

**TRANSCRIPT OF THE PROCEEDINGS OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING OF SUMMIT SECURITIES LIMITED HELD THROUGH VIDEO CONFERENCING/OTHER AUDIO-VISUAL MEANS ON FRIDAY, SEPTEMBER 08, 2023 AT 03.30 P.M. (I.S.T.)**

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**PARTICIPANTS**

**Mr. Ramesh Chandak**  
Chairman

**Mr. Abhay Nerurkar**  
Independent Director

**Mr. H. C. Dalal**  
Independent Director

**Mr. H. N. Singh Rajpoot**  
Non-Executive Director

**Mr. Manish Jain**  
Non-Executive Director

**Mr. Prem Kapil**  
Independent Director

**Ms. Shweta Musale**  
Independent Director

**Mr. Paras Mal Rakhecha**  
Chief Financial Officer

**Ms. Jiya Gangwani**  
Company Secretary

**Mr. Arvind Dhumal**  
Manager

**Mr. Ramesh Chandak**

Dear Shareholders, Good Afternoon. I hope all of you and your family are safe and fine. I take great pleasure in welcoming you to this Twenty-Sixth Annual General Meeting of your Company. Company Secretary has confirmed that quorum being present, the meeting can now commence.

The Twenty-Sixth Annual General Meeting of the Company is convened through Video Conferencing or Other Audio-Visual Means, in accordance with various circulars issued by the Ministry of Corporate Affairs and the Securities Exchange Board of India in this regard and in compliance with the applicable provisions of the Companies Act 2013 and SEBI Listing Regulations 2015.

I would like to introduce the fellow members of the Board, who are present in this meeting.

- **“Mr. Abhay Vasant Nerurkar, Independent Director and Chairman of Audit Committee**
- **“Mr. Prem Kapil, Independent Director and Chairman of Nomination and Remuneration Committee.”**
- **“Mr. H. N. Singh Rajpoot, Non-Executive Director and Chairman of Stakeholder Relationship Committee.”**
- **“Mr. H. C. Dalal, Independent Director.”**
- **“Ms. Shweta Musale, Independent Director.”**
- **“Mr. Manish Jain, Non- Executive Director.”**

#### **Mr. Ramesh Chandak**

Representatives of Statutory Auditors “M/s. Sharp & Tannan, Chartered Accountants and Secretarial Auditors “Parikh Parekh & Associates” are also attending this meeting.

The Company has received 17 Corporate Authorizations, from Bodies Corporate/Trusts, representing 8,217,025 equity shares of the Company constituting 75.37% of the paid-up equity share capital of the Company. Since the meeting is held through Video conferencing, there is no proxy facility available for this meeting.

The Register of Directors & KMPs (including their shareholding) maintained under Section 170 and Register of Contract maintained under section 189 of the Companies Act, 2013 are available for inspection electronically.

The Notice of the meeting and the Annual Report of the Company for FY 2022-23 have already been sent to the Members through electronic mode, in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. We, therefore, take the notice as read.

As the Statutory Auditors’ Report and the Secretarial Auditors’ Report do not contain any qualification, observation or adverse comment, it is not required to read these Reports at the meeting.

Now I would like to brief the Members on the operational and financial performance of the Company.

The Annual Report along with the Audited Accounts of the Company for the year ended 31st March 2023 have been with you for some time and I hope that you have gone through the same.

The consolidated total income amounted to Rs. 50.53 Cr for FY 2022-23 as compared to previous year's consolidated income of Rs. 74.99 Cr mainly due to lower dividend income declared by investee companies, which was Rs. 46.24 Cr for FY 2022-23 as compared to Rs. 60.59 Cr in the previous year and due to lower gain on fair value changes of mutual fund and other investments which was Rs. 1.21 Cr for FY 2022-23 as compared to Rs. 11.80 Cr in the previous year resulting decrease of income by 10.60 cr.

On a Standalone basis, the Company's total income was Rs. 26.08 Cr as compared to total income of Rs. 30.48 Cr in the previous year, lower due to lower gain on fair value changes of mutual fund and other investments which was Rs.0.56 Cr for FY 2022-23 as compared to Rs. 6.24 Cr in the previous year resulting decrease of income by 5.68 cr.

Consolidated Profit after Tax for FY 2022-23 was Rs. 37 Cr in comparison to Rs. 51 Cr during the previous year. Standalone PAT for FY 2022-23 was Rs. 19 Cr as compared to Rs. 20 Cr during the previous year.

Consolidated market valuation of the Company's investments as at March 31, 2023 was Rs. 5,612 crores as compared to the valuation of Rs. 4,903 crores as at March 31, 2022. The market valuation of the same as at September 06, 2023 stood at Rs. ,9021 Crores.

On standalone basis, the market valuation of the Company's investments as at March 31, 2023 was Rs. 2,617 Crores as compared to the valuation of Rs. 2,554 Crores as at March 31, 2022. The market valuation of the same as at September 06, 2023 stood at Rs. 4,032 Crores.

The Company, being an investment company, its valuation largely depends on the performance of the investee companies and their securities. Sharp rise in the equity markets has provided good growth to the Company's investments, thereby increasing its valuation. Such investments are mainly in companies engaged in the sector of Infrastructure, Information Technology and Automotive, etc., which are expected to perform well in line with the overall economy.

Thank you very much,

I would now request the Company Secretary to make an announcement with respect to e-voting facility which has been activated for voting at the AGM.

**Ms. Jiya Gangwani**

Thank you, Chairman.

Dear Members,

“Good Afternoon! In Compliance with the relevant provisions of the Companies Act 2013, Rules made thereunder and SEBI Listing Regulations, the Company had provided the facility to the Members to exercise their right to vote on the business proposed to be transacted at this AGM through remote e-voting for the period

commencing from Tuesday, September 05, 2023 to Thursday, September 07, 2023. In order to facilitate voting to those Members, who have not exercised their right to vote through remote e-voting, the Company has also provided facility to vote at this AGM through e-voting platform of NSDL.”

“Mr. Mitesh Dhaliwala of M/s. Parikh Parekh and Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer for remote e-voting as well as e-voting at this AGM, who would scrutinize the votes and hand over the combined report on voting within 2 working days of the conclusion of this AGM.”

“Upon receipt of the result of voting along with the Scrutinizer’s Report, the same shall be uploaded on the website of the Company, NSDL and shall also be submitted to the Stock Exchanges.”

“Since this meeting is being held through Video Conference/Other Audio-Visual Means and the resolutions mentioned in the Notice convening this meeting have already been put to the vote through “remote e-voting” there is no proposing and seconding of resolutions.”

Thank you. I, now request the Chairman to please continue with the proceedings.

**Mr. Ramesh Chandak**

The Company had provided the facility to the Members to register themselves in advance, by sending request from their registered email id to express their views or ask questions during the AGM.

I now welcome the Members, who have registered themselves to speak one by one. The Members are requested to put on their video, state their name and express their views and questions.” In the interest of the time and to avoid repetition, I shall reply to all the queries of the Members at the end.

Three members has registered themselves to speak at the AGM.”

“Now I request the Speaker No. 1: Mr. Pawan Tarodia to put on his video and express his views/ask questions.”

Mr. Tarodia

**Mr. Pawan Tarodia**

Can you hear me?

**Mr. Ramesh Chandak**

Yes, I can hear you.

**Mr. Pawan Tarodia**

Okay, Thankyou, hello all, thanks for the opportunity to speak at the AGM, I shared some queries but I feel that those can be resolved on email later, I would like to talk on some other important things, if that you allow, last year and till now has been very good in performance as you said we are at 9000 cr. of holding value but the same is not been reflected in our share price, I understand that we are holding company with primary focus on holding promoter group shares but as we are listed company like there should be some focus on the minority shareholders like us as well who too can appreciate of the share price as per the true value of the company. Our Primary portfolio CEAT, Zensar, KEC International is actually doing very good as per my calculation yesterday we were at 8700+ crores for these three shares as you were told also that we are at 9000 cr. And overall it translates to around 7700 rupees of book value After considering all the liabilities , so in comparison our market cap is 1000 crores so we are at just 12% of book value or you can say 88% discount to the book value, I know holding companies remain at this at goo discount that is generally 70 to 75% but in case of us it is more than that we are at 70, 88% of book value, Even you other holding company like STEL holding company is at 75% discount to the book value. I think we are most discounted holding company at this moment in India. I understand that you can do nothing on the share price as it is market driven but we can do certain things like you can do certain things to bring visibility to our performance to the market and I would like to add few suggestions here if you can consider those so share market more recognises the profit state of the book value as you are promoter for CEAT, Zensar and KEC and if we are able to ensure the dividend yield of around 1% of those shares, we can actually ensure 100 cr rupees of income from those shares with some other income so that will translate good EPS for us, also Summit should consider giving some dividend which actually shows our solid financial situation to the market

We can easily give 2-4% dividend yield and I would like to give example of Balmer Lawrie here which usually gives 7% of dividend yield and it is also at 60% of book value against 12% at which we are, we should also consider split of bonus shares if that is possible because our share price is now on higher side and it will be like if we are at lower share price it will be more

Attractive to all the shareholders all the public, so we should consider re-investments of our holding to other group companies like CSC which is also doing very good and if we redeem our investment and invest in that that will also result into realized gain which will again push our realised earnings actually so at the end I would like to thankyou and hope you will take the appropriate action for the suggestion.

**Mr. Ramesh Chandak**

Thankyou very much now can I request Mr. Anil Babubhai Mehta to put on his video and ask questions, Mr. Mehta, Mr. Mehta, I think he has joined, can you unmute and speak.

**Mr. Anil Babubhai Mehta**

Yes sir

**Mr. Ramesh Chandak**

Please

**Host (NSDL)**

Mr. Mehta you can unmute yourself and ask questions

**Mr. Ramesh Chandak**

Yes Mr. Mehta

**Mr. Anil Babubhai Mehta**

Yes, good afternoon this is Anil Mehta here and attending this meeting from my residence Knadivali Mumbai

**Mr. Ramesh Chandak**

Yeah

**Mr. Anil Babubhai Mehta**

Sir, I have few questions, my first question is that

1. Does the company process to identify significant Business risk? What type of process? How does it work? How is it performed? Who are responsible for it?
2. How does the company identifies the new director? Does the company use outside recruitment services to find the new directors? What fees are paid to these consultants? Does the company considers nomination from the shareholder?
3. What is the Company doing to improve shareholders relations? How does the management plan to respond?
4. What steps has the Board of Directors taken to monitor managements actions and to encourage that shareholder interests are protected?
5. What are the major opportunities & challenges facing the Company?

**Mr. Ramesh Chandak**

Sir you voice is breaking, Anilji you voice is breaking after opportunities what is the next question you asked

**Mr. Anil Babubhai Mehta**

Just a minute sir, is the growth rate comparable with others in the industry segment?

**Mr. Ramesh Chandak**

Okay

**Mr. Anil Babubhai Mehta**

Okay sir with this we are supporting all the resolutions and thanks to Secretarial department lead my Ms. Jiya Gangwani for their Co-operative and supportive nature, thankyou very much sir and best of luck for the future.

**Mr. Ramesh Chandak**

Thanks Anilji

**Ms. Prakashini Shenoy**

Hello, hello can you hear me sir.

**Mr. Ramesh Chandak**

Yeah yeah

**Ms. Prakashini Shenoy**

I'm Prakashini Ganesh Shenoy, respected Honourable Chairman Shri Ramesh Ji, other dignitaries of the Board and my fellow shareholders, Good afternoon to all of you, I have received the annual report well in time which is informative, transparent and knowledgeable and contains all the information as per corporate governance, I thank Jiya Gangwani and Minal Kothari for the same, I should not forget to thank them once again for reminding me for today's meeting and giving me the link without which I would not be in the position to speak Thankyou Jiya and Thankyou Minal once again, the chairman has give beautiful picture regarding the company and its working in all parameters I'm glad to know that company is doing better compared to last year, congratulations chairman sir, sir I have one or two questions.

My first question is what is the strength of the company and how many female workers are there and what is the percentage, my next question is what is the future of the company and my last question is how are we planning for the digital future last but no the least chairman sir my earnest request to you please continue with the VC so the people all over the world will have an opportunity to express their views, I wish the company good luck for the bright future and pray to god that the profit of the company shall reach the peak in due course, I strongly and whole heartedly support all the resolutions put forth in today's meeting, thankyou chairman sir.

**Mr. Ramesh Chandak**

Thankyou Ms. Shenoy

So I can go ahead and answer the questions raised by the shareholders, I think that I will not answer them necessarily in the order of the sequence.

See one was relating to the dividend yield was very low, see dividend yield now is mostly 1-1 ½ % in most companies, we cannot really influence that how much dividend the other companies should give, I think most of the companies have a dividend policy and they distribute certain % of profit as the dividend so I think we have seen over the years that dividend has been increasing regularly you have seen your own income has been going regularly above, so I think dividend yield will ultimately will depend upon companies how they are investing. I think regarding the dividend policy and for giving dividend of 2-4%. I think Board every meeting before the AGM consider about the dividend policy and we think that today the opportunity of growing investments are better than really distributing the dividend, but distributing even if we give 2% that will be very negligible. I think the board decided and looking at the opportunities which we have for investments, we have decided to continue to skip the dividend this year next year we will definitely look at the dividend and see how much we can give.

So as the bonus shares are concerned, I think it generally does not increase the value, the value of the company remains the same, bonus share will not by itself change the pricing of the company so but then I will put this suggestion to the board and see it that will be considered we will definitely do.

Regarding the investment in other group companies will look into that and whatever the committee decides will definitely but anyway I will put your suggestion to the Committee and will look at that.

And with regard to the question on how we are covering the risk we have proper risk committee of Directors and the Risk committee works in accordance with the guidelines of SEBI and RBI and based on that the Risk are regularly covered, in addition to that we have a strong internal auditor and active board which monitors the performance which are taking care of the performance of the company.

Regarding the Shareholder's relationship, I believe that our relationship with the shareholders are quite good and we have not seen many complaints from the shareholder, but any particular, typical suggestion will request Anilji to put up and send us a email, we will definitely look at the suggestions

So far as opportunities are concerned, the investment company is largely related to the overall growth of the country and as we seen today the growth opportunities and the prospect of the economic growth in India is much better than most of the countries as we are really observing.

So I hope that the future is quite bright for our company and I'm sure that we all will be benefiting from that, also I think there was a question regarding the staff, so the surplus in tax is not much so we have five people to manage the company and out of 5, 2 are female members which is about 20% of the total staff so we have total 5 people and the approximated cost is less than 1 and a half crore, so cost of management is very low and very limited

We are digitized so far as shareholders are concerned and no other digitization is required at this point but we will looks after the digitization, security and they will check if any thing else is to be done, but if any specific suggestion is there you can put it forward to us.



Also the questions which came in writing we will respond to that also, with respect to unquoted investments there is not much income but appreciation of value is there and the unquoted Companies also have investments in properties which are given on rent so I think we are having appreciation in the property. The valuation of unquoted share is done as per the guidelines provided by SEBI and RBI and it is been done annually.

I think I have answered all the questions in case anything is left out please send an email to us and we will try to respond on the same.

I take this opportunity to place on record our grateful appreciation to all our bankers, employees and most importantly, the Members, for their continued support.”

I once again thank the Members of the Company for attending this 26th Annual General Meeting of the Company. I declare that the meeting is concluded and most particularly to people who have asked questions. I really thank them. I declare that the meeting is concluded

Now those Members, who have not voted through remote e-voting may cast their votes during next 15 minutes. I authorize the Company Secretary to receive the combined voting results and report from the Scrutinizer and submit the same to the stock exchanges.

Thank you very much.