



“3M India Limited 35th Annual General Meeting”

August 25, 2022

MANAGEMENT: MR. BHARAT SHAH – CHAIRMAN, 3M INDIA LIMITED.

MR. PRATAP RUDRA –COMPANY SECRETARY, 3M INDIA LIMITED.

MR. BIREN GABHAWALA – INDEPENDENT DIRECTOR & CHAIRMAN OF THE AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE, RISK MANAGEMENT COMMITTEE, 3M INDIA LIMITED.

MS. RADHIKA RAJAN – INDEPENDENT DIRECTOR, 3M INDIA LIMITED.

MR. RAMESH RAMADURAI – MANAGING DIRECTOR, 3M INDIA LIMITED.

MS. VIDYA SARATHY – WHOLE-TIME DIRECTOR & CHIEF FINANCIAL OFFICER, 3M INDIA LIMITED.

MR. AMIT LAROYA – NON-EXECUTIVE DIRECTOR, 3M INDIA LIMITED.

MS. YUN JIN – NON-EXECUTIVE DIRECTOR, 3M INDIA LIMITED.

MR. JAMES FALTEISEK – NON-EXECUTIVE DIRECTOR, 3M INDIA LIMITED.

Moderator: Dear Shareholders, good morning and a very warm welcome to the 35th Annual General Meeting of 3M India Limited through video conferencing or other audio-visual facility provided by NSDL.

For the smooth conduct of the meeting, the Members will be in mute mode, and audio and video will be opened when the Members speak at the AGM as per the pre-registration. Please note that as per the requirements, the proceedings of the Annual General Meeting will be recorded and available on the website of the Company.

I now hand over the proceedings to Mr. Bharat Shah - Chairman of 3M India Limited. Over to you, sir.

Bharat Shah: Thank you. Good morning, Namaskaram, ladies and gentlemen. On behalf of the Board of Directors of the Company, I Bharat Shah, as the Chairman of the Company extend a very warm welcome to all of you to this 35th Annual General Meeting, and the third AGM of your Company being held through video conference. The virtual AGM is a progressive step as it allows Members irrespective of where they are physically present, anywhere in India or abroad, to participate in the AGM.

I request Pratap Rudra – Company Secretary to confirm regarding the quorum of the meeting and the corporate representations received. Over to you, Pratap.

Pratap Rudra: I confirm the requisite quorum is present. To start the proceedings, thank you.

Bharat Shah: I call the meeting to order. As we have the requisite quorum present through video conferencing to conduct the proceedings of this meeting. Participation of Members through video conferencing is being reckoned for the purpose of quorum, as per the circulars issued by MCA as per Section 103 of the Companies Act 2013.

This meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. Before we start the main proceedings of this meeting, may I take this opportunity of introducing my colleagues on the Board of your Company, and other participants who are participating in the Annual General Meeting.

Mr. Biren Gabhawala – Independent Director, Chairman of Audit Committee, Chairman of Nomination and Remuneration Committee and Chairman of Risk Management Committee of the Company Participating from Mumbai.

Ms. Radhika Rajan – Independent Director, participating from Mumbai.

Mr. Ramesh Ramadurai – Managing Director, participating from the 3M registered office, on my left.

Ms. Vidya Sarathy – Whole-Time Director and Chief Financial Officer, participating from 3M registered office.

Mr. Amit Laroya - Non-Executive Director, participating from Bangalore.

Ms. Yun Jin - Non-Executive Director participating from China.

Mr. James Falteisek - Non-Executive Director participating from South Korea.

Pratap Rudra – Company Secretary participating from the 3M registered office, is on my right.

I further acknowledge the virtual participation of the Vikas Gupta representing M/s. B.S.R & Co., Statutory Auditors. Parmeshwar Bhat – Secretarial Auditor and Murali Krishna – Cost Auditor.

I now request Pratap to provide general instructions to the Members regarding participating in this meeting.

Pratap Rudra:

Thank you, sir. Good morning, ladies and gentlemen. The Company has enabled the Members to participate at the 35th Annual General Meeting through video conferencing facility provided by NSDL, in compliance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Facility for joining the meeting through video conference has been made available for the Members on a first-come, first-serve basis. All the Members who have joined are by default placed on the mute by the Moderator. When the session on question and answers commences, the speaker Member will be unmuted by the Moderator.

The proceedings of AGM are also being webcasted live for all the Members. Members have been provided with a facility to exercise their right to vote by electronic means, both through remote e-Voting and e-Voting at the AGM, in accordance with the provisions of the Companies Act and SEBI Listing Regulations.

The Members joining the meeting through video conferencing, who have not already cast their vote by e-Voting, can exercise their vote using the e-Voting platform of NSDL, which would be closed after 30 minutes of closure of the meeting.

The Company has appointed Mr. Vijaykrishna K. T. - Practicing Company Secretary as the Scrutinizer who will collate the voting results of the remote e-Voting and the voting at the eAGM for each of the items as per the Notice.

The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements has been made available electronically for inspection by the Members during the

AGM. Members seeking to inspect such documents can send their request to investorhelpdesk.in@mmm.com.

As the AGM is being held through video conference, the facility for appointment of proxies by Members was not applicable, and hence the proxy register for inspection is not available. Some of the Members have already registered themselves as speakers for the meeting. Accordingly, the floor will be open to ask questions or express their views. The Moderator will facilitate the session once the Chairman opens the floor for questions.

Members may also note that the Company reserves the right to limit the number of Members asking questions depending on the availability of time. Members are requested to refer additional information provided in the notes to AGM Notice and for seamless participation through video conference. In case if any Member faces any difficulty, they may reach out to NSDL on the helpline number given in the Notice.

Thank you very much. I now hand over to the Chairman to continue with the proceedings.

Bharat Shah:

The Company has taken all feasible efforts under the current circumstances to enable Members to participate and vote on the items being considered.

On behalf of the Board of Directors of 3M India, it gives me immense pleasure to welcome all of you to the 35th AGM of your Company through video conferencing and other audio-visual means.

We thank you for participating today. I trust the notice convening the meeting, the Board's Report and the Audited Standalone and Consolidated Financial Statements together with the Auditor's Report for the year-ended 31st March 2022, which was sent to you all electronically, on July 28th, 2022, well in advance have been received by you.

For the year '21/'22 was another year that tested us in many ways. When I look back at how the year began with the challenges of this COVID-II wave. It is truly remarkable, to see the resilience of our country and the world and how we are adapting. It has also been a year of great learning, as we find ourselves in a unique situation of adapting to hybrid ways of working, while living with continued uncertainty.

Like in the last year, we are holding this meeting over a virtual platform. I thank all of you for taking the time to join us today for this meeting. The impact of the second COVID wave during the early part of this year does not need any repetition. As we concluded the Financial Year, the uncertainty was exasperated by geopolitical tensions. It is possible that some parts of the world may even experience a recession. While the Jury's out on likely scenarios, one thing is certain, volatility is the new norm.

The Government of India took several measures to put the country on the recovery path. Mass vaccination campaigns, increased government budget allocations and expenditure on

infrastructure projects. Privatization of selected state-owned assets and initiatives to modernize the logistics sector are all positive drivers that will create more employment, boost domestic consumption, and improve business sentiments.

However, this recovery faces headwinds, triggered by geopolitical tensions, inflation, interest rate revisions and ongoing supply chain imbalances. While the government ensures additional measures to mitigate these headwinds, your Company continues to take action to stay agile and resilient.

Ladies and gentlemen, let me cover the changes in the composition of the Board of Directors and the Key Managerial Personnel during the year '21/'22 till date.

At the Board Meeting held on February 3rd, 2022, Ramesh Ramadurai was reappointed as Managing Director of the Company for a further period of two years from February 13th, 2022, to February 12th, 2024.

And Yun Jin was appointed as an Additional Director, categorized as Non-Executive Director with effect from February 4th, 2022.

The Members of the Company have approved their respective appointments by way of an ordinary resolution passed through Postal Ballot Notice dated 3rd February, 2022.

Jong-Ho Lee - Non-Executive, Non-Independent Director resigned as Director of the Company from the closing hours of February 3rd, 2022, consequent upon taking up a higher role within the 3M Group.

Mamta Janak Gore – Whole-Time Director and CFO of the Company resigned as a Whole-Time Director and CFO from the closing hours of May 31st, 2021 and as a Director of the Company from closing hours of 27th May, 2022, consequent upon taking up a higher role within the 3M Group. She was a Non-Executive Director of the Company with effect from June 1st, 2021 till May 27, 2022. The Board places on record its appreciation for the contributions made by Jong-Ho Lee and Mamta Janak Gore to the progress of the Company during their tenure as Directors of your Company.

Based on the recommendations of the NRC, the Board at this meeting held on 27th May 2022, has appointed Vidya Sarathy as an Additional Director and Whole-Time Director of the Company for the period 1st June, 2022, to February 21st, 2026, categorized as Executive Non-Independent Director. Accordingly, the ordinary resignations, seeking appointment of Vidya Sarathy as a Director and also as a Whole-Time Director of the Company, as set out in Items #4, and Items #5 of the Notice of the AGM are sought to be passed by the Members. The Board of Directors recommends her appointment.

I would also like to extend a warm welcome to with Vidya Sarathy as the Whole-Time Director of the Company with effect from 1st June, 2022.

V Srinivasan - Company Secretary & Compliance Officer resigned as Company Secretary & Compliance Officer from the closing hours of May 10th, 2022, as he decided to pursue his career outside of 3M. The Board places on record his appreciation for the contribution made by him during his tenure as Company Secretary & Compliance Officer of the Company.

Further the Board meeting held on August 10th, 2022, Pratap Rudra Bhuvanagari was appointed as Company Secretary & Compliance Officer of the Company with effect from August 17th, 2022. I would like to extend a warm welcome to Pratap as Company Secretary & Compliance Officer. I am happy to report that your Company has delivered a strong performance with positive growth across all business segments.

On a standalone basis, your Company grew at 27%, with Profit after Tax growth at 78% over the last financial year. This is a commendable performance taking your Company back on its pre-pandemic trajectory.

Ramesh Ramadurai - MD will cover the details of the financial performance of the Company for the year '21/'22, and for the 1st Quarter of '22/'23 in his speech separately.

During the financial year, your Company was steered by strong leadership, which brought together its capabilities in overcoming challenges and growing its business, while continuing to make social impact. From ensuring preparedness during the second wave, timely supply of medical supplies, ensuring all its employees and their families are fully vaccinated, your Company remained true to its purpose of protecting citizens and prioritizing the health and wellness of its workforce.

Rising to the occasion during the COVID crisis, your Company led collaborations with multiple partners to respond to urgent needs of communities and also proactively supported local municipal corporations with community vaccination drives to create wider impact.

Your Company believes that creating shared value helps improve lives and impacts the broader environment. This year, your Company also completed an important milestone that is 35 years of operations in India. Many of you are longtime Shareholders, and it is a matter of pride for me to be able to serve as the Chairman of your Company at this time.

As I conclude, ladies and gentleman, I would like to express our a sincere thanks to the Government of India and the State Governments of Karnataka, Maharashtra and Gujarat for their continued support. My special thanks goes to our customers, dealers suppliers, bankers, new Shareholders, 3M Company, USA and other 3M Group companies worldwide for the support and cooperation. I would like to extend my gratitude to the 3M India leadership and the employees for reaffirming your Company's commitment to sustainable growth. We remain optimistic and look forward in anticipation of positive developments in the years ahead.

On behalf of the Board of Directors of 3M India Limited, I thank you, dear Shareholders for your constant trust and support. Thank you.

I would now like to invite Ramesh Ramadurai - Managing Director of the Company to address the Shareholders on the performance and various other initiatives of the Company, during the Financial Year '21/'22, and on the 1st Quarter of the current Financial Year, '22/'23.

Ramesh Ramadurai:

Good morning, ladies and gentleman, Su Swagata Namaskara and Namaskar, my greetings to all of you. Welcome to the 35th Annual General Meeting of your Company being conducted virtually. It is my honor to serve as your Company's Managing Director and to present an overview of our performance in the last financial year.

At the outset, I would like to reinforce our Safe Harbor statement, in today's presentation there may be some predictive statements that reflect our current views about 3M India's future performance, but of course these are subject to risks and uncertainties.

2022 marks an important milestone for our country as we celebrate our 75th year of Independence. 3M India's, 35th year of operation in India also coincides with this larger national milestone. I am honored to be here in front of all of you, dear Shareholders on this special occasion.

When we were in the early stages of the COVID pandemic, the theme for our 2019/'20 Annual Report was 'Resilience for sustainable growth'. In that Annual Report we discussed the importance of resilience, not only for business continuity, but also for sustained growth and success. Building on that, our theme for 2020/2021 Annual Report was 'Elevating life through science'. And the theme for our current year that is '21/'22 Annual Report is 'Powered by purpose and building a shared future.' We strive every day to connect our people ideas and science to re-imagine what's possible, and how we can contribute to solving problems more effectively.

I will cover a few highlights, and then discuss our financial performance, first on the highlights.

Employees

At the outset my gratitude to all my fellow employees who have worked hard during the past year in the face of multiple challenges and headwinds and if I may take the liberty, dear Shareholders, I would like to extend the same gratitude on your behalf as well. Special mention to our factory colleagues who have put in tremendous effort in adjusting to work volatility and uncertainties during the year.

External Recognition

I am proud to share some of the recognition we received during the year for our efforts around COVID and people-focused initiatives. Great Place to Work, recognized 3M India as one of the Top 10 companies for COVID support to employees.

Working Mother and Avatar recognized your Company as one of the 100 Best Companies for Women.

We also received recognition from the local municipal corporation authorities in the cities where we operate for our local contributions to COVID related efforts.

New Products

Innovation and flow of new products is an important lever for your Company. During the last financial year with the reopening of markets, we launched several new products. A few examples include 3M Performance Spray Gun and Ceramic Coating in the automotive aftermarket business.

New Robotic Sanding and Finishing solutions in abrasives.

New products to enhance road safety such as our 3M Stamark tape, which offers all weather reflectivity and improved road visibility.

New engineered solutions for automotive acoustics.

And a new range of respirators for retail Consumers.

In addition to this, our engineers continue to work actively with our customers to expand applications of our existing product portfolio.

During the year, our digital learning platforms such as 3M Healthcare Academy, and 3M Energy Academy, scaled up online education, delivering both local and global best practices and related content.

Advancing our impact through ESG Progress

This year, your Company has undertaken a voluntary disclosure of the Business Responsibility & Sustainability Report that is BR/SR, which gives an overview of our initiatives and actions under the nine principles. We will continue to build on this.

As our customers tackle the challenges of reducing emissions, water and plastics use, we stay committed to partner with them on their journey to adopt more circular approaches.

Market Opportunities & Value Creation

Your Company creates value by connecting its fundamental strengths, namely brand, technology platforms, product portfolio and learnings from our global presence. And we connect these fundamental strengths with the growth opportunities of our country. India's focus on infrastructure investments, accelerating manufacturing through PLI and other interventions, transformation of our energy mix, policy emphasis on electric vehicles, the expansion of an aspirational class of Consumers and greater emphasis on Healthcare outcomes, all of these throw up many growth opportunities for your Company.

With this background, I will now turn to your company's performance in the financial year ended 31st March, 2022.

For the year '21/'22 your Company posted consolidated revenues of Rs. 3,336 crores registering a 28% growth over the previous year. Profit Before Tax registered at 67% growth to Rs. 368 crores at 11% margins.

As you know your Company operates in four business segments. For this year, that is for the Financial Year '21/'22 on a consolidated basis, safety and Industrial contributed 36% of our revenue mix, Transportation and Electronics contributed 35%, Healthcare 17% and Consumer 12% of the revenue mix. All segments delivered growth ranging from 18% to 53%.

Your Company faced a lot of demand fluctuations over the past two years. However, if you look at the sales trends over the last 16 quarters, that is going back 4 years, going back to 2018/'19, our consolidated revenue in the 4th quarter of this Financial Year '21/'22, was the highest at Rs. 926 crores.

I am pleased to report that your Company continued to demonstrate resilience and agility in managing our revenue recovery, and also operating our factories with high health and safety standards.

We also successfully implemented a global initiative where all non-factory workers exercised a choice on working from home, office or in a hybrid manner.

Let me now turn to the 1st Quarter of the current financial year FY'22, FY'23. We have witnessed significant cost inflation and supply chain disruptions over the past several months. More recently, we are also faced with the depreciation of the Rupee versus the U.S. Dollar. In the face of these challenges, our team remained focused on serving our customers effectively. Tailwinds from our digital engagement with our customers, our digital engagement model with our customers, which were tested during the difficult days of the COVID pandemic, also proved very beneficial. We were also able to negotiate price increases with customers to mitigate some of the cost increases.

As a result of all these efforts, your Company posted consolidated revenues of Rs. 944 crores in the 1st quarter of the current financial year, a 28% increase over the previous year. We delivered a Profit Before Tax of Rs. 113 crores an increase of 180% over the previous year at 11.8% to sales. I mentioned earlier that over the past 16 quarters, our sales in the 4th Quarter of the last financial year was at Rs. 926 crores was the highest. We are happy that we were able to surpass that, nominally at Rs. 944 crores this year in the 1st Quarter.

As I have mentioned in my address at the previous AGMs, growth is the lifeline of any Company and crucial for our long term success, 3M India benefits substantially by being a part of the global 3M network and having access to various capabilities. The breadth of technologies, the breadth of our product portfolio, and an engaged and committed team of 3Mers, all of these give

us the ingredients for long term success. We continue to leverage these strengths to position ourselves for sustainable growth.

Finally, I would like to cover the recent global announcement regarding the Healthcare Business segment of 3M. On July 26th, 2022, in the 3M India's parent company, 3M USA, announced its intent to spin-off its Healthcare business, resulting in two world-class companies, well positioned to pursue their respective growth plans.

The New 3M will remain a leading global material science innovator, serving customers across a range of industrial and Consumer and markets, and Healthcare will be a leading global diversified Healthcare technology company focused on wound care, Healthcare, IT, oral care and biopharma filtration.

The Healthcare Business segment of 3M India on a consolidated basis posted revenues of Rs. 552 crores for the Financial Year '21/'22, representing approximately 17% of the total consolidated revenues with segment profit of 12.3%.

The Healthcare Business has a dedicated factory building located at the India Ranjangaon plant in Pune. The spin-off will be subject to various regulatory approvals, and is expected to be completed by the end of calendar year 2023. Additional details of the spin-off will be shared upon review by the Board and as they become available.

We remain very positive and optimistic about the growth prospects of India. The high priority accorded by the government for investments in different sectors, as I have mentioned earlier augurs very well.

We remain committed to building a future on the strong foundation that we already have in place, guided by our culture of customer focus, innovation, agility, embracing and leading in diversity and inclusion and a commitment to our Code of Conduct, and doing business the right way.

In closing, I would like to express my gratitude to you, our dear Shareholders for placing your trust and confidence in the Company. I thank the Board of Directors led by our Chairman, Mr. Bharat Shah for their guidance and support. I would like to express our sincere thanks to the Government of India, the State Governments and various government agencies for their continued support. My thanks also goes to our customers, vendors, partners and our employees for their invaluable support. Thank you very much. And I now hand it back to the Chairman to continue with the proceedings.

Bharat Shah:

We will now resume with the proceedings. MCA and SEBI circulars dispense with the requirement of dispatching physical copies of the Notice for this AGM. Hence Notice of this meeting has been sent electronically to all the Members entitled to receive the same. I therefore, ladies and gentlemen, with your permission, take the Notice as read.

As the Notice is already circulated to all the Members, may I please take the Notice of the meeting as read. I now request Pratap to provide a summary of the Auditor's Report.

Pratap Rudra: The Statutory Auditors M/s B.S.R. & Co. LLP and the Secretarial Auditor, Mr. Parameshwar G Bhat have expressed unqualified opinions in their respective audit reports for the financial year ended March 31st, 2022. There were no qualifications or observations or adverse comments on the financial statements, both in Standalone and Consolidated, and in the Secretarial Audit Report, which have any material bearing on the functioning of the Company. Copies of the Statutory Auditor's Report and the Secretarial Audit Report are enclosed as part of the Annual Report. Thank you. I now hand over to the Chairman to continue with the rest of the proceedings.

Bharat Shah: With the consent of the Members, I take the independent Auditor's Report and Secretarial Audit Report as read. As per the secretarial standards, I will request Pratap to briefly explain the background of all the six resolutions proposed to be passed at this AGM for the benefit of all the Members present.

Pratap Rudra: All the information as required under Section 108 of the Companies Act and the SEBI Listing Regulations the Company has provided remote e-Voting facility to their Shareholders, to cast their votes electronically in respect of all items of business mentioned in the Notice calling this AGM. Brief description of the business to be transacted at this meeting are as follows.

Resolution Details

Ordinary Business, Ordinary Resolutions.

Item #1 Adoption of standalone financial statements for the financial year ended March 31st 2022.

Item #2 Adoption of consolidated financial statements for the financial year ended March 31st 2022.

Item #3 Reappointment of Mr. Amit Laroya who retires by rotation.

Special Business, Ordinary Resolutions.

Item #4 Appointment of Ms. Vidya Sarathy as Director of the Company.

Item #5 Appointment of Ms. Vidya Sarathy as a Whole-Time Director of the Company for the period from June 1, 2022, to February 21, 2026 till the date of her superannuation.

Item #6 Ratification of remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditors for the Financial Year 2022/'23.

The text of the resolutions along with explanatory statement are all provided in the Notice circulated to the Members.

The e-Voting facility was kept open for a period of three days, from Monday 22nd August 2022, 9 A.M. to Wednesday 24th August 2022 till 5 P.M. As per Section 107 read with Section 108 of the Companies Act, there will be no vote by show of hands at the Annual General Meeting. The Members participating in this meeting through video conferencing, who have not already cast their vote by e-Voting can exercise their voting right using e-Voting platform of NSDL. The results of e-Voting and e-Voting during the AGM will be reconciled and combined results will be declared later on. As per e-Voting rules, the results will be placed on the website of the Company.

I now hand over to the Chairman to continue with the rest of the proceedings.

Bharat Shah: Before proceeding for e-Voting, I invite Members to offer comments and seek clarifications if any on the resolutions contained in the Notice, and registered speakers to raise their questions. Members are requested to keep your questions brief and specific. The Moderator from NSDL will facilitate the questions on the audio or video features. Members are requested to mention their name, folio number or client ID before asking the questions. To avoid repetitions the Board will respond to all the questions including the questions issued through email at the end.

I now request the Moderator to give his general instructions to the Members who are present and who wish to seek clarification one-by-one. Over to you, Moderator.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin the question and answer session. We have our first speaker Shareholder Manoj Kumar Gupta, I request you to unmute your audio-video and proceed with a question, sir.

Manoj Kumar Gupta: Respected Chairman, Board of Directors, fellow Shareholders. My name is Manoj Gupta, I have joined this meeting from Calcutta, my residence. And I thanks to the Chairman that you are our beloved Chairman, because you are the Chairman of also Exide, and we meet you in Calcutta. From last few years, we are meeting in Calcutta but this year, we hope that you will come to Calcutta to celebrate the 75th year of Exide, and meet us.

Bharat Shah: I will try.

Manoj Kumar Gupta: And thanks to the MD for his nice presentation about the 3M India. I am the Shareholder over last 28 years and we have got a good return in the stock market. But when the dividend will come, dividend, when you will be in position to pay that dividend, why **(Inaudible 00:36:33)** that are called one day and your operator says it's not possible to transfer the line, I will ask someone to call you **(Inaudible 00:36:54)** has called me, and he has helped me to resolve my issue and I thanks to --. Have you any plan to split the shares, because the share price is now approximately Rs. 25,000 to attract the small investors and increase the liquidity and the market capitalization, kindly split the shares either 1:2, 1:5 or 1:10, so think about that.

And what's your future outlook for the Healthcare Business of 3M, because the Healthcare is growing in the country, and sir what's your future outlook? And what will be your market share? And how you will look into that business to grow by your Company in that field?

When will you reward, you can reward to the investor by the way of the split of shares, that way, if you will consider to split the shares, the market price will go up and market capitalization will go up. Be liberal, don't be conservative. Think about the small investors.

You have saved a lot of money in last 3 years by the way of non-dispatching of physical balance sheet and not hold physical Annual General Meeting. So, you should consider to give a memento to the speakers, those who are taking interest in the AGM, you should consider a memento to the speaker, at least one sample kit you can send them of 3M Sticky and other things that they can use for their children's education. Last year about, I also ask the MD and MD has a big smile and say that we will consider. And this year also MD is smiling. And that's a good sign that MD is smiling then Company will also smile, but you should consider at least one thing, hardly 10 speakers will speak, so you can send.

And our foreign partners are also listening our views that what we are saying. And we have full faith and confidence on the Board of Directors that now the --. As per your balance sheet or as per your performance, that market price should be Rs. 40,000. So, think about in that direction, about the split because the split can help to increase the market price, increase the liquidity, increase the market capitalization.

And again, I request you to think about to send some sample kits to the investors. If you will send, if they find good, then they will inspire to buy from the market. So, it's your marketing. If you will send some kit, then that will be a work for your marketing of your products to attract the pupils, to inspire the pupils to how the products are there by the 3M India, because I am the Shareholder from when the name of the Company was Birla 3M. So, think about that.

And I again with respect to our Chairman, and I believe that Company will touch new heights under his leadership. Thank you.

Moderator: Thank you. We will move to our next speaker Shareholder, Raji Manghani. Please proceed with a question.

Raji Manghani: Good morning, Respected Chairman. I am Raji Manghnani, a Member of Millenniums Mams, Bangalore Chapter, I am a proud Shareholder of 3M India. I would like to know how our Company plans to utilize the huge cash available. Do you plan to diversify or is a delisting on the cards, considering you cannot avail of a buyback and as a policy you do not get dividends. Could you please share with us of what the future holds with the Shareholders today? Thank you.

Moderator: Thank you. We will move to our next speaker Shareholder Dipankar Purkayastha. Please proceed with a question.

Dipankar Purkayastha: Good morning, everybody. And thank you for the opportunity. I had made in my list of questions in advance, and I do hope you have received that. So, I would request you to give the point wise replies to those questions. There is a tendency in some companies to group questions under things and give thematic replies, I would request you to please give point wise replies, if any question is a duplicate of a question that has already been asked, of course, you are free to skip that question by stating that it is a duplicate. I won't waste time by reading out all those questions, they are there with you. And you can give the answer.

I have only one additional point to make and that is arising out of what the MD stated today with regard to the divestment of the Healthcare business by the parent company. As far as India is concerned, as far as I can see, there are three options. The Healthcare business is spun-off as a separate company and which is not listed, in which case the Shareholders of 3M will not get anything by way of participation in that Company and will lose out on the growth prospects of the Healthcare business in India.

Even if you sell it for on lump sum cash basis, there are again two options, you retain the cash with you and don't pay out anything to the Shareholders which is of course the worst possible deal. And the other option is you sell it on a lump sum basis and then pay out the cash proceeds to everybody. That is a so-so, not so good option, but better than the worst.

The ideal option would be of course, if the Healthcare business is spun off, as a listed entity and Shareholders of 3M India are allotted pro-rate our shares in the new listed entity, so that we can also participate in the growth prospects of the Healthcare business.

The MD said that as and when details become available, those would be shared with the Shareholders in India. I do hope that when a decision is taken, you will keep in mind the interests of the minority Shareholders in this Company who have been with you for a long time. And you will see that no injustice is done to them, by making them lose out on the growth prospects of the Healthcare business in India, which as anyone can say are very considerable.

With that I have nothing more to say except to await the replies of the question which I have already submitted. Thank you for the opportunity and good day.

Moderator: Thank you. We now request our next speaker Shareholder Celestine Elizabeth Mascarenhas, request you to please proceed with your question.

Celestine Mascarenhas: Respected Chairman, Bharat D. Shah, MD Ramesh Ramadurai, other Board Members, my fellow Shareholders attending this AGM. I am Mrs. C. Mascarenhas. I am attending this meeting, speaking from Mumbai.

First of all, I thank our Company Secretary and his team for sending me an e-Notice and also a physical copy. Thank you so much. So, much things are there in this report, I mean, it is really very good. First time I participated because I am from Mumbai so I never got opportunity to come up to Bangalore. Anyway, thank you so much.

Now, our Annual Report is very exhaustive and self-explanatory, adhering to all the norms of -
-. Our working is good, and everything is good. We are not getting dividend. So, we are looking
out when, which day we will get something in future, when the demerger of the Healthcare
business, I look out for –

Anyway, I congratulate for all the awards and recognizations, they are all in the Annual Report
also the CSR work done by our Company and also ESG initiatives taken by the Company. I
would like to know whether you have gone for rating any rating, which rating agency and what
is our rating?

Now my queries, of course, I have no queries because working is so good. And I feel only
Shareholder also said first one, about the split. I can call this Company if no split or nothing then
I think all these Company Hathaway Berkshire of India, Warren Buffet's so whether you want
to become like Warren Buffet, only giving valuation and valuations from \$1 when I was small
child, it is now how many dollars, I don't know whether we are thinking on that basis. You could
just tell, speak on it.

I would also endorse the view of the first Shareholder make the share affordable. You know, our
Prime Minister is also make it affordable so that even the small people can make an entry and
be participating in it. That is why our President is from the tribal. So, you make it affordable by
splitting. And with that you can think of some bonus in view of the demerger.

So, further, I would ask you some future roadmap for the next five years with all geopolitical
problems and how we are --. I support all the resolutions. I wish my company all the best. Thank
you may we grow in strength to strength. And most important, I wish you all very good health
because I know health is wealth and wealth will come with you all 3M team having good health.
Thank you so much. And see you again. Next year at least keep hybrid meeting so that we can
participate. Thank you once again, Namaskar.

Moderator: Thank you. We will move to our next speaker Shareholder, Dineet Saluja. Request you to please
proceed with your question.

Dineet Dadu: Good afternoon, Respected Chairperson and Members of the Board. My name is Dineet Dadu a
Member of Millennium Mams, Bangalore Chapter, and a proud Shareholder of --. I would like
to know if you are planning to introduce any new products this year. If yes, can you please share
the details of the same? Also we are keen to know why we don't introduce many more products
in India, especially considering 3M as such a range of quality products to choose from.

My second question is, India is the fastest growing economy. So, our Company cannot be
considered the fastest growing company in the family. What stops you to go out and participate
in the India growth story? Thank you.

Moderator: Thank you. Next question is from the line of Mukesh Chandiramani. Please go ahead with your
questions.

Mukesh Chandiramani: My name is Mukesh Chandiramani, I am from Bombay. Thank you, for giving me an opportunity to speak. I would just like to know from your side is the Company planning to delist the shares, and make it 100% and everything should be go to the USA, is that your plan? And the second thing, if you plan a split so can you reward us by giving us a bonus share? Thank you, for giving me the opportunity to speak.

Moderator: Thank you. That was the last speaker Shareholder. Over to you, Bharat Sir.

Ramesh Ramadurai: Thank you Chairman, for turning this over to me to respond to the points made by the Shareholders and the Members. But before I do that, first of all, I want to express my sincere thanks to all our Shareholder speakers, one for your participation. And I did observe a couple of comments of appreciation. So, thank you very much. We are delighted by that. And it motivates us even more. The questions that you have raised, which also informs us of your thought process and what's on your mind, and for your engagement with this, AGM, so thank you for being Shareholders. And thank you for your engagement with the company in its proceedings.

So, I will take the questions and I think there were a number of comments around dividends, share split, for supporting small investors, possibility of delisting, bonus shares, etc. So, I will take them together. So, first of all, I want to inform all Members that the Shareholder base of the company has grown from about, I think it was somewhere in the neighborhood of a little over 9000 in 2011. And today, as we speak, we have close to a little over 39,000 Shareholders. So, I wanted you to be aware of that. It's of course published in the Annual Report. And we thank our Shareholders for their engagement and participation and trust in the Company. And this has happened through a variety of means and processes over the last 10 years.

As we have said in the past, the Board continues to review all of the options for utilization of our cash position, at this including investments, including new areas, investments in CAPEX, investments in businesses, new avenues of investments for growing businesses, etc.

And in previous occasions, including in Investor meetings, which are available online, I have also mentioned that the nature of our business is such that sometimes our investments tend to be a little lumpy. So, we do conserve cash to take advantage of those opportunities as and when they become available. So, the lumpy nature of some of our investments over and above our steady-state CAPEX investment strategies that we pursue and keeping in mind the growth opportunities available in the country as one of our the latter Shareholders talked about as the India growth story. So, I think the Board reviews, these options and then at this point in time, we are looking at conserving some of our cash, conserving the cash position of the Company to be able to take advantage of these investment opportunities as they come up.

In terms of delisting and splitting, share splits or issuance of bonus shares, these are all areas that the Board will continue to look at and make the appropriate decisions, in the interest of all Shareholders, in the interest of our minority Shareholders and all of you present here today. So, please be assured that we will continue to do that.

I will cover the, there were two or three questions on Healthcare which I will take them together. As I mentioned in my opening remarks, Healthcare business contributes to roughly 17% of our consolidated revenues of 3M India. And there will be actions taken over the next several months to finalize the modalities of the spin-off of this Company. And the modalities will, of course, take into account the interests of the Shareholders like you have just outlined, like one of the speakers mentioned about, he talked very clearly and precisely about the three options or three or four options that were available to the Company. Please be assured, that we will be looking at that, the Board will be reviewing it, and we will come back to you.

In terms of the outlook for the Healthcare business itself, I think the 3M has made a determination that we will keep all of our material, science businesses and safety, industrial, transportation, electronics, and then some of it going into the Consumer area as one unit, which will be the New 3M and the Healthcare business will have the opportunity to grow as an independent standalone healthcare company.

Give me a moment to make sure that I am covering all the points raised. I will smile again and then I will acknowledge again, and I will say that mementos to the speakers, and I am looking here at my colleague and good friend, Pratap. So, we will work jointly together to come back to you on that.

I think one of our speakers had emailed in about 11 questions, and then I will definitely take them here. And we will go through some of those. I think the first question was on export sales, what are the types of products that we export from here? Our exports are relatively very small at this point in time as you could have seen from our Annual Report. And most of the product portfolio there is focused around two or three different areas. One is our Corrosion Protection products that we manufacture in our Ahmedabad factory that's called our Epoxys. Then we have some products from our safety business, transportation safety business. And then the third one is certain categories of our automotive aftermarket products, such as Evaporator Cleaners, and so on. So, these are the product portfolios that are focused on export and we will continue to see how best we could expand some of this in the coming years.

The second question was around the companies. How is your Company taking advantage of the government's PLI schemes? And can we provide more details on that? Yes, this is a very important question as well as an important growth opportunity for your Company. I have said in previous occasions again that sectors such as mobile handheld manufacturing, now, more recently the automotive components, PLIs have been announced. ACC that is the Advanced Cell Chemistry batteries, PLIs have been announced so all of these hold growth opportunities for the Company. We continue to work with the respective OEMs or the respective manufacturers in these fields. And we capitalize on the growth opportunity.

Some are short cycle growth opportunities, some will be longer cycle growth opportunities. Specifically, in the case of mobile handheld, we are finding that, due to the pandemic, some of the localization of the suppliers to the smartphone manufacturers, the suppliers themselves, that

localization is taking a little longer than anticipated, perhaps because of the pandemic. And then we become a material supplier to them once they localize their operations in India.

So, we continue to keep a close watch not only on the original brand owner, but also the different participants in the value chain so that we are making connections with them at every step of the way. So, this will continue to remain. We see this as a medium term growth opportunity. It may or may not be a short term, let's say next six months or 12 months, but it's definitely a medium term positive for us.

What is the valuation of the Food Safety business arrived at independent valuers? And there is a question regarding the sale of this business. This business, I want to inform all Members that this business is really a very small part of our overall portfolio, it contributes to less than 0.5% of our consolidated turnover. So, it is a very small part of our overall portfolio in India. I think the final actions have been reviewed by the Board and taken right now. And there will be, the disclosures that are being sought will be made either in the next quarter's report as we announce our results for the next quarter that means, July, August, September or perhaps in the October, November, December quarter based on the timing of the closure. So, there will be full disclosure on these.

The fourth question was about a clarification of the cost of raw materials and the percentage cost of materials consumed. So, it is kind of an almost a technical question. If you look at Page 63 of the Annual Report, what is referred to there as cost of raw material consumed, actually consists of the raw materials consumed, purchase of traded goods, as well as the increase and the change in inventories. Whereas in Page 65, it relates only to the cost of raw materials consumed. So, that might have been the reason why this question came up.

The next question, around segment profitability about safety and industrial and how we can continue to improve that, yes, the margin in Safety and Industrial business was driven by a couple of factors 1) A very sharp increase in input costs. 2) Also certain product mix changes which contributed to adverse margin results. Both of these are being addressed as we speak, as we go through the year, as we go through the last 12 months plus this current quarter.

If you had noticed the sequential improvement throughout the quarters in FY'21/22, you would have seen the 4th quarter of FY'21/22 had substantially improved margins. And we are working hard through a combination of factors including price increases to improve this trajectory going forward in this financial year.

I think that the question on why is the capital employed in a Consumer segment decreased by 36%. This is purely due to movement in receivables and inventory there is nothing other, no other explanation for that.

And then there were question around contract research. And also, as a parent have a separate global R&D center in India or can we step it up. There is no change envisaged in the current

setup in global contract research. So, I think the 3M India, we have an R&D center currently present in Bangalore, and we carry out the R&D activities here under a Contract Research Agreement.

The question is during the year Company earned Rs. 55 crores from Management support fees? Is there any plan to increase the scope of these activities and make this a profit center? The answer is no we do not plan to make this a profit center. These are based on support that we provide to other entities and then through appropriate charges and agreements there is an invoicing of the costs of the support provided to other entities. So, that's what shows up as a Management support fees.

The next question, there is a reference to a provision of Rs. 1.35 crores for impairment on account of receivables from a related party. So, can you please clarify this? Yes, this relates to a recharge of expenses relating to certain employees, who we transfer across countries for both their career broadening, career progression, as well as specific skill sets required by your Company here in 3M India to drive our growth strategies as well. In this particular case, due to the restrictions placed by the Central Bank of that country this amount could not be remitted. So, I think there is a provision that's been made for it just as a good practice. And we will continue to work on this.

The 10th question, the penultimate question is around CAPEX of Rs. 70 crores during the year, it's all seems to be heavily weighted in one segment. Yes, that was by design. We have mentioned earlier that we have made an investment in our Ranjangaon factory in our automotive business to drive a growth of our emissions portfolio that is to improve, especially for the heavy vehicles first, and also for our passenger vehicles. This investment was concentrated that this was a fairly large and a very advanced technology manufacturing line. So, this has been installed over the period of the last 12 to 18 months, with some challenges due to COVID. But I am also happy to report to you that as we speak right now, the initial commercialization trials are going on, and they are going on well with our lead customers and we look forward to commercializing it in the coming months.

And finally, the Consumer segment is by far the most profitable and how do we increase the share of this in the overall revenue mix? Share of our Consumer business consolidated is about 12% like I mentioned earlier. If you look at our global mix, it's about 15% or so, so approximately 15% to 16% is the contribution of Consumer, to our global product portfolio. Over the last three to four years, we have improved the contribution of our Consumer business by about 150 basis points, 150 to 200 basis points to our mix. And it is our endeavor to continue to do this in the coming year so that we can continue to increase their contribution to the overall mix. And we are doing that by essentially focusing on broadening up our product portfolio and entering into new markets. So, Mr. Purkayastha I hope that answered all of your questions that you raised. So, thank you for that.

I will talk about new products, there was a question on new products. And I did cover some of this during my prepared remarks about the new products, I gave some examples of new products that we launched during the course of the year. The way we approach new product introductions is prioritization by market segments, how can we improve our relevance in each of the segments that we participate in? And how can we do that in the most efficient manner to create the most impact in terms of how can we win quickly? And how can we have it make a significant impact to both our revenues and our margins?

So, we will continue to do that in all of our segments, whether it's in Transportation, whether it's in our Automotive segment by expanding the acoustics and emissions portfolio, whether it's in our Safety and Industrial businesses through expanding our portfolios in the automotive aftermarket, expanding portfolios with products which are tied with the robotics increasing influence of automation in the manufacturing processes so all of these.

There was a question on ESG rating and rating agency. So, I think we do have our own global portfolio and a global program on managing all of our ESG priorities. And we have several processes in place in your Company to track all of these. And some of those have been also reported under the BRSR reporting, under the 9 Principles. So, we will continue to strengthen that as we go forward. At this point in time, we have not tied up with an external rating agency. But it will, all of our CSR programs at this point we do have a partner who guides us in some of the social commitments and the social intervention programs that we do. We have an external partner, we maintain it, and we do an impact assessment internally to which will help us guide allocation of CSR funds for specific programs, and how do we create an impact for the communities that we are trying to work with. And we will continue to do those.

And I think the government has also been very, they have been very progressive in advancing the cost of ESG in the country. And we will definitely continue to strengthen this area of our operations. Globally, as you know 3M, and in India, we have a strong commitment to environmental responsibility, environmental stewardship, as well as focus on our communities that we operate in. So, that's something which is very important to your Company.

And I think I covered most of the questions, all the questions, and then just the last comment is on the India growth story participation. I think, I might have answered this throughout my prepared remarks, and as well as during responses to many of the questions that have come up. We remain extremely confident and bullish about the opportunities that are available to us here in India. Like I said, we look for ways to marry the fundamental strengths of 3M, whether it's in technologies, whether it's in product portfolio, whether it's brand, as well as our learnings from different geographies of the world, how do we connect them with the growth opportunities that are available in India? And how can we drive some of this forward, whether it's infrastructure, whether it's manufacturing, in high-tech manufacturing in areas like the PLI schemes that 11 or 12 sectors where PLIs have been announced, so all of these form an important part. There are opportunities to cater even more to the emerging consumer class, the aspirational class of

consumers. So, all of these provides strong opportunities for growth. And we continue to focus on those.

With these dear Shareholders, thank you for the questions that you have raised today. And I am glad that I had the opportunity to address all of them here in-person, although through this audio-video mechanism. Thank you.

Bharat Shah:

Thank you Ramesh. Members may note that the icon for e-Voting is available on the screen, which will redirect you to a separate window on the e-Voting portal of NSDL. The e-Voting facility will be active for the next 30 minutes. Therefore, Members who have not cast their vote yet are requested to do so. The Board of Directors has appointed Vijaykrishna K. T - Practicing Company Secretary as the Scrutinizer to supervise the e-Voting process.

Further, I hereby authorize Ramesh Ramadurai - Managing Director, Vidya Sarathy - Whole-Time Director and CFO and Pratap Rudra - Company Secretary of the Company to declare the results of the voting, and place the results on the website of the company NSDL and stock exchanges.

The resolutions as set forth in the Notice, shall be deemed to be passed today subject to receipt of the requisite number of votes.

We had many Members participating today in this 35th AGM virtually. We are grateful to all shareholders for attending the meeting. And I hereby declare the proceedings of this 35th AGM as closed. Thank you very much dear Shareholders and I look forward to seeing you next year in-person. Please stay safe and stay healthy.

[Music]

Moderator:

Dear Members as instructed by the Chairman, we request all the Members participating in the AGM and who have not yet cast their vote to do so in the remaining period of 10 minutes. Thank you.

[Music]

Moderator:

Dear Members as advised by the Chairman, the time for e-Voting has lapsed, and they are of the view that all Members who are participating in the Annual General Meeting have been given adequate time and opportunity to vote at the AGM. This concludes the proceedings of the AGM. Thank you all for participating in the AGM and e-Voting.