

PIPELINE INFRASTRUCTURE LIMITED

Transcript of the Fourth Annual General Meeting

Day & Date of meeting	Thursday, September 15, 2022
Duration of the meeting	12:00 noon to 12:19 p.m.
Venue	Through Video Conferencing

Attendees:

Directors & Key Managerial Personnel:

- Mr. Arun Balakrishnan- Chairperson of the Board & Independent Director
- Mr. Akhil Mehrotra - Managing Director & Chief Executive Officer and Representative of Chairperson of Stakeholders' Relationship Committee
- Mr. Jeffrey Wayne Kendrew - Non-executive Director
- Mr. Mihir Anil Nerurkar - Non-executive Director
- Ms. Pooja Aggarwal - Non-executive Director
- Ms. Radhika Vijay Haribhakti - Independent Director, Chairperson of Audit Committee and Representative of Chairperson of Nomination and Remuneration Committee
- Mr. Kunjal Thacker - Chief Financial Officer ("CFO")
- Ms. Neha Jalan - Company Secretary

Members:

Representatives of all 7 Equity Shareholders

Invitees:

- Representative of Joint Statutory Auditors
- Representatives of Preference Shareholders

Ms. Neha Jalan: Good Afternoon everyone. I, Neha Jalan, Company Secretary of the Company, welcome all the members, directors and invitees to the 4th Annual General Meeting of Pipeline Infrastructure Limited.

I request all the attendees to keep themselves on mute and all the members to keep their video on during the proceedings of the Meeting. Members will have the opportunity to speak once we open for Q&A.

Please be informed that the Meeting is being conducted through video conferencing in compliance with MCA circulars and is being recorded.

The Annual Report and the notice of this Meeting was served electronically to all the members and other stakeholders within the prescribed timelines and is also available on Company's website i.e. www.pipelineinfra.com.

Statutory registers such as Register of Directors and KMPs, Register of Members, register of Contracts or Arrangements in which Directors were interested and such other documents referred to in the Notice are available for inspection by the members during the Meeting who had written to the Company before the Meeting.

In terms of the Articles of Association all business to be transacted at the Meeting of members of the Company shall be decided on a poll.

Accordingly, facility of e-voting through poll will be provided during the Meeting. Equity shareholders or their representatives shall cast their vote on the resolutions, by filling in the details as required in the online polling forms and submitting their response.

Polling process will be conducted in compliance with the applicable provisions of the Companies Act, 2013 and MCA Circulars and members will be briefed on the polling process later during the Meeting. Polling process will be conducted and scrutinized by the Company Secretary and the result of the voting will be announced at the end of the Meeting.

Representatives of Preference Shareholders, Joint Statutory Auditors and designated Chairperson of the Audit Committee are also attending the Meeting. However, the Chairperson of Nomination and Remuneration Committee and Stakeholders' Relationship Committee could not attend the AGM due to pre-occupancy and has authorised other members of the respective committees to attend the AGM, to address queries, if any, raised by the members.

I now request Mr. Arun Balakrishnan, Chairperson of the Board to preside over the Meeting.

I confirm that all the members are present and there is adequate quorum.

Mr. Arun Balakrishnan: Thank you Neha.

Good Afternoon everyone. I welcome all the members, directors and invitees to the 4th Annual General Meeting of the Company.

I confirm that:

- The Meeting is being attended by 7 members representing 100% of the equity share capital of the Company and the Company has received the necessary corporate authorizations in this regard. The quorum being present, I call the Meeting to order.
- All reasonable efforts have been made by the Company to enable the members to participate and vote on the items being considered at the Meeting.

We are now commencing the proceedings of the Meeting.

With the permission of the members present at the Meeting, I take the Notice of the 4th Annual General Meeting as read.

The report of Joint Statutory Auditors and the Secretarial Auditor are unqualified and are therefore not required to be read.

I now request Mr. Akhil Mehrotra, Mr. Kunjal Thackar and Ms. Neha Jalan to provide a brief update on the operations and financial performance of the Company and the agenda proposed to be considered at the Meeting.

Mr. Akhil Mehrotra: Thank you Arun.

To give a brief overview on the HSSE performance of the Company, our performance remains robust with more than 18 million safe man hours. The Company keeps track of unsafe acts/conditions and reporting incidents.

In terms of the performance of the Company, the overall performance has been favorable.

Transportation volumes as of June 2022 was higher than the budgeted volume. Higher volume vis-à-vis budget is mainly due to higher transportation of RLNG, ONGC and KGD6 (RIL) gas.

I would now request Kunjal to take us through the financial performance.

Mr. Kunjal Thacker: Thank you Akhil.

Annual Report for FY22 was circulated to all the members, hence, highlights of the financial performance shall be touched upon:

- FY22 was an encouraging year with several good elements; majorly being Reliance KDG6 field resuming its operations in February 2021, accounting for higher revenues.
- Volumes were 20.56 MMSCMD in FY22 as compared to 11.99 MMSCMD in FY21. EBIDTA showcased 97% rise from Rs. 1025 crores in FY 21 to Rs. 2020 crores in FY 22.
- Increase in employee benefit expenses were mainly due to higher headcount and increments.
- Finance costs remained on the lower side due to lower interest charged on InvIT NCDs; external interests remained unchanged.
- Fair Value loss on NCDs on account of change in discounting factor, refinancing rate and annual interest rate for the block of years 2030-34.
- Other Expenses were higher mainly due to increase in fuel costs and SUG prices.
- Net worth appears negative i.e. Rs. -127.95 crore, due to inclusion of non-cash Fair Value impact of NCDs of Rs. 1,856.56 Crores. Excluding such impact, net-worth comes positive i.e. Rs. 1,729 Crores.

Ms. Neha Jalan: Thank you Kunjal.

We will now move to the matters that is proposed to be considered at this Meeting.

We have 3 Ordinary Businesses, which are as under:

Agenda Item No. 1 relates to consideration and adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and Auditors thereon.

Brief on the same has been already provided by Mr. Thacker.

Members are requested to approve the agenda item by passing the ordinary resolution.

Agenda Item No. 2 & 3 relates to appointment of directors in place of Mr. Sanjay Barman Roy (DIN: 07212724) and Mr. Mihir Anil Nerurkar (DIN: 02038842), Non-executive Directors, who retires from office by rotation and being eligible, have offered themselves for re-appointment.

As per the applicable provisions of Companies Act, 2013, two of the directors Mr. Roy and Mr. Nerurkar were due to retire by rotation this year and being eligible, they have offered themselves for re-appointment.

Brief resume including qualification, experience, expertise in specific functional area and other required details were included in the notice of AGM.

Approval of members is sought by way of ordinary resolution and post approval, Mr. Roy & Mr. Nerurkar shall act as the Non-executive Directors, liable to retire by rotation.

Moving on to the 2 Special Businesses, as under:

Agenda Item No. 4 relates to ratification of remuneration of the Cost Auditor of the Company.

In terms of the applicable provisions of the Companies Act, 2013, the remuneration of Cost Auditors is required to be ratified by the members of the Company. Hence, Board has recommended the annual remuneration of Rs. 1,40,000, payable to the Cost Auditors for FY23, for ratification by the members.

Approval of members is sought by way of ordinary resolution.

Agenda Item No. 5 relates to appointment of Mr. Prateek Shroff (DIN: 09338823) as a Non-executive Director.

The Board had approved the appointment of Mr. Prateek Shroff as an Additional Non-executive Director of the Company w.e.f. August 12, 2022, to hold office upto the date of ensuing General Meeting.

In terms of SEBI Listing Regulations, his appointment is required to be approved by the members at the ensuing general meeting or within three months from the date of appointment, whichever is earlier.

Subject to the regularisation by members, Mr. Shroff will be appointed as a Non-executive Director of the Company, liable to retire by rotation.

Brief resume including qualification, experience, expertise in specific functional area and other required details were included in the notice of AGM.

In view of the above, his appointment is being considered at this AGM and approval of members is sought by way of ordinary resolution.

I would now request Mr. Balakrishnan to continue with the further proceedings.

Mr. Arun Balakrishnan: Thank you Akhil and team for presenting the update.

Members who wish to speak or have any query on the update and agenda items, may either post their questions in the chat box or click on raise "Raise Hand" tab available on the screen.

(No questions were raised)

There are no questions from what I heard. Neha, are there any questions coming up?

Ms. Neha Jalan: No sir, there are no questions and we can proceed.

Mr. Arun Balakrishnan: We will now commence the voting process and I would request Ms. Jalan to brief the members on the voting process.

Ms. Neha Jalan: Thank you Sir.

- Voting will be carried out through online Polling Paper.
- Link for Polling Paper will be shared in the Chat Box.
- Equity Shareholders or their representatives are requested to fill in the details as required in the Polling Paper, along with their assent or dissent on all the 5 resolutions.
- Members are requested to confirm in the Chat Box once they complete the voting.

(Link of Polling Paper was shared in the chat box)

We will wait for few minutes for the Members to exercise their votes.

(After receipt of confirmation of voting from all the members present at the Meeting and verification of polling papers received).

We have received the voting from all the members. I confirm that all the members who are present at the Meeting and are eligible to vote have completed their voting.

I further confirm that all the online Polling Papers received were valid and the resolutions have been unanimously passed. I request the Chairperson to declare the voting results and conclude the Meeting.

Mr. Arun Balakrishnan: Thank you all, based on the Polling Papers, I declare that all the resolutions have been passed unanimously by the members.

Thank you everyone for your presence at the Meeting and for your cooperation and patience during the conduct of this Meeting.
