend of ₹ 8 per equity share. That is 400% of the face value.

The third item on the agenda, as per the notice, is to appoint Shri Milind Deshmukh who retire by rotation as a director.

Now we'll consider the special businesses. Item number 4 and 9 have been proposed as an ordinary resolution and items number 5, 6, 7, and 8 of the notice have been proposed as special resolutions.

The fourth item on the agenda, as per the notice, is the reappointment of Shri Suresh Menon as a Whole Time Director of the Company for a period of two years and revision in terms of his remuneration.

The fifth item on the agenda, as per the notice, is the reappointment of Smt. Sujitha Karnad as a Non-Executive Independent Director the Company for a period of three years.

The sixth item on the agenda, as per the notice, is to alter the Articles of Association of the company.

The seventh item on the agenda, as per the notice, is to increase in the limits of borrowings of the company from ₹1500 crores to ₹ 3000 crores as per section 180(1)(c) of the Companies Act 2013.

The agenda number eight as per the notice is to increase the limits of providing security from ₹ 1500 crores to ₹ 3000 crores under Section 180(1)(a) of the Companies act 2013 in connection with the borrowings of the company.

The ninth item on the agenda as per the notice is to ratify the remuneration of Cost Auditors for the financial year ending on March 31<sup>st</sup>, 2023.

All the agenda items, as per the notice have been placed before the shareholders.

Over to you chairman, sir.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited:**

We have one shareholder who have registered himself for the question-and-answer session. Before we commence the session, I request Khushboo Pasari, Company Secretary and Compliance Officer to share a few guidelines for the question-and-answer session.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

The question-and-answer session will be anchored by CS Jayanee Puranik and she will call the pre-registered speaker shareholder to speak.

Members are requested to turn on your video when you are projected on the broadcast screen. Kindly unmute yourself and proceed to ask a question.

Members are also requested to introduce themselves by mentioning their name, Folio number and the location from where you are joining.

Members are requested to restrict their questions to two minutes. Once you have asked the question, you can log off and continue to watch the proceedings.

Members may also note that the Company reserves the right to limit the number of members asking questions depending upon the availability of time.

Over to you CS Jayanee Puranik.

**CS Jayanee Puranik (Moderator) - Solar Industries India Limited:**

Thank you ma'am. Good morning, all, I CS Jayanee Puranik. I will call the name of Pre-registered speaker shareholder. Our registered speaker shareholder is Mr. Saurabh Jain, sir, you are now being unmuted and placed in the meeting. Please start your video and please ask the question.

**Mr. Saurabh Jain:**

Good afternoon, sir. Hello? am I Audible? Audible? Yeah. Yeah. Good afternoon.

Sir I had few questions on the defence side of the business. So my first question is on the multi mode grenade product which we have. So if you can talk about that what percentage of that product is indigenized as of now, and do we also manufacture the fuse part, which I think is one of the essential part to it.

And if you can talk about what is the requirements of Army per year of such product and are we also supplying to other agencies like CRPF and all those places? Then there's a sir. So we are providing multi-mode hand grenades. Then there is this grenade launcher. So are we also planning to enter that? Are we already manufacturing that? If you can talk about that product. These are the first set of questions.

Next set of questions is on the other products. So if you can update on we have been working on this MS one and two. So if you can give any update on it, when do we expect the trials of the same product?

Next question is on the counter drone system. So it was good to know that the CDS visited our

facility and I think sir had displayed that a very small motor also. So if you can talk about if it is a hard kill or a soft kill drone system, anti-drone system we are developing and what can be the opportunity size and when do we see some revenues of this product?

Next set of questions is on this. We also recently inaugurated a facility of this basically to test the shelf life of ammunition. So is it for only internal purpose or will outsource basically will allow other players to also do their testing. And if you can talk about how big this opportunity can be for the Company.

Next is on the Nagastra, So we recently receive the orders and congratulations on that. So are we expecting to book the revenues this year or it'll go in next year if you can talk about the same and any other loitering ammunition, which we are working on if you can talk about the same.

Next on the space part, again, a very interesting prospector for the Company. I believe we are working on the motors part PSMO Excel. So if you can talk about the opportunity here for the Company currently and any other products we are looking at. Finally, sir, on the order book which we have around ₹1100 crores, if you can split it between say, multilateral Pinaka and other systems and we have talked about the vision of the Company to increase, turn, increase the defense turnover to 2X. So, this will mostly come from Pinaka only is my understanding correct if you can talk about the same. So yeah, these are the questions from my side. Thank you.

**Shri Manish Nuwal - Managing Director & CEO, Solar Industries India Limited:**

So thank you for asking the questions. The first thing which you have asked is about the multimode hand grenade. So definitely what we have said earlier also and various forum, this product is a 100% indigenous and we are proud of that. As far as the requirement of Army for the future requirement is concerned, we are yet to receive the request for quotation or request for participation of these products. And as in when we receive any RFP or when we received an order, we will definitely share with all our esteemed shareholders.

And as far as the requirement from CRPF is concerned, the requirements are pretty smaller compared to the requirement of Army and we are definitely supplying, and we are considering supplying to CRPF.

As far as grenade Launcher is concerned, we are still working on these products and nothing concrete has happened and the few products like MS one, MS two and Counter Drone System is concerned. We have offered these products to the end users, and we are yet to receive the final specifications. Once we receive these specifications, we will further develop these programs. And you asked about the programs or the facilities like Lifetime Assessment Center. Definitely these facilities which we have created is to test the life of the ammunition and these facilities can be used for the outside customer also.

And as far as Nagastra is concerned, we have received an order and we are expecting the supplies to be completed in next one year's time. This is as per the RFP conditions, and we are definitely working on developing products for space applications. We have received orders

from ISRO and Skyroot and we have been supplying them and as and when it happens, we will definitely share the mode update on that. As far as Pinaka is concerned, the final round of trials is in process, and we are expecting those trials to be completed in next couple of months. And once those trials are over, we are likely to get the tenders and we will share with you.

Thank you.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

Thank you, sir. Members may note that the Company has answered all the questions raised by Mr. Saurabh Jain.

The voting at NSDL platform will continue to be available for the next 15 minutes from here. That is around 12.17 PM. Therefore, members who have not casted their votes yet are requested to kindly cast their valuable votes. Over to you Chairman, sir.

**Shri Satyanarayan Nuwal - Chairman, Solar Industries India Limited: -**

I hereby authorise Smt. Khushboo Pasari the Company secretary, to declare result of the voting and place the result on the website of the Company within 2 working days of conclusion of AGM, and on, or before 23<sup>rd</sup> day of June 2023. The resolution as set forth in the notice, shall be deemed to be passed today, subject to receipt of requisite number of votes.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

We had around 50 members participating in 28<sup>th</sup> Annual General Meeting. Thank you all for attending meeting. I hereby declare the proceedings as closed. Thank you very much and see you next year.

**CS Khushboo Pasari - Company Secretary, Solar Industries India Limited:**

With the permission of chair. Let's close this meeting for 15 minutes. You can continue voting. We'll wait for 15 minutes for the members. Thank you. Thank you everyone for attending the 28<sup>th</sup> Annual General Meeting of Solar Industries India Limited. Thanks for the valuable participation.

**Shri Manish Nuwal - Managing Director & CEO, Solar Industries India Limited:**

Thank You. Thank you very much. Thank you.