

TRANSCRIPT OF THE 30TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON AUGUST 28, 2021 AT 11.00 A.M.

Ladies and Gentlemen, Good Morning, It is 11.00 A.M. time to start the meeting.

It is my pleasure to welcome you all for the 30th Annual General Meeting of the Company. This meeting is held through Video Conferencing and Other Audio Visual Means due to the Lockdown on account of COVID-19. This is in compliance with the circulars issued by the Ministry of Corporate Affairs and the Government of India. The Company has taken all effective steps to ensure that the shareholders are provided the opportunity to participate in the AGM and vote. Adequate video conferencing facility for conducting the proceedings of this meeting has been provided. The requisite quorum is present and therefore, I call the meeting to order.

The Register of Directors and KMP's and their shareholding and Register of contracts or arrangements in which Directors are interested are available. Members who wish to access the specific inspection documents kindly drop the request mail to marikannanv@nagamills.com.

I now call all the Directors who are in the video conference to introduce themselves.

1) Mr. Irudayaraj - Good Morning, this is L.A. Irudayaraj, Independent Director joining the AGM from Chennai and I am also the Chairman of Audit Committee.

2) Dr. K. Venkatachalam - Good Morning, this is K. Venkatachalam, Independent Director joining the AGM from Dindigul and I am also the Chairman of CSR Committee.

3) Mr. S. Ramesh - Good Morning, this is S. Ramesh, Independent Director joining the AGM from Dindigul and I am also the Chairman of Stakeholders Relationship Committee.

4) Mr. S. Neelakantan – Good Morning, this is S. Neelakantan, Independent Director joining the AGM from Chennai.

5) Mrs. Mageswari Kannan - Good Morning, this is Mageswari Kannan, Joint Managing Director joining the AGM from Dindigul.

6) Mr. Sounder Kannan - Good Morning, this is Sounder Kannan, Whole-time Director joining the AGM from Dindigul.

7) Mr. D. Vijay Anand -Good Morning, this is D. Vijay Anand, Technical Director joining the AGM from Dindigul.

All the Directors of the Company are present at this meeting. Sri. T.R. Sivaraman, Chief Financial Officer, Sri. V. Marikannan, Company Secretary and the representatives of the Statutory Auditors and Secretarial Auditors are also present at this meeting.

Ladies and Gentlemen, the Notice dated 28.05.2021 convening this AGM and a copy of the Annual Report for the FY ended 31st March, 2021 has already been circulated to the members of the Company electronically.

With your permission, I shall take them as read.

The Auditors Report on the Standalone and Consolidated Financial Statements and the Secretarial Audit Report of the Company for the FY ended 31st March, 2021 do not contain any qualification, reservation, adverse remark or disclaimer. Accordingly, the reports are not required to be read out as provided in the Companies Act, 2013.

Now, with your permission, I wish to present the highlights of the year 2020-21. The Chairman's speech is already annexed in the Annual report and assuming the Shareholders had a glance on the report now I only narrate the synopsis.

Despite various vagaries faced, we could complete the year with a reasonable performance. The year 2020-21 will be marked as an extraordinary year; one that required everyone - communities, businesses, governments and society at large to step up to the pandemic and ensuing challenges. Despite being in difficult and volatile circumstances on numerous occasions this year, Naga Team too rose to the occasion and fought every battle with passion and spirit.

One year into the COVID 19 pandemic, even though the accumulating toll continues to raise concern as growing vaccine coverage lifts sentiments. High uncertainty surrounds the global economic outlook, primarily related to the path of the pandemic. The contraction in activity in 2020 was unprecedented in living memory in its speed and synchronized nature. But it could have been a lot worse. Although it is difficult to pin down precisely, IMF estimates suggest the contraction could have been three times as large if not for extraordinary policy support.

I am glad to inform you that your Company has achieved a turnover of Rs. 1506.63 Cr during the year as compared to Rs. 1003.30 Cr achieved during the corresponding previous year. The major increase in turnover is attributable to the change in the operating parameters of Hindustan Unilever since December 2019 in which as against conversion model the operation got changed to full production and sales. The combined production of all units of your Company reached to 5.82 Lakhs MT during the year under review.

Despite the various difficulties and problems encountered on account of the pandemic, the Cash Profit, Profit before Tax got increased. As informed by me in the earlier year's report, the creation of exclusive R&D division, which started working in the last two years will assist your Company to consolidate the turnover and profitability in the years to come.

The profit after tax for the current year got reduced marginally as compared to the last year on account of write back of deferred tax.

DIVIDEND POLICY:

Taking into consideration the continuity of the pandemic situation and the necessity felt by the Board of Directors to conserve funds for future growth and expansion, your Board of Directors felt that the interim dividend of Re. 1/- per Equity Shares of Rs. 10 each (PY- Re. 0.80/- per Equity Shares - final dividend) declared in Jan 2021 will be considered as the final dividend for the financial year 2020-21. Accordingly, the Board of Directors did not recommend any further dividend for the year under review.

VOLUNTARY DELISTING:

The Equity Shares of the Company has been delisted from the Capital Market Segment of Metropolitan Stock Exchange of India Ltd w.e.f. April 16, 2021 vide notice number MSE/LIST/10267/2021 dated March 31, 2021.

In order to have greater flexibility in restructuring the Company as and when required, the Promoters/Promoters group opted for delisting.

Now, Chairman took over and continued with the meeting.

I wish to thank all our Directors for joining the meeting and now I authorise Sri. V. Marikannan, Company Secretary to conduct the voting procedure and conclude the meeting. The evoting facility will remain open for the next 15 minutes to enable those of the members who have not voted or casted their vote. The results will be announced on or before 30th August, 2021 and the same will be uploaded in the website of the Company and CDSL. Now, the meeting got concluded and all the persons who have joined the video conference may leave the conference. I wish all of you a healthy and safety future.

I thank all the Shareholders of the Company for their continued support to the Company at all points of time.

I extend my heart felt thanks to all my colleagues on the Board both executive and independent directors for their excellent guidance, support and encouragement to run the Company at critical times.

I am very much thankful to employees at all levels of the Company whose contribution helped the Company to achieve best results.

I convey my thanks to Customers, Suppliers and Service Providers for their best support and cooperation.

My thanks are equally due to various departments of Central and State Governments and Banks.
