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PTL Enterprises Limited

“63rd Annual General Meeting”

July 24, 2024

**Management:** Mr. Onkar Kanwar– Chairman

Mr. Neeraj Kanwar – Non–Executive Director

Mr. B.K. Singh – Independent Director

Mr. Harish Bahadur – Non–Executive Director

Mr. Sunil Tandon – Independent Director, Chairman of the Audit Committee

Mr. U.S. Anand – Independent Director

Mr. Tapan Mitra – Independent Director, Chairman of Nomination & Remuneration Committee

Ms. Sonali Sen – Independent Director

Mr. Ranganayakulu Jagarlamudi – Independent Director

Mr. Amarjeet Kumar – CFO

Mr. Pradeep Kumar – Company Secretary

**Moderator:** Dear members of PTL Enterprises Limited, good afternoon and welcome to the 63rd AGM of the company held through VC. For the smooth conduct of the meeting, members will be in the mute mode. For members who had pre-registered to speak at the meeting, the audio and video will be open when they have to speak. Please note that as per the requirements, the proceedings of the AGM will be recorded and the transcript will be available on the company's website. The statutory registersm required to be there during the AGM for inspection, are available on the NSDL website. Now let me hand over to the Chairman, Mr. Onkar Kanwar.

**Onkar Kanwar**: Thank you and good afternoon and good morning to dear members. As the requisite quorum is present, I declare the meeting as validly convened. Let me now introduce the Board Members. Neeraj Kanwar, Non-Executive Director. Mr. B.K. Singh, Independent Director. Mr. Harish Bahadur, Non–Executive Director. Mr. Sunil Tandon, Independent Director and Chairman of the Audit Committee. Mr. U.S. Anand, Independent Director. Mr. Tapan Mitra, Independent Director, Chairman of the Nomination & Remuneration Committee. Ms. Sonali Sen, Independent Director. Mr. J Ranga, Independent Director. Amarjeet Kumar, CFO. Pradeep Kumar, Company Secretary and the representative of the statutory auditor and secretarial auditor all attending the meeting.

**Moderator:** Thank you Chairman. We request Chairman to address the members.

**Onkar Kanwar:** Good afternoon ladies and gentlemen. It gives me a great pleasure to welcome you to the 63rd Annual General Meeting of PTL Enterprises Limited. I sincerely hope that you and your families are in good health and spirits. I am thankful to you for the confidence and the support to the management and sharing your valuable time by joining us. The company's integrated annual report for the year ended March 31st 2024 along with the Board’s and Auditor’s report have already been circulated to you. With your permission, I would like to take them as read. Indian economy grew by 8.2% for the year 2024. This surge marks an improvement from 7% growth recorded in the preceding fiscal year, showcasing resilience and strength of the Indian economy amidst evolving global dynamics. The robust performance of the manufacturing and construction sectors fuelled India’s GDP growth with double-digit expansion in manufacturing and solid growth in construction activity. However, the agriculture sector contracted, attributed to poor monsoon conditions and El-Nino impact. The country saw improved capital flows to bolster private investment. The tyre industry plays a pivotal role in the automotive sector particularly in the original equipment manufacturers segment. Additionally, the replacement segment’s performance is closely tied to the overall economic activity within the country. According to data from the Automotive Tyre Manufacturers Association, the industry witnessed a modest growth of 4% over a six-month period from April 2023 to September 2023. Notably, scooter and motorcycle tyre categories emerged as the frontrunner boasting growth at rate of 9% and 7%, respectively. During the current year ended March 31st 2024, your company recorded a total income of Rs. 69.91 Crores as compared to Rs. 68.53 Crores during the previous year ended March 31st 2023. Net profit after tax for the period is Rs. 23.56 Crores, which is slightly higher than previous year which was 23.27 Crores. As I informed in the previous AGM that the honourable Supreme Court has held a lease income received by the Company from Apollo Tyres as liable to be taxed under income from other sources and not under the head of business income, consequently disallowed deduction of certain business expenses. In continuation to the above, Kerala High Court had referred the matter back to the Income Tax Department for the year 2013 and 2014. The Income Tax Department has held the matter against the company. We have filed an appeal against the matter to higher tax authorities. On prudent basis, the company has made additional income tax provision of Rs. 16 Crores in the current year financial for the mentioned two financial years. Detailed note in this regard is also mentioned in the company’s annual report. Your directors have recommended final dividend of 175% i.e. Rs. 1.75 per equity share for the financial year 2023-2024. The dividend will be paid within the stipulated time to all the shareholders. You will be glad to note that value of your company’s equity holding Apollo Tyres shares as of March 31st 2024 was 501 Crores as against the investment of 180 Crores. Your company also received a dividend income of 4.83 Crores from ATL on the investment during the year 2023-2024. I am pleased to state that PTL is committed to work towards the development of society even before it became mandatory for corporates under Companies Act 2013, the company's CSR policy is aligned with national development goals as well as sustainable development goals to benefit the larger population. All the CSR work is being implemented through Apollo Tyres Foundation with close monitoring and guidance of the CSR committee. CSR team work dedicatedly at ground to achieve the overall goals and set targets. In the reporting year, the company has undertaken various initiatives via Apollo Tyres Foundation related to solid waste management, sanitation programme for communities, livelihood for underprivileged rural women and biodiversity conservation. Additionally, under local initiatives the company continued its support for the watershed management related projects potable drinking water solution and pond conservation. The company has spent 1 Crores in the financial year 2023-2024 for CSR activities. I would like to conclude by thanking each one of you for your support that we continue to receive from the stakeholder’s, central government and state government. I wish all the best for your health and continued well-being. Stay safe. Thank you.

**Moderator:** Thank you. We now request the Chairman to proceed with the agenda.

**Onkar Kanwar:** Thank you. Objective and implication of the resolutions. First resolution is notice along with the board report and audited financial statement have already been sent to the members. I take them as read. Auditor report on financial statement, sectorial audit report of the company for the financial year ended 31st 2024 do not contain any qualification, reservation, adverse remarks or disclaimer. Accordingly, the reports are not required to be read out as provided by the Companies Act. Now I will explain the objective and implication of each item of the notice. Number one, relates to the adoption of the audited financial statements, report of the board, auditor and there on, by the members of the company. After your approval, the same will be taken on record. Item number three, relates to the declaration of dividend to the members. Board has recommended a final dividend of Rs. 1.75 per equity share, which has to be approved by the member. After your approval, they will be made in a stipulated time. Item three relates to the appointment of Mr. Harish Bahadur, who is retiring by rotation. After your approval, he will be reappointed. Item number four relates to the appointment of Mr. J Ranga as Independent Director. After your approval, he will be appointed as an Independent Director for a period of five years from February 7th 2024 to February 6th 2029. Being interested, I request Mr. Sunil Tandon to explain the objective and implication of item number five.

**Sunil Tandon**: Thank you, Chairman and good afternoon members. Item number five relates to fixation of tenure of Mr. Onkar Kanwar as a Non-Executive Director designated as Chairman for a period of five years with effect from 14th May, 2024. After your approval, tenure of Mr. Onkar Kanwar as Non-Executive Director designated as Chairman will be fixed for five years. Now I request the Chairman to kindly take over.

**Onkar Kanwar:** Thank you, Sunil. All item numbers one to five of the notice have been voted by the members through remote e-voting from July 21st to July 23rd 2024. The members present at the meeting who have not done remote e-voting can now cast their votes using e-voting platform of NSDL. M/S RSMV & Company Practising Company Secretary will act as the scrutinizer for the voting process. I request for the question from the speaker who are registered their name.

**Moderator:** Thank you. Ladies and gentlemen, we will now begin the question and answer session. We take the first question from the line of Ruchika Chopra. I request you to please unmute your connection and you may ask your question.

**Ruchika Chopra**: Hi good afternoon respected Chairman Sir and Board Members. First of all, it is my honour and my pleasure to see you all on screen again. Sir on behalf of all the shareholders, I would like to extend my greatest gratitude towards you and we are thankful to you for being leader of the company. And because of you, our company has done impressive progress in the last past years. Sir your ability to navigate the company in market conditions and seizing opportunities out of it, really grateful and thankful. Sir over the last past years, our shareholders' wealth have been doubled. And that may be through your initiatives like share splitting and consistent dividend payments. There is one request if you can just pay interim dividend also along with final dividend on half-yearly basis. I had questions regarding tax liability which I had forwarded to your team and thank you to all who have replied me also before time. Thank you so much. Sir I would like to request you and Neeraj Sir as you are on Board of Apollo Tyres also, if we can increase the income of our company, if you can increase little lease rentals out of that, that will be really grateful for us. And thank you so much for giving me opportunity to speak out here and thank you so much.

**Onkar Kanwar:** First of all I would like to thank you very much for raising such questions. I think as far as the dividends are concerned, you would be happy to note when the company got demerged, so you got also the shares of Artemis then also the share price has gone up almost over Rs. 215. And at the same time, you will get dividends from Artemis as well as the share from here. So you are getting advantage of number two, you are getting shares. At the same time, you are getting dividend from two companies. So therefore, you see, as far as the tariff is concerned, this is the best we could do. And we have always the interest of shareholders and whatever best can be done that is being done in the interest of the shareholder.

**Moderator:** Thank you, Chairman. Chairman, to avoid repetition, we will be taking all the questions at the start and we will respond to them towards the end. Thank you. We will take our next question from Mr. Rangan D. Your line is unmuted and you can ask your question now. Please restrict your questions to a time limit of one to two minutes. We will wait for a moment while Mr. Rangan D unmutes his connection. Mr. Rangan D could you please unmute your audio?

**Rangan D**: Good evening Sir. Mr. Onkar Kanwar. I congratulate you personally for the excellent market capitalization and wealth created for the shareholders by giving two shares of Artemis. It goes a long way and rewarding only long-term shareholders, I appreciate that. Coming back to the question your net cash flow was only 42 Crores to 21 Crores okay. Second point, IT demand what you explained from 2013 to 2020 page 83, it comes to about 107 Crores that you have made a provision of 16 Crores this year like that, something you were telling. Can you just explain more detail about that? And legally, see our company is spending more than 15 Crores on the power and you are giving a dividend of 22 Crores. And with that, cannot you make something like windmill or something like that, perhaps this one you can do that. We are paying 20% dividend now. No dividend exception is there. Now we can create wealth, because having demonstrated that you have created wealth for us, you can further create wealth, by acquiring more overall shares or going for the windmill so that the 15 Crores you are paying, you can reduce that and all these things you can do, you can just work out. That is what my sincere request. On page 69, you have made a web link for only two related transaction for this one.

I would like to know why you have not done for the annual return, where we can also see the list of shareholders something like that, if it is there, mention what is the page number. I appreciate the company for the excellent win demonstrated very well and thank you for that. How to avoid, I mean, legally avoid what I am trying to tell you that because you are paying tax every year 13.75 Crores to 14 Crores. So over a period of next four years of something like that, you can think about that because we are paying for the power bill also 15 Crores. You can just think on that line because I am an individual, okay. I am not declaring dividend also. Now buyback is also stopped in the company. I mean the government officers are not user friendly, then naturally you have to find out ways how to enrich the shareholders side. Thank you.

**Onkar Kanwar**: Should we answer this or should we take all the questions together?

**Moderator**: Sir, to avoid repetition, we will respond towards the end. Thank you. We will move to our next Speaker Member. Speaker number three is Mr. Manish Sohal, who would like to ask a question on audio. Sir we have sent you a prompt to unmute your microphone. Please ask your question and please limit your questions to one to two minutes. Thank you.

**Manish Sohal**: Thank you good afternoon everyone. Thank you first of all for giving me the opportunity to speak at the AGM and share my perspective. I would like to take this opportunity and this moment to discuss this CSR of the company. Chairman Sir, I command your proactive decision to voluntarly adapt the BRSR in the company, which shows the commitment towards the societal welfare and stakeholder. While the CSR efforts are commendable in Kerala Sir, I believe there is an opportunity to extend our footprint in Noida NCR also. As I am a resident of Noida, I propose that we consider extending our contribution to benefit communities in this area also. Additionally, I would also like to say that as leveraging your role on the Board of Artemis I suggest exploring some potential collaboration that can secure benefits such as discount at Artemis for a CSR initiative. Basically I want you to consider CSR efforts in the company. Thank you so much for providing me the opportunity Sir.

**Moderator**: Thank you. We will take our next question from Mr. Nand Kumar D.

Request you to please unmute your audio and video and you can ask your question. Please restrict your questions to a time limit of one to two minutes.

**Nand Kumar**: Respected Onkar Kanwar ji, Sree Neeraj Kanwar ji, Sree Harish Bahadur ji, other members of the board of directors, my dear fellow shareholders, good afternoon to all of you. Let me at the outset thank the Chairman and the board of PTL Enterprises for running the company in a transparent manner and adopting a generous dividend payout policy. I am happy to state here that I support the Board and the Management of PTL Enterprises wholeheartedly and that I have already cast my votes in favour of all the resolutions proposed and recommended by them. On this occasion, I would like to remind respected Sri Kanwar ji and his team again about a few matters which I have been highlighting in the many previous AGMs of PTL Enterprises. One of course, the earlier speaker also has mentioned it, it is regarding the lease rental. It has been so many years Kanwar ji that it is remaining the same way. It has not been increased and of course we are grateful to you for enhancing our shareholders value by giving us Artemis raise but please see Apollo tyres is zooming, it is getting highest value every day. Artemis also is breaking records. Today also I think it went to all-time high but Premier Enterprises is just roaming around Rs. 40-45. The main reason is because the lease rental has not been increased for the past so many years. If I remember correct for the past eight years, it has been remaining the same. So last time when I mentioned, Onkarji said that after the capex cycle of Apollo tyres are over, we will definitely consider. I think Apollo is performing extremely well and it is their duty to extend their prosperity to us also. I believe the reasonable lease rental could be around 100 Crores. Even then it will not compensate for the inflation of all these years. Then there is a high tax incidence on us and Onkar ji has very well explained what it is. Now I understood it but my request is to please initiate necessary steps to resolve this issue at the earliest. Then one more thing is I have been always telling is trying to do something to unlock the value of this tremendous value of this real estate property in Cochin Kalamassery. I stay in Kalamassery. I know tremendous value of this real estate property and I appeal to the Board of Directors and Onkar Kanwar ji and all other executive directors to explore possibilities of unlocking value of this real estate. Then coming to the shares of Apollo Tyres, this also I suggested in the last AGM. Now I think there is double taxation issue because whatever dividend we receive from Apollo Tyres is after Apollo Tyres paying the corporate tax and it is again taxed on us as our income. And when we distribute PTL Enterprises dividend that again also is taxed at the hands of the shareholder. In order to avoid all these duplication and make it tax friendly, please consider distributing the shares of Apollo Tyres proportionately to the shareholders, so that everybody including the promoters will benefit. It will be a less complicated holding structure plus for everybody it is a win-win situation. And then of course another point, this is the last point I will make. I will conclude after this as the honourable member who spoke before me suggested, why do not we consider paying interim dividend? Because our income stream is certain, there is no uncertainty. We know how much money will come to us and the timing of the cash flows also we are aware. Why do not we consider paying interim dividend? It will be a great blessing for the shareholders. Same amount can be given. I am not suggesting that the amount may be increased but the same amount why do not we give it in two branches and of course I would like to conclude now. This is the 37th AGM I am attending. In Cochin also I used to attend and respected Raunaq Singh ji was there and Onkar Kanwar ji we really miss you in Cochin. When you come to Cochin, you please inform me. I would like to say hello to you. I would like to meet you. Harish Bahadur ji, I hope you are fine. Thank you. Thank you for all the good things you have done for the shareholders and I hope you will continue to do so. Thank you. Thank you very much.

**Moderator**: Thank you. We will take the next question who will connect on an audio, Mr. Mayank Chadha. Sir, we have unmuted your audio connection. Request you to please go ahead with your question and in the interest of time request you to please ask your question within one or two minutes.

**Mayank Chadha**: Good afternoon Chairman Sir and Neeraj Sir and other board members. Sir, I have a few questions for you. First, thanks for unlocking the value of Artemis Hospital by demerging it from EPL and giving us the share of Artemis Hospital. Our investment has increased 10 times in few years and investment in Apollo Tyres has also tripled in few years. Considering the exceptional growth in both Artemis Hospital and Apollo Tyres shares under your esteemed leadership, I propose exploring the possibility of investing in Artemis share alongside the Apollo Tyres to further enhance shareholder value. Second, last year I have also registered Sir if we start manufacturing tyre in our own brand name, it would keep PTL brand name alive. Third, since Artemis was a part of PTL, accordingly PTL shareholder should get some discount for their treatment at Artemis Hospital. Four, why Artemis has paid only 0.45 paisa dividend whereas PTL has paid dividend at Rs. 1.75? Why is Artemis paying such a small amount of dividend Sir? Fifth, as you serve as Chairman of both Apollo and PTL and with investors present **(**inaudible)00:55:14 I respectfully request consideration for an increase in lease rental from Apollo Tyres particularly in light of current property market trend. Thanks again for giving me the opportunity as a speaker shareholder. Thank you so much Sir.

**Moderator**: Thank you. We will move to our speaker number seven Mr. Pramod Kumar Jain would like to ask question over audio. Sir, we have unmuted your connection. You can ask your question now and please restrict your question to a time limit of one to two minutes. Please go ahead.

**Pramod Jain**: Namaskar I am Pramod Jain from Delhi Chairman Sir. I would like to thank the Board of Directors and Secretarial Department for giving me the opportunity to speak in this AGM. I support all the resolutions that have been proposed. Chairman sir, you have given a detailed explanation of the company in your opening speech. The previous speakers have asked a lot of questions. Now I do not need to ask any more questions. All my questions have been covered. Sir, please tell us what is the roadmap for the next two years of the company. Namaskar. Thank you.

**Moderator**: We will move to our next speaker member that is Mr. Somesh Sharma. Mr. Sharma, your connection is unmuted and you can ask your question now. In the interest of time, we request you to please limit your question to one to two minutes.

**Somesh Sharma**: Good afternoon, Chairman Sir, Neeraj Sir and Harish Sir and to all the board members. Sir, I have been closely associated with the company for quite a long time and I have observed the strategic decisions and actions taken by the company and even I am truly impressed by the results achieved under your guidance. Sir, as you mentioned in your speech regarding the previous year tax liability was around 16 Crores in financial year 2023-2024. So last year I had proposed about engaging a senior tax consultant who can represent us in front of the income tax authorities about our perspective regarding the income tax matters. And Sir, secondly, as pointed out by the fellow shareholders that we should have an incremental clause on yearly basis on the lease agreement. Sir, thank you so much for having me at the meeting.

**Moderator**: Thank you. We will now move to our speaker number nine Ms. Shashi Kiran. Ms. Shashi Kiran would like to ask a question over audio and video.

**Shashi Kiran**: Good afternoon, Sir. Thank you so much for the opportunity to speak at this AGM. Sir, I was going through the annual report and noticed that we did not invest in ATL shares in this financial year despite of the impressive returns and wonderful yield as mentioned by you in your speech. Secondly, Sir, why PTL share is not increasing as compared to your other group companies like Artemis and Apollo Tyres? Chairman Sir, Apollo Tyre shares are trading all time high. I would like to suggest that we should buy more shares of Apollo Tyres and I believe it will touch Rs. 1000 soon. Accordingly, PTL market capitalization will also increase, Sir. At last, I would like to request you that to reward your shareholders by giving bonus shares. Thank you so much, Sir. Thanks once again.

**Moderator**: Thank you. We invite our next speaker member, Mr. Anubhav Talwar. Sir, we have unmuted your connection. You may please restrict your question to a time limit of one to two minutes. Could you please unmute your audio and video Mr. Talwar and ask your question?

**Anubhav Talwar**: Good afternoon, Chairman sir, Neeraj Sir. It is wonderful to see you both in good health. I also hold shares of your other listed companies so I look forward to discussing further at the AGMs of Apollo and Artemis as well. Last year, I requested the Company Secretary to explore ways to unlock the value of a riverside vacant land. One suggestion was to lease it to Apollo Tyres at a higher rental rate or consider developing a hotel or commercial complex to boost the company revenue. Additionally, I join my fellow shareholders in urging for provisions to introduce a yearly incremental clause in the lease agreement with Apollo Tyres as it has been quite some time since last increase. Thank you for your consideration. I look forward to your guidance on these matters and hope for the further discussion next year. Thank you.

**Moderator**: Thank you. That was the last question. We now request the Chairman to answer the questions.

**Onkar Kanwar**: I will request Harish, will you take up the question and then if there is something left then I will take it. Over to you.

**Harish Bahadur**: One issue is regarding the provision of this tax liability. What Mr. Rangan has asked, I can only brief him that last year also we have made a provision and this year also we have made the provision and that is based on the auditors and our legal consultants. If he reads page number that will clarify the matter to him pretty well. Now coming to the purchase of ATL shares last year, why we did not buy shares was since we had to make provision for income tax of 16 Crores, as has been mentioned in the annual accounts. The next issue is giving this lease on rent, riverside land in Cochin on rent to Apollo Tyres and also giving interim dividend and bonus instead of regular dividend. So, this matter we will discuss with the management and the board members and then we will get back to you. Thank you.

**Company Speaker:** One issue that was raised was increasing lease rental and I think the shareholders just want to mention that utilization of the plant is running at 60 to 70% because of the demand that is coming in the market. Markets are down and therefore we do not see any reason to increase the lease rental. When we do see a demand coming and 100% utilization definitely Apollo Tyres will increase the lease rental. Thank you.

**Onkar Kanwar**: As far as unlocking of the land value is concerned, so far we need to get a clearance from the government. Matter is still with the state government, they are not giving us the clearance. As a matter of fact, we had moved with them to say we will shift this place because this land is located in Kalamassery, the factory is located.

So we had approached the government that you give us the alternate space somewhere else and we can shift the factory there so that we can unlock the value but somehow, you know the Kerala government better than I do, very difficult to persuade anyone but as far as the riverland is concerned, we still are taking up with the government. They have not given us the clearance so far. And what else is there? As for the value of shareholder return, you should be happy that when we split the company, today you are getting double your dividends and the value of your shares have gone up. Artemis share has gone up almost over Rs. 215 and you are getting a dividend. At the same time, the hospital is growing so it is not possible to increase same way as the dividend we are giving it in Artemis and in Premier.

**Company Speaker**: Chairman, I think we have answered all the questions.

**Moderator**: Thank you very much, Sir. I now request Chairman to propose vote of thanks.

**Onkar Kanwar**: Thank you for your queries being all answered. I can only thank all of you that we have carried all the items mentioned in the notice of AGM. I would like to thank all the participants who attended the 63rd AGM of the company. Thank you once again.

**Moderator**: Thank you very much, Chairman. The members who have not cast their vote can cast their vote using e-voting platform of NSDL until 15 minutes fron now. As informed by the scrutinizer, the allotted voting time has elapsed. The voting results will be declared within the stipulated time and the same shall be sent to the stock exchanges and uploaded on the website of the company and NSDL. Thank you all for particapting in the AGM and e-voting.