

SIL INVESTMENTS LIMITED
“87th Annual General Meeting”
August 31, 2021
11.00 a.m. to 11:32 a.m.
TRANSCRIPT

Lokesh Gandhi - Company Secretary:

Dear Members, Good Morning, I welcome you all to the 87th Annual General Meeting of SIL Investments Limited.

The time is 11.00 a.m. and it is now time to commence the proceedings of the meeting.

Due to Covid-19 pandemic the Ministry of Corporate affairs (MCA) and the Securities and Exchange Board of India (SEBI) vide their respective circulars, have allowed companies to hold the Annual General Meeting through Video Conferencing or Other Audio-Visual Means during calendar year 2021.

I have been informed based on registrations received from Members for this meeting that the requisite quorum is present.

I now request Mr. C. S. Nopany, Chairman to commence the proceedings.

C. S. NOPANY:

Good Morning and welcome to the 87th Annual General Meeting of your Company.

Let me introduce my colleagues on the Board who have joined this meeting through video conferencing:

1. Mr. Sanjay Goenka, Chairman of Audit and Nomination and Remuneration Committee, and Member of Corporate Social Responsibility Committee.
2. Mrs. Shalini Nopany, Member of the Corporate Social Responsibility Committee.

3. Mr. Abhrajit Dutta, Member of the Audit and Nomination and Remuneration Committee.
4. Mr. Shrikant Mantri, Member of the Audit, Nomination and Remuneration, and Stakeholders Relationship Committee.
5. Mr. Brij Mohan Agarwal, Member of the Stakeholders Relationship Committee.

We also have among us Mr. Vikas Baheti, Chief Financial Officer, Mr. Sajal Goyal, representing our Statutory Auditors M/s. JKVS & Co., Chartered Accountants, Mr. Rajendra Chouhan, representing our Secretarial Auditors M/s. R. Chouhan & Associates and Mr. Mihen Halani, representing M/s. Mihen Halani and Associates, Practicing Company Secretaries who is the Scrutinizer for this meeting. They have joined this meeting through VC from their respective locations.

I now commence the proceedings of this meeting as contained in the Notice dated 12th May, 2021.

Since the meeting is through electronic means, no proxies are allowed to attend the meeting.

The documents and other statutory registers can be inspected by sending a request on the email ID: investor.greivances@silinvestments.in

The year 2020-21 has been challenging for each one of us. The Covid-19 pandemic has had a significant impact on lives, livelihoods, and the business. With the onset of the pandemic and lockdown restrictions on economic activity, the Gross Domestic Product ('GDP') has declined by around 8% in financial year 2020-21 as against a growth of 4.0% in financial year 2019-20. While the full impact of the COVID-19 lockdown was felt in the April-June quarter, the worst may have been avoided with a faster than expected recovery in the July-September quarter.

The Union Budget 2021 has focused on providing a major boost to health care sector and infrastructure building. There is also a strong message towards gaining people's confidence and trust through focus on six pillars - health and well-being, physical and financial capital and

infrastructure, inclusive development for aspirational India, reinvigorating human capital, innovation, research and development and minimum government and maximum governance.

As per Reserve Bank of India report, the year 2019-20 marked a significant moderation in NBFCs' financial performance, after double digit balance sheet growth in the previous three years. A challenging macroeconomic environment, weak demand compounded by risk aversion, liquidity stress and the default by some major companies resulted in a substantial deceleration in asset growth in 2019-20. The impact was particularly pronounced for Systematically Important, Non Deposit Taking NBFCs. In view of the pandemic as well as to maintain adequate liquidity, NBFCs increased their cash and bank balances significantly during the year, which was marked in the case of Deposit taking NBFCs. In 2020-21 up to September, balance sheet growth of NBFCs, especially that of Systematically Important, Non Deposit Taking NBFCs , gained traction due to pick-up in loans and advances and base effect.

In order to mitigate the impact of COVID-19, the RBI allowed lending institutions to grant a moratorium on payment of instalments of term loans due between 01st March, 2020, and 31st May, 2020, which was later extended till 31st August, 2020. NBFCs also extended the benefit to their customers. Amongst the sectors NBFCs lent to, MSMEs availed of the scheme the most. Other categories like individuals witnessed a reduction in the share of customers, while corporates registered a fall in amount of loans under moratorium between April and August 2020. Overall, the percentage of customers availing the moratorium has been relatively lower for NBFCs, while loans outstanding under moratorium were higher than those extended by scheduled commercial banks.

During the year under review, your Company has earned income in the form of rent, interest on ICD lending activity, dividends and profit on sale of investments. The Company's core business remains investments and commercial finance. The Company will extend the business further by leveraging its resources after identification of promising investment opportunities. The operating profits were preponderantly contributed by the core businesses. The Board of Directors are

pleased to recommend a dividend of Rs. 2.50 per share for the year ended 31st March, 2021 to the Members.

The outlook for the coming financial year continues to remain uncertain, with the COVID-19 situation. Apart from agriculture, health care and related activities, most other sectors of the economy have been adversely impacted by the pandemic and are expected to show de-growth. As the Company's present business operations are preponderantly that of an investment company, the future largely depends upon financial and capital markets. However, your Company has investments in debt instruments (including through mutual funds), financially sound companies and has immovable properties in various states. Hence, any financial and capital market impacts due to COVID-19 pandemic are not considered to have material impact on these investments. The income from the advances and lending business will continue to contribute to the overall business of the Company.

The management is optimistic about the future outlook of the Company. The Company will expand its activities, consistent with its status as a NBFC.

Thank you.

The Annual Report and the Notice convening the 87th Annual General Meeting has already been sent through electronic means. With your permission I shall take it as read.

The Statutory Auditor's Report's on the Company's standalone and consolidated financial statements for the financial year 2020-21 are unqualified. With your permission I take the reports as read.

I now request the Company Secretary to read out the proceedings.

Company Secretary:

Thank you Chairman Sir. The Company had provided the facility of remote e-voting to Members for casting their votes on the resolutions set-out in the Notice convening this AGM. The e-voting facility was made available to Members from 9.00 a.m. on Saturday, 28th August, 2021 till 5.00 p.m. on Monday, 30th August, 2021.

Electronic voting facility has been made available during the proceedings of this meeting to enable Members, who have not cast their votes through remote e-voting to exercise their voting rights. The e-voting window shall be activated upon instructions by the Chairman during the AGM proceedings.

Mr. Mihen Halani, representing M/s. Mihen Halani and Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to oversee the e-voting process.

Members who have already voted through remote e-voting shall not be eligible to participate in the voting today. However, they can continue to participate in the AGM.

The results of the voting will be declared within 48 hours based on the Scrutinizer's Report and the same will be published on the Company's website and uploaded on the websites of National Stock Exchange of India Limited and BSE Limited. Thank you. I now request Chairman Sir to continue with the proceedings.

C. S. NOPANY:

With the permission of the Members, I now move the resolutions contained in the Notice of this AGM.

Since this meeting is through electronic mode, Members will not have the opportunity to propose or second the resolutions. Combined results of remote e-voting and e-voting during the meeting on resolutions, will be considered for approval of the resolutions.

The votes of promoters shall not be counted for the purpose of resolution at item no. 5, as the item pertains to a Related Party Transaction.

First item of the Notice is to receive, consider and adopt the standalone Audited Financial Statements of the Company as at 31st March, 2021, together with the Reports of the Auditors and Directors thereon. The following ordinary resolution is proposed:

"RESOLVED THAT the Standalone Audited Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended 31st March, 2021 along with schedules and notes thereto and the Reports of the Auditors and Directors be and are hereby approved and adopted."

Second item of the Notice is to receive, consider and adopt the consolidated Audited Financial Statements of the Company as at 31st March, 2021, together with the Reports of the Auditors thereon. The following ordinary resolution is proposed:

"RESOLVED THAT the Consolidated Audited Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended 31st March, 2021 along with schedules and notes thereto and the Report of the Auditors be and are hereby approved and adopted."

Third item of the Notice is declaration of Dividend. The Board of Directors have recommended a dividend of Rs. 2.50 per share for the financial year 2020-21. The following ordinary resolution is proposed:

"RESOLVED THAT Dividend of Rs. 2.50 per share for the year ended 31st March, 2021, as recommended by the Board of Directors of the Company, on 1,05,95,860 equity shares of Rs.10/- each, be and is hereby approved and the same shall vest in, and distributed amongst those Members, whose names appeared on the Company's Register of Members at the close of business hours on Monday, the 30th August, 2021 or to their order or to their Bankers and also to the beneficial owners of equity shares held in electronic form as per the details furnished by the Depositories for the purpose."

As I am interested in item nos. 4 and 5 of the Notice, I request Mr. Brij Mohan Agarwal, Director of the Company to Chair the remaining items.

BRIJ MOHAN AGARWAL:

Fourth item of the Notice is regarding the appointment of Mr. C. S. Nopany who retires by rotation and being eligible for re-appointment. The following ordinary resolution is proposed:

"RESOLVED THAT Mr. C. S. Nopany (DIN - 00014587), Director of the Company who retires by rotation at this Annual General Meeting and who being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

Fifth item of the Notice is regarding the Power to enter into loan contracts, arrangements, transactions which are deemed to be material related party transactions with entities, qualified corporate bodies within the overall limit prescribed. The following ordinary resolution is proposed:

"RESOLVED THAT in compliance with and subject to the provisions of the Companies Act, 2013 and the rules framed thereunder and the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into loan contracts / arrangements/ transactions, deemed to be "Material Related Party Transactions", with entities / qualified corporate bodies from time to time, within the overall limit prescribed in the Explanatory Statement hereto.

RESOLVED FURTHER THAT the aforesaid authorization shall be deemed to include / shall extend to all such transactions deemed as "Material Related Party Transactions" consequent to orders of any Court, Tribunal, Regulatory Agency, etc. acting under authority of law.

RESOLVED FURTHER THAT the Board is hereby authorized to do, perform, or cause to be done all such acts, deeds, matters and things as may be incidental, necessary or desirable to give effect to the above resolution.

RESOLVED FURTHER THAT the Board is hereby authorized to delegate all or any of its powers conferred by the above resolutions to any Director or Directors or to any Committee of Directors or any other officer or officers of the Company to give effect to the aforesaid resolution.”

Now I request Mr. Nopany, Chairman to again Chair the meeting.

C. S. NOPANY:

We have not received any queries from Members pertaining to the AGM.

The e-voting window shall now be activated for allowing the Members to vote during the AGM. Members are requested to vote by selecting EVEN: 116640 on your screen.

The Members who have not yet voted may cast their vote now.

The e-voting will end within 15 minutes from the end of this meeting.

All questions and queries received during the meeting will be responded to via email in the next couple of days.

On behalf of the Board of Directors and on my behalf, I would like to express my sincere appreciation for the continued co-operation, support and confidence reposed by all stakeholders in the Company. I am sure your Company shall continue to receive your all round co-operation and support in future also.

I thank you for taking out time to attend this meeting.

I now declare the proceedings of this meeting as closed.

Thank you!