CARRIER AIRCONDITIONING & REFRIGERATION LIMITED
CIN: U74999HR1992FLC036104
Registered Office: Delhi-Jaipur Highway, Kherki Daula Post, Narsingpur, Gurugram – 122004, Haryana, India
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Transcript for the 33rd Annual General Meeting dated September 26, 2025 at 11:00 AM

Ms. Ekta, Company Secretary

Dear Shareholders,

Good morning,

I am Ekta, the Company Secretary, and I welcome you all to the 33rd Annual General Meeting of Carrier Airconditioning & Refrigeration Limited. This meeting is being held through video conferencing and other audio/visual means, as permitted by the Ministry of Corporate Affairs.

Before we begin, I would like to inform you that the notice calling this meeting has been sent to all shareholders whose emails are registered with the company and the depository participants. Shareholders were given the opportunity to join the meeting on a first come first serve basis. For smooth conduct of the meeting, all participants are muted by default.

Before we commence, I would like to share an exciting update since our last AGM. We are pleased to announce the appointment of Mr. Hitesh Khanna and Mr. Munish Kumar as our new Whole-Time Directors; and Ms. Shan Jain as our new Independent Director. We look forward to your continued support and enthusiasm as they lead us into a new chapter for your company.

Dear Members, please welcome additional dignitaries who are present in this Meeting:-

1. Mr. Mohit Mangla – Finance Controller
2. Mr. Mohit Choudhary – Director- Legal (Global Compliance)

I would also like to mention that Mr. Vinod Gupta representing MSKA & Associates, Statutory Auditors; Mr. Deepak Kukreja representing DMK Associates, Secretarial Auditors; and Mr. Aseem Jain, representing Jain Sharma and Associates, Cost Auditors are also present.

Please note that the Company has received authorization from corporate shareholder, Carrier Corporation in respect of 10 Crore 26 Lakh 18 Thousand 6 Hundred and 89 equity shares representing 96.47% of the total share capital of company in favour of Mr. Mohit Choudhary to attend and vote in this AGM on behalf of Carrier Corporation. The company has also received authorization from 3A Financial Services Limited in respect of 1 Thousand 6 Hundred 24 equity shares in favour of Ms. Isha Janani.

Since this AGM is being held through video conferencing / other audio/visual means therefore physical attendance of the shareholders has been dispensed with. The requirement to appoint a proxy is also not applicable. The statutory registers are available for inspection on the website of the company under investor tab. The notice of AGM has already been circulated to all members and with your permission I take the notice of the meeting as read. Further the report of statutory auditors and secretarial auditors are unqualified, without any reservation or adverse remarks and with your permission I take the secretarial auditors report, statutory auditors and the Annual Report as read.

In compliance with the provisions of Companies Act, 2013 and applicable circulars issued by the Ministry of Corporate Affairs the members have been provided with the facility to cast their votes through remote e-voting. The remote e-voting facility was available from 23rd September 2025 from 9:00 A.M. till 25th September 2025 5:00 P.M. The members who have not casted their votes on the resolutions through remote e-voting, they may cast their votes through e-voting during the continuance of this meeting and within 15 minutes from conclusion of this meeting. The e-voting facility will be disabled thereafter.

The board has appointed DMK Associates as scrutinizer to scrutinize the remote e-voting & e-voting during this meeting and provide the consolidated report to the Chairman. The result of the voting will be announced on or before 29th September 2025 and the same shall be uploaded on the website of the Company.

Now may I request all directors to please introduce themselves:

Mr. Sundaresan Narayanan, Managing Director

Dear Shareholders, Good Morning. I am Sundaresan Narayanan, Managing Director of your Company. I am participating in this meeting from Gurugram. Thank you.

Mr. Hitesh Khanna, Whole-Time Director

Dear Shareholders, Good Morning. I am Hitesh Khanna, Whole-Time Director of your Company. I am participating in this meeting from Gurugram. Thank you.

Mr. Munish Kumar, Whole-Time Director

Dear Shareholders, Good Morning. I am Munish Kumar, Whole-Time Director of your Company. I am participating in this meeting from Gurugram. Thank you.

Ms. Simran Thapar, Whole-Time Director

Dear Shareholders, Good Morning. I am Simran Thapar, Whole-Time Director of your Company. I am participating in this meeting from Gurugram. Thank you.

Mr. Har Amrit Pal Singh Dhillon, Non-Executive Director

Dear Shareholders, Good Morning. I am Har Amrit Pal Singh Dhillon, Non-Executive Director of your Company. I am representing Stakeholder Relationship Committee of the Board of your Company. I am participating in this meeting from Gurugram. Thank You.

Mr. Siraj Azmat Chaudhry, Independent Director

Dear Shareholders, Good Morning. I am Siraj Azmat Chaudhary, Independent Director of your company. I am representing the Audit Committee, Nomination & Remuneration Committee, and Corporate Social Responsibility Committee of the Board of your company. I am participating in this meeting from Gurugram. Thank You.

Ms. Shan Jain, Independent Director

Dear Shareholders, Good Morning. I am Shan Jain, Independent Director of your Company. I am participating in this meeting from Gurugram. Thank You.

Ms. Ekta, Company Secretary

Thank you, Directors.
We are also joined by Mr. Alfred Thomas, CFO of the Company.

Now may I request Mr. Siraj to propose the name of the Chairman for this meeting.

Mr. Siraj Azmat Chaudhry, Independent Director

I would like to propose the name of Sundaresan Narayanan, to Chair this meeting and request other directors present in the meeting to second the name of Sundaresan Narayanan as Chairman of this meeting.

Ms. Simran Thapar, Whole-Time Director

I agree with Mr. Siraj, Mr. Sundaresan Narayanan should chair this meeting.

Mr. Hitesh Khanna, Whole-Time Director

I agree with Mr. Siraj, Mr. Sundaresan Narayanan should chair this meeting.

Mr. Munish Kumar, Whole-Time Director

I agree with Mr. Siraj, Mr. Sundaresan Narayanan should chair this meeting.

Ms. Shan Jain, Independent Director

I agree with Mr. Siraj, Mr. Sundaresan Narayanan should chair this meeting.

Mr. Har Amrit Pal Singh Dhillon, Non-Executive Director

I agree with Mr. Siraj, Mr. Sundaresan Narayanan should chair this meeting.

Ms. Ekta, Company Secretary

Now may I request Mr. Sundaresan Narayanan to please occupy the chair for commencement of the meeting.

Mr. Sundaresan Narayanan, Managing Director

Thank you, Ekta and thank you all the Directors for choosing me as Chairman of this meeting.

Good morning, dear shareholders, directors, and auditors.

It is my privilege to welcome you all to the 33rd Annual General Meeting of Carrier Airconditioning & Refrigeration Limited. I hope you and your families are safe and healthy. With the requisite quorum present, I hereby call this meeting to order and thank you for joining us today.

Let me now take this opportunity to share with you the performance and progress of your company over the past financial year, ending March 31, 2025.

We closed the year with a comprehensive income of 453 million against 147 million Rupees last year. These results reflect our unwavering commitment to safeguarding customer interests and driving sustainable growth.

Now please find updates on the performance of your Company's business segments:

<u>HVAC Airconditioning</u>

This year, we achieved robust double-digit growth, especially in the Commercial HVAC segment, thanks to our strategic momentum, customer trust, and localized manufacturing.

We outpaced the growing VRF market, launching high-efficiency products such as the Toshiba 4/5 Star Inverter Cassettes and the XPower VRF series, which helped us win major projects.

Our Applied Business expanded with a strong focus on sustainability and advanced technologies. We introduced:

- Locally manufactured 19XR Centrifugal Chillers
- The 30XF Z range for Data Centers, the first in its category to receive Eurovent Certification
- The 19MV Magnetic Bearing Centrifugal Chillers, now using low-GWP refrigerants

Customer centricity remained our core value, supported by initiatives like Green Nxt, Samvaad, Pratham, Parichay, and the GuruCool Certification Program. Our Gurugram factory earned the prestigious Platinum IGBC certification, a testament to our green building practices.

We saw strong demand across government projects, data centers, commercial spaces, and high-end residential segments, driven by strategic product launches and localized manufacturing. Our new VRF products with superior specifications and redundancy helped us secure major condominium and data center projects.

To support this growth, we conducted over 6000 manhours of training, upskilling our workforce and addressing field-level challenges. Our entry into renewable energy solutions and increased focus on Tier II towns further accelerated growth in Screw and Scroll Chillers.

<u>Service</u>

In alignment with our sustainability and growth goals, our aftermarket team undertook initiatives in Retrofits, Upgrades, and Capture & Recapture of Carrier and third-party chillers.

We focused on Renewals, Conversions, and expanding our installed base under coverage. Our BluEdge Service Offerings supported these efforts, enhancing equipment efficiency and delivering better solutions.

Digital solutions played a key role, helping us reduce failures, gain insights, and share performance trends—integral to improving reliability and efficiency.

<u>Totaline</u>

Totaline continued its legacy of double-digit year-on-year growth, achieving a 17% revenue increase.

Our strategy centered on price realization, channel management, and robust supply chain and inventory management, especially in the face of regulatory challenges. We prioritized risk management, logistics cost control, and timely availability.

New high-revenue products were added to support future growth, and planning for 2025 is already underway to maintain momentum.

Transicold

For over 25 years, Carrier Transicold India has led the way in advanced refrigeration solutions for vans and trucks.

The truck and trailer refrigeration market in India continues to grow, driven by technology, favorable policies, and rising demand in food, pharma, and agriculture. This trend is expected to continue as infrastructure improves.

This year, we launched:

- The Supra A Series for large trucks—compact, quiet, and efficient
- The Citimax D Series for vans—faster cooling, lighter weight, smarter technology, and improved sustainability

Our Lynx Fleet platform enhances visibility and connectivity through real-time analytics, machine learning, and open API integration, enabling data-driven decisions for greater efficiency and sustainability.

We remain active members of the CII Cold Chain Committee and NCCD, contributing thought leadership to promote cold chain adoption, reduce food loss, and increase farmer income.

AdvanTEC

At Carrier India, we are exploring the Cooling as a Service (CaaS) model, aligned with India's growing subscription economy.

We offer two models:

1. Energy as a Service (EaaS) collaboration—providing energy audits, high-efficiency chillers, and our AI-driven Chiller Plant Optimizer (CPO). This model enables decarbonization with performance guarantees, funded and operated by EaaS/CaaS partners.
2. CAPEX-based model—partners fund the project, while Carrier handles audits, operations, and CPO deployment, helping customers meet decarbonization goals without upfront investment.

Our AdvanTEC team is redefining service excellence through Service Modernisation 2.0, built on three strategic pillars:

- Expanding Energy Audits beyond Carrier systems to third-party ecosystems, delivering tailored Energy Conservation Measures (ECMs).
- Establishing a Controls Vertical for building-wide automation via platforms like i-Vu®, enabling seamless integration and energy optimization.
- Adopting Abound™ Predictive Insights, integrating AI with building automation for real-time diagnostics, trend analysis, and actionable recommendations.

Environment, Health & Safety (EHS)

At Carrier India, our commitment to community, stakeholders, and the environment is unwavering. We strive to create a world where safety and health are paramount, driven by continuous improvement across our operations.

Guided by the Carrier 2030 ESG goals, we aim to foster societal progress through sustainable initiatives, including the design and manufacture of industry-leading innovative products that reduce carbon footprints—both in our factories and for our customers.

Corporate Social Responsibility (CSR)

At Carrier India, our commitment to Corporate Social Responsibility goes beyond compliance—it's about creating meaningful impact. In FY 2024–25, we proudly invested 26.5 Million Rupees in CSR initiatives, in alignment with our statutory obligation.

Our focus remained on education, vocational training, healthcare, and environmental sustainability. Your Company undertook three CSR projects - Job-Oriented Vocational Training, the United for Air campaign, and Green Your School, each driving real change in communities.

We also created lasting infrastructure—smart boards, air conditioning units, and training room assets—through our partnership with United Way Delhi, ensuring long-term support for learning and development.

As we move forward, our resolve to uplift lives and protect the environment remains stronger than ever.

Ms. Ekta, Company Secretary

Thank You Hon'ble Chairman.

Dear Members,

The resolutions along with explanatory statement are given in the notice of AGM which has already been circulated to you and with your due permission I will now read the headlines as follows:

Item No. 1: To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2025 and the Report of Board of Directors and Auditors thereon.

Item No. 2: To re-appoint Mr. Har Amrit Pal Singh Dhillon (DIN: 07043895) Non-executive Director, who retires by rotation and being eligible, offers himself for re-appointment as a director of the Company.

Item No. 3: To declare final dividend of Rs. 35.50/- per equity share for the financial year ended March 31, 2025.

Item No. 4: To approve the appointment of Mr. Hitesh Khanna (DIN: 11162300) as Whole-time Director of the Company.

Item No. 5: To approve the appointment of Mr. Munish Kumar (DIN: 11178604) as Whole-Time Director of the Company.

Item No. 6: To approve the reappointment of Ms. Simran Thapar (DIN: 09026461) as Whole-Time Director of the Company.

Item No. 7: To approve the appointment of Ms. Shan Jain (DIN: 09661574) as Independent Director of the Company.

Item No. 8: To increase the borrowing limits of the company under clause (c) of sub-section (1) of Section 180 of the Companies Act, 2013.

Item No. 9: To ratify the remuneration of Cost Auditor of the Company for the Financial Year 2025-26.

Item No. 10: To ratify the sale of commercial refrigeration business.

As we proceed towards the question answer-session, please note the names of the shareholders registered for speaking will be announced and they will be requested to unmute themselves by the host of the AGM to express their views, ask questions, and give suggestions. The shareholder will be given two-minutes each and I request each speaker to adhere to this time limit. The speaker shareholders are requested to click the audio and video buttons while speaking, if a shareholder is unable to join via the video due to any reason, they are advised to speak through audio mode only. Speaker shareholders should minimize any background noise to avoid disturbance. If there is a connectivity problem at a speaker shareholder's end, we will ask the next speaker to ask their question. Once connectivity improves, the previous speaker will be called to speak. During the meeting if any shareholder faces any technical issue, they may seek help from the CDSL as mentioned in the notice. Additionally, we kindly ask that all questions and suggestions be presented respectfully to ensure a constructive and engaging discussion.

Thank you very much. Now I would hand over the meeting to Hon'ble Chairman.

Mr. Sundaresan Narayanan, Managing Director

Thank you, Ekta. Now I would like to invite the shareholders who have registered themselves to speak during the AGM to express their views, ask questions and give their suggestions.

Ms. Ekta, Company Secretary

Speaker No. 1 is Mr. Shripal Mohnot. Mr. Shripal Mohnot has sent us a video to be played during the Meeting.

Mr. Shripal Mohnot, Speaker Shareholder – 1 (Video)

I am Shripal Mohnot, joining this meeting from Gurugram, Haryana, and I extend my warm greetings to everyone. My folio number is IN************12. Mr. Chairman, I would like to congratulate you and the entire Board on the successful conduct of this AGM, and I convey my approval for all the resolutions placed before the meeting. I sincerely thank you, the Board, and all the employees, whose dedicated efforts have enabled the company to grow and progress consistently. I would request you to kindly provide an overview of the integration of Artificial Intelligence in the company's business operations and its impact on employees and their employment, share how Trump's tariff policies are affecting our business, clarify what portion of the Net Profits is allocated towards advertisement expenses and royalty payments, explain how the recent GST rate reduction will impact our business, highlight the benefits of the Government of India's Production Linked Incentive (PLI) Scheme for our company, and also provide a brief note on Carrier Midea and Carrier Toshiba. The Company has declared a significant dividend, which reflects its exceptional growth. I would like to request you to kindly consider issuing bonus shares, as this would be beneficial for all shareholders. I also extend my gratitude to the Company Secretary Madam for sending the financial statements and notice on time, and I thank her and her colleagues for their assistance whenever required. Thank you. Jai Hind.

Ms. Ekta, Company Secretary

Thank you, Mr. Shripal Mohnot.

Speaker No. 2 Mr. Ajay Jain, you may please unmute yourself and speak.

Mr. Ajay Jain, Speaker Shareholder – 2

Hello Sir, this is Ajay Kumar Jain from Delhi. The Chairman's speech has addressed all the questions I had. I want to congratulate you and everyone in the company for the excellent work done over the past year. This success is truly the result of your hard work and dedication. Under your guidance, the Secretarial Team has also done a wonderful job. I don't have any further questions. Namaste. Jai Hind.

Ms. Ekta, Company Secretary

Thank you, Mr. Ajay Jain.

Speaker No. 3 Mr. Manjit Singh, you may please unmute yourself and speak.

Speaker No. 4 Mr. Praveen Kumar, you may please unmute yourself and speak.

Speaker No. 5 Mr. Chetan Chadha, you may please unmute yourself and speak.

Unfortunately, we are not joined by Mr. Manjit Singh, Mr. Praveen Kumar and Mr. Chetan Chadha.

Now I request Mr. Chairman to answer the questions.

Mr. Sundaresan Narayanan, Managing Director

Thanks to all the shareholders for asking very pertinent questions.

Your first question was about how we have integrated AI into our operations. We have started using AI at various stages, especially in our Service segment. Many of our assets installed at customer locations are now equipped with this technology, which provides us with regular insights. We use these insights to further improve our customer service. Based on this data, we can also identify potential malfunctions or breakdowns in advance, allowing our service technicians to address them before they actually occur. This is just one example — there are several other projects where we plan to integrate AI in the near future.

The second question was about how the integration of AI in our operations is affecting our employees. As of now, we are using AI tools mainly to enhance customer service and improve consumer confidence, and not in our core operations. Therefore, our employees remain unaffected by the use of AI at this stage.

The third question was about how Donald Trump's tariff policy is affecting our business. I would like to mention that Carrier India — your Company — manufactures and sells most of its products within India itself. We do not export any products manufactured in this (Gurgaon) factory to the United States. Therefore, the tariffs imposed by President Trump do not have any impact on us.

The next question was about what percentage of our net profits is spent on advertisement costs. As you might have noticed in my Chairman's speech, I mentioned several events, especially those focused on sustainability — like *Samvaad*, *Pratham*, *Parichay*, and others. We started these programs only last year, with the primary focus being on brand visibility and awareness. If we look at our overall yearly advertisement expenses, they have actually been decreasing, and we intend to continue this trend in the future as well.

The next question was about how the latest GST reforms are going to affect our business. This step taken by the Government of India, under the leadership of Prime Minister Modi, will prove to be beneficial for the Indian markets and for the long-term outlook of the air-conditioning industry. The reduction in the cost of goods will help boost consumer confidence and positively influence buying patterns. Overall, it will have a positive impact on our business.

Your sixth question was about the Government's PLI Scheme. The scheme provides incentives for entities engaged in the manufacturing of compressors and copper tubes. At Carrier, our focus is primarily on supplying finished products. Therefore, the PLI scheme is not particularly beneficial for us, and we have not given it much consideration.

The last question was about Carrier Toshiba India and Carrier Midea India. As you know, Toshiba is now a Carrier brand. About three years ago, we acquired all the stakes from Toshiba for its air-conditioning business on a global scale. Since then, Toshiba has become a brand under the Carrier umbrella. As for Carrier Midea India, it is our Joint Venture partner for the residential airconditioning units.

Thank you.

Ekta, Company Secretary

I now request Mr. Chairman for his closing remarks.

Mr. Sundaresan Narayanan, Managing Director

This past year has been defined by exceptional teamwork, continuous learning, and notable achievements. I commend the employees of Carrier India for their resilience, empathy, and dedication, which have collectively strengthened our organization.

On behalf of the Board of Directors, I extend sincere appreciation to all employees for their unwavering commitment and service. Their efforts have been instrumental in delivering the company's strong performance.

Looking ahead, I am confident that the coming year will bring accelerated and profitable growth. With the continued support of our employees, partners, and stakeholders, Carrier India is well-positioned to reach new milestones.

I also thank my fellow board members for their guidance and for fostering a culture of sound governance across the organization.

With the consent of the Board, I now conclude this meeting and wish all shareholders and their families continued health and well-being.

Ms. Ekta, Company Secretary

Dear Shareholders: I conclude this meeting with my sincere thanks to all shareholders, board members, auditors and others for their participation in this meeting and making this event successful.

Thank you so much.