



**CARRIER AIRCONDITIONING & REFRIGERATION LIMITED**

CIN: U74999HR1992FLC036104

Registered Office: Narsingpur Kherki Daula Post Gurgaon-122001, Haryana, India

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**Transcript of the 30th Annual General Meeting dated 21<sup>st</sup> September, 2022 at 02:30 p.m.**

**Ms. Sampada Narang**

Dear Shareholders: Good Afternoon, I Sampada Narang, Director Legal, welcome you all to the 30th Annual General Meeting of your Company Carrier Airconditioning & Refrigeration Limited held through Video conferencing and other audio- visual means, as permitted by the Ministry of Corporate Affairs. Before we commence, I would like to inform that the notice calling the 30th Annual General Meeting has been sent to all shareholders whose email IDs were registered with the company and the depository participants.

The shareholders have been provided with the facility to join the meeting through Video conferencing or other audio-visual means on a first come first serve basis.

All the members joining this meeting have been kept on mute by default for smooth and seamless conduct of the meeting.

During the question answer-session the Chairman will announce the name of the shareholders registered for speaking and that shareholder would be unmuted by the host of the AGM and would be allowed to express their views, ask questions, give suggestions. Each speaker shareholder will be given three minutes and I request each speaker shareholder to adhere to this time limit. The speaker shareholders are requested to click the audio and video button while speaking, if the shareholders are unable to join through the video mode due to any reason the shareholders are advised to speak through audio mode only. Speaker shareholders are requested to minimize any background noises to avoid any disturbance. In the event, if there is a connectivity problem at speaker shareholder's end, we will ask the next speaker to ask the question, once the connectivity improves the previous speaker shareholder will be called to speak. During the meeting if the member faces any technical issue, he or she may call the help line of Central Depository Service Limited as mentioned in the notice of AGM.

Now may I request upon all directors to please introduce themselves to the shareholders of the company.

**Mr. Chirag Baijal, Managing Director**

Thank You Sampada. Dear Shareholders, Good Afternoon, I am Chirag Baijal Managing Director of your Company. I am also representing Corporate social responsibility Committee of the Board of your company. I am participating in this meeting from Gurgaon, and I can clearly see and hear everybody. Thank You.

**Mr. Pritesh Agrawal, Whole-time Director and Chief Financial Officer**

Dear Shareholders, Good Afternoon, I am Pritesh Agrawal Whole-time Director and Chief Financial Officer of your company. I am also representing Audit Committee, corporate social responsibility committee and stakeholder relationship committee of the Board of your company. I am participating in this meeting from Gurgaon, and I can clearly see and hear everybody. Thank You

**Mr. Siraj Azmat Chaudhry, Independent Director**

Dear Shareholders, Good Afternoon, I am Siraj Azmat Chaudhry Independent Director of your company. I am representing audit committee, nomination & remuneration committee, and corporate social responsibility committee of the Board of your company. I am participating in this meeting from Gurgaon & I can clearly see and hear everybody. Thank You

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

Dear Shareholders, Good Afternoon I am Har Amrit Pal Singh Dhillon, Non-Executive Director of your company. I am participating in this meeting from Gurgaon, and I can clearly see and hear everybody. Thank You.

**Ms. Simran Thapar, Whole-time Director**

Dear Shareholders, Good Afternoon, I am Simran Thapar, whole-time Director of your Company. I am participating in this meeting from Faridabad, and I can clearly see and hear everybody. Thank You.

**Ms. Sampada Narang**

Thank You all the Directors.

Now may I request upon Mr. Pritesh Agrawal to propose name of Chairman of this meeting.

**Mr. Pritesh Agrawal, Whole-time Director, and Chief Financial Officer**

I would like to propose the name of Mr. Chirag Baijal Managing Director of the Company as Chairman of this meeting and request other directors present in the meeting to second the name of Mr. Chirag Baijal as Chairman of this meeting.

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

I second Mr. Chirag Baijal to chair this meeting.

**Mr. Siraj Azmat Chaudhry, Independent Director**

I agree for Mr. Chirag Baijal to chair this meeting.

**Ms. Simran Thapar, Whole-time Director**

I agree for Mr. Chirag Baijal to chair this meeting.

**Ms. Sampada Narang**

Thank you very much. Now may I request upon Mr. Chirag Baijal to please chair this meeting.

**Mr. Chirag Baijal, Managing Director**

Thank You Sampada. And Thank You all the Directors for choosing me as Chairman of this meeting.

Good afternoon, and welcome once again to all shareholders, Directors, and auditors to the 30th Annual General Meeting of Carrier Airconditioning & Refrigeration Limited. I sincerely wish, you and your families are safe and healthy. I kindly ask everybody to support to make this AGM a successful event. The requisite quorum for the meeting is present and I call the meeting to order.

I would like to mention that Mr. Vinod Gupta representing MSKA & Associates, Statutory Auditors of your Company and Ms. Nitu Poddar representing Vinod Kothari & Co. Secretarial Auditors of your company are also present. My colleagues Mr. Narendra Singh Sisodia, Mr. Rahul Kumar Jain Directors of your company are not present due to their pre-occupation. 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 Ms. Sampada Narang and in her absence, Mr. Sushil Kumar Sharma, to attend and vote in this AGM on behalf of Carrier Corporation.

Since this AGM has been held through video conference therefore physical attendance of the members has been dispensed with. The requirement to appoint proxy is also not applicable. The register of directors and their shareholding, registers of contracts in which directors are interested, are available for inspection on the website of the company under investor tab. The notice of AGM is already 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 due permission I take the secretarial auditors report given on page no. 48 to 51 and statutory auditors report given on page no. 59 to 69 of Annual Report as read.

**Ms. Sampada Narang**

We also have Ms. Nitu Poddar, representing Vinod Kothari & associates.

**Mr. Chirag Baijal, Managing Director**

Welcome Ms. Poddar

**Dear Shareholders:**

Now with your permission I would proceed to deliver the customary chairman speech. On behalf of the Board of Directors of your company I want to thank you for taking the time out to join this meeting.

During the financial year ended March 31, 2022, your Company has total net revenue from operations of Rs. 161,207 Lakh as against Rs. 121,813 Lakh in the previous financial year. Profit before tax for the financial year 2022 is Rs. 5,699 Lakh as against Rs. 3,340 Lakh in the previous financial year. Total comprehensive income is Rs. 3,985 Lakh against Rs. 1,812 Lakh in the previous financial year. Now I would present brief business update for financial year 2021-22, a year that has been extraordinary in every sense.

Your Company did its best to safeguard the business interest of our customers without compromising the health & safety of our employees, channel partners, or service franchisees.

An update on the performance of your Company's main business segments is mentioned herein below:

### **HVAC Airconditioning:**

The Airconditioning industry was impacted during peak season because of the second wave in financial year 2021-2022 however when the market opened, your Company received a significant demand pull from the market besides having worked on the fundamentals & keeping us better prepared. Pandemic impacted the supply chain adversely, but your Company managed the working capital well and catered to customer demands in spite of supply chain disruption.

After starting to make the Fixed Speed Toshiba brand Hi-wall Air conditioners last year in India, this year your company started the localization of the Inverter Hi-Wall 3 Star product. The Toshiba brand Light Commercial Cassette product range was extended with the launch of the Stable Power Inverter (SPI) Classic and SPI Premier. Both these offerings are now with the environmentally sustainable refrigerant R-32 with a very low Global Warming Potential. The SPI Premier product is being offered with a PM 2.5 filter for better Indoor Air Quality. Carrier also refreshed the range of Inverted ducted product with better technical specs across the board and made the product competitive as well. In the Ducted Produced Carrier's entire range from 3TR to 17 TR is now with the environment sustainable refrigerant R-410a. Carrier also acquired Toshiba Corporation's significant ownership stake in Toshiba Carrier Corporation thus bringing TCC under its umbrella of Carrier Global Corporation.

The Commercial Business saw some of the segments like the industrial/manufacturing getting back to Business normalcy faster than other segments and your company converted these opportunities into Business at speed. With our increased focus on Airside Market, your company picked up orders for more than 6000 terminal units manufactured in your factory in a single year for the first time. Your company also won many significant orders from the emerging Renewable energy sector (Solar & Wind) thus creating a strong reference base.

The company also sold products and solutions which helped make buildings healthier. Solutions like the Ultra Violet Germicidal Irradiation & advanced filtration were offered between air purifiers, ducted split units and air handling units for better indoor air quality. Treated Fresh Air Units and Energy Recovery Ventilators were also a part of Carrier solutions in the market for enhanced and efficient ventilation for creating healthier environment inside buildings.

The market picked up across government projects in education & and Healthcare. Hospitality and Retail segments after the Covid slowdown last year took a little longer in coming back as high contact segments. Your company was able to give optimum solutions as per the requirement and meet the completion schedule of the projects in the financial year under review. Your Company expects continuous growth in demand in the coming years as well.

To help channel partners, customers, and consulting engineers make more objective and informed decisions about HVAC products and solutions, your Company opened a new Carrier Expert Center at its Gurugram campus. The Expert Center provides visitors with an unmatched experience to determine how

Carrier's Commercial, Variable Refrigerant Flow (VRF), Light Commercial and HVAC aftermarket solutions can align with their business objectives.

At the new facility, customers can receive expert advice on the latest HVAC technology. Whether customers require zoning with a VRF system, seek to improve the workforce experience, advance their environmental goals, address building needs with applied systems, reimagine building management with controls, or upgrade ventilation and improve the indoor environment – the Expert Center will be a valuable resource to the customers.

Your Company's HVAC factory has been awarded Platinum certification by the Indian Green Building Council (IGBC). The accreditation for maintaining green building standards under the IGBC Green Factory Building Ratings is a milestone for the 33-year-old factory located on your Company's Gurugram campus. Acquiring the IGBC Platinum certification requires a concerted and diligent effort to achieve multiple, non-negotiable standards provided by IGBC. These measures include the use of renewable energy with solar power, adding a high-solar reflective coating on the factory roof, partial use of cleaner fuel in the captive generation, rainwater harvesting for recharging the groundwater table, reuse of treated water, and planting of drought-tolerant greenery.

**SERVICE:**

In line with the growing requirement of the organization, the aftermarket team took various initiatives such as retrofits, capture and recapture in our contracts. For the commercial applied service segment, your Company continued to focus on renewals, conversions, capture, recapture, and retrofits /upgrade of chillers along with annual service agreements/ contracts for entire plant room equipment. The focus of your Company has also been on digital solutions, connected services to diagnose the failure, predictive maintenance and taking prior corrective actions, and sharing performance/ operation trends. Commercial Applied Service also digitized service operations by launching Sales Force & Service Max digital tools.

The Channel business operations (RLC & VRF for Sales & Service) got impacted because of the Covid Impact (Second Wave) in the first quarter of 2021-22. From the second quarter while we had been mindful of the COVID 19 guidelines for knowledge sharing and compliance within the team and the business overall picked up considerably. Appreciate the way the situation was handled by the employees of your company, the guidelines set for operations-to be safe, the business continuity was given emphasis to connect with the customers virtually and even face to face (wherever possible) and your Company did see significant traction around the same. The emphasis continued to get the customers back on service agreements and built up of the pipeline for service modernization. The initiatives for providing the value addition continued by way of PM module (to address PM management), skill building platform, and Carrier Annual Report 2021-22 23 implementation of parts process (MRP) got completed. CCN 2.0 upgradation work in the background got completed and ready for the roll-out processes. The focus on connected services of the equipment in light commercial service continued with equal emphasis on providing solution to the customers on healthy building.

**TOTALINE:**

Keeping in view the envisioned challenges due to the pandemic on vessel availability, increased cost, and demand vs supply disruption, the team not only worked on expanding the margin but also worked on business growth. Your company worked on new business segments like e-commerce, home services etc., and got good growth from these businesses. On healthy building, your company was instrumental in introducing UV lamps and support all the other businesses on providing training to AdvanTEC, chiller and equipment business for their key accounts.

#### **COMMERCIAL REFRIGERATION:**

It was a fantastic year for your Company's commercial refrigeration business. Owing to the exponential increase in the capex investment in certain key segments like warehouse & logistics, food retail distribution centers, food delivery services, & because of your Company's additional focus on pan India channel business, your Company's business experienced multifold rise in the top line and delivered best over bottom-line number for the organization as well.

Your Company was able to establish itself as the preferred brand with leading Indian companies in the cold storage space and clubbed with its service offering, your Company did attain its market leader position once again. The last year was phenomenal in one more way. Your company sold more equipment's from our Carrier India factory than ever. Despite the head winds from supply chain, forex volatility which your Company encountered during journey, your Company managed to do well and break our previous threshold in every domain.

Services continued to grow topline & bottom line and maintain their customer retention in annual maintenance contract as well. Your Company also grew its service network across India region and continued our initiative of ensuring timely and effective services with best turnaround time in the industry. Your company participated in a lot of interactive sessions with employees and channel partners to keep the motivation high and to keep them posted on Company's outlook and other initiatives like environment, health and safety and ethics.

#### **TRANSICOLD:**

Your Company's Transicold division continues to be a market leader by providing innovative and sustainable solutions and engaging with cold chain industry stakeholders to establish robust cold chains in India. Your Company is preferred suppliers of truck refrigeration systems to leading third party logistics companies and truck manufacturers due to its reliable products, aftermarket support with its extensive service network which has now grown to more than 70 service centers across India.

Your Company's Carrier Transicold division has focused on the emerging opportunities from tier II and tier III cities and has received orders from over 60 such locations for fisheries, dairy, fruit, and vegetable segment where our new products in the Citimax™ and Citifresh™ range has met with success.

The application of Citimax™ 280, Citimax™ 400 & the Citimax™ 700 for chilled and frozen applications has gained traction in the small and medium reefer vans. The acceptance of Supra® 550, Supra® 850 and Supra® 1050 has also witnessed an uptick in the fast growing medium and large truck category. The efforts

by Government to upgrade the vaccine transport infrastructure, increase in the organized retail sector and ice-cream segments has further contributed to growth in reefer transport sector.

Your Company has also built strong relations with integrated cold chain providers, truck, and container manufacturing OEM's. To enable better understanding of the cold chain in India your company has been consistent in its efforts 24 Carrier Annual Report 2021-22 to provide education and training to industry users as well as policy engagement with various government bodies.

Your company continue to be an active member of the Confederation of Indian Industry (CII) task force on post-harvest & logistics and the national center for cold chain development (NCCD) set up by the Government of India to promote the usage of the cold chain. Your company has been closely involved with various initiatives of the Ministry of Agriculture & Ministry of Food Processing Industries in spreading awareness about the cold chain.

Your company also supported cold chain growth through industry collaboration and is part of the steering committee on National Cold Chain Logistics Resource Center which aims to integrate the cold chain requirements across various segments and develop a multimodal cold chain infrastructure.

#### **AdvanTE3C:**

Service modernization aftermarket vertical, continue to focus on the Commercial Applied Chillers large retrofit market leveraging the team domain expertise to offer and execute the return on investment-based projects for our customers, and plug inefficiencies in air conditioning plant room. Our modernization and energy savings proposition for their HVAC plant rooms driving steady growth for this vertical, and now embarking on adjacencies solutions in controls and air side to scale up business. Social awareness on energy savings, carbon neutrality and government policies will surely take the business to next level in coming time.

#### **Corporate Social Responsibility:**

Your Company's social responsibility extends well beyond business and financial targets. The Company had spent Rs. 1.51 Crores on CSR activities during Financial Year 2021-22. Your company has entered into partnership with the NGO United Way of Delhi for its CSR activities. The CSR projects of your company includes United for Air and Green Your School.

The Objective of project United for Air is to reduce Carbon Footprint & enhance environmental sustainability.

Under this project your company is:

- Raising awareness on alarming levels of air pollution and its implications on climate change. Your company has a total of 17 LEDs & 11 Air monitors as on date.
- Educating on the direct impact of air pollution on human health and existence and
- Promoting mechanisms for raising capacity of communities to deal with pollution at community level and adopt a healthy lifestyle.

Your company spent 1.27 Crore in this project last year.

The other CSR project of your company is Green Your School in which your company spent Rs. 11 Lakh last year. The objective of this project is to raise awareness on Green Buildings and sustainability amongst the youth of India and Encouraging the youth to come up with ideas on implementation of Green Building initiatives in their schools and Awarding the best adjudged schools to implement initiatives in the schools. The other CSR project of your company is Covid-19 CSR Project in which your company spent Rs. 6 Lakh last year. The objective of this project is to organize vaccination drive for technicians, helpers, plumbers, and electrician community. With this I would like to conclude business update and request Sampada Narang to take us through the shareholders to voting instructions.

**Ms. Sampada Narang**

Thank You Hon'ble Chairman.

Dear Shareholders

The resolutions along with explanatory statement are given in the notice of AGM which is already circulated amongst all of you and with your due permission I read headlines of the same as follows:

**Item No. 1** To consider and adopt the audited financial statements of the company for the financial year ended March 31, 2022 and the report of Board of Directors and Auditors thereon.

**Item No. 2** To appoint Mr. Pritesh Agrawal (DIN: 08757017) who retires by rotation and being eligible, offers himself for re-appointment as a director of the company.

**Item No. 3** To declare Dividend of Rs. 1 per equity share for the financial year ended March 31, 2022.

**Item No. 4** To appoint Mr. Siraj Azmat Chaudhry (DIN: 00161853) as independent director on the Board of Directors of the company.

**Item No. 5** To ratify remuneration of cost auditors of the company for the financial year 2022-23.

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 18th September 2022 from 9 AM till 20th September 2022 5.00 PM. 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. e-voting facility will be disabled thereafter.

The board has appointed Vinod Kothari & Co. 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 23rd September 2022 and the same shall be uploaded on the website of the company and website of CDSL.

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

**Mr. Chirag Baijal, Managing Director**

Thank You Sampada Now I would like to invite the shareholders who have registered themselves to speak during the AGM to express their views, ask any question or give their suggestions.



Registered speaker is Mr. Ajay Jain and may I request the Host to unmute Mr. Ajay Jain please.

**Mr. Ajay Jain, Shareholder**

Hello Respected Chirag Sir, I am from Delhi, shareholder of the company, Ajay Kumar Jain. Today the purpose of joining is that we can listen to the chairman's speech because his speech is precise, clear and explain every point in detail, this is the quality of our chairman.

Sir, as you told us about the financials of the company, about the current situation, I liked it very much, what I liked best was the work done by our company, i.e., Vaccination Drive, that was the biggest contribution made by our company in Covid pandemic, this is an example of our company towards humanity. Vaccination Delivered on time and Carrier is here for this noble cause. Today, for the agriculture sector, the one who transports vegetables or their frozen fruits from one place to another in the right way, the benefit that our farmer brothers or industries or customers get is because of Carrier.

Today, there are many companies, but everyone's first choice is Career. This is the result of your hard work or quality. Sir, whatever you have earned since the journey of more than 30 years, you have earned it because of your quality, whoever gets associated with the Carrier once, stays with the carrier.

Best wishes for you, Namaskar Jai Hind.

**Mr. Chirag Baijal, Managing Director**

Thank you very much Ajay ji, greetings from my side too. Our hope, our effort is that we can move forward our company Carrier, take all our stakeholders forward, our dealer partners, our vendors, suppliers, all those who are part of us may prosper or be safe.

Your suggestions are welcome, thank you for sharing with us, we have noted them down.

Thank you so much

**Ms. Sampada Narang**

Thank you so much Ajay Jain ji

IF any shareholders have question for us, please feel free to write in the chat box and we will take them one by one.

Thankyou

We will give 2 minutes to people.

**Mr. Chirag Baijal, Managing Director**

My request to shareholders, if anyone wants to speak or ask any question, may ask we will unmute you.

**Mr. Chetan Chadha, Shareholder**

Hello Sir, Can you hear me

**Mr. Chirag Baijal, Managing Director**

Yes, we can.

**Mr. Chetan Chadha, Shareholder**

Thank you so much Sir for giving me opportunity to speak.

Sir, first of all I would like to suggest you conduct physical Annual general meeting and please conduct meeting in first week of September.

**Mr. Chirag Baijal, Managing Director**

Thank you, Chetan ji, your suggestions are welcome.

Definitely, we will try to conduct physical AGM next year, we also feel happy to meet you all. Thank you for sharing your views.

**Mr. Praveen Kumar, Shareholder**

Good evening, everyone, Sir first of all I thank you for your speech because it covered every detail in depth. As a retail investor, it is easily understandable by me. I really appreciate the approach which is focused on sustainable growth of Company and investors, like us. Thank you Sir and I expect that will be continue in future also.

I wish all the best to entire team. Thank you so much Sir

**Mr. Chirag Baijal, Managing Director**

Thank you so much Praveen Kumar ji for your kind, generous and good wishes.

Yes, you are right we also believe in sustainable development and growth and we always try our best for that.

**Ms. Sampada Narang**

So, we don't have any further questions from anyone, Thank you so much all the shareholders. I would thank Chirag for answering every participant's questions.

**Mr. Chirag Baijal, Managing Director**

Thanks to the shareholders for asking very pertinent questions.

It has been a year of great teamwork, learning & successes. But I am glad to say that the way Carrier India employees displayed kindness, empathy, generosity and perseverance is really commendable and due to this, Carrier India family came out stronger, more resilient, more caring and more agile than ever before.

I on behalf of Board of Directors would like to place on record appreciation for the commitment and efficient services rendered by all employees of the company without whose wholehearted efforts the overall satisfactory performance of the company would not have been possible.

I am confident that the next year will be a year of faster & more profitable growth and there are many more milestones that we will clear, and I am sure support and efforts of our employees, partners & stakeholders would take this Company to greater heights in the future.

I thank all my colleagues on the board for helping me in creating good governance culture across the organization and fulfilling the responsibilities of the Board.

With your consent and all other board members I would like to conclude this meeting and wish all shareholders and their families a very healthy and safe future. Thank You very much.

**Ms. Sampada Narang**

Thank you, Mr. Chairman,

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

Thank You very much and Be safe.