

3M India Limited
38th Annual General Meeting
August 26, 2025

- **Moderator:**
- Good morning and a very warm welcome to 38th Annual General Meeting of 3M India Limited through video conferencing or other audiovisual facility provided by NSDL. For the smooth conduct of the meeting, the Members will be in mute mode. Audio and video will be open when the members speak as per the preregistration. The proceedings of the Annual General Meeting will be recorded and available on the website of the company as per the requirements. I now hand over the proceedings to Ms. Radhika Rajan, Chairperson of 3M India Limited.
- **Ms. Radhika Rajan – Chairperson, 3M India Limited:**
- Good morning, ladies and gentlemen, namaskara, namaste. On behalf of the Board of Directors of the company, I, Radhika Rajan as the Chairperson of your company, extend a very warm welcome to you all on this 38th Annual General Meeting 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 in India or even abroad, to participate in the AGM. I now request Mr. Pratap Bhuvanagiri, Company Secretary, to confirm the quorum of the meeting and the corporate representations received.
- **Mr. Pratap Bhuvanagiri -- Company Secretary, 3M India Limited:**
- Yes, Madam. The requisite quorum is present to start the proceedings.
- **Ms. Radhika Rajan – Chairperson, 3M India Limited:**
- Thanks Pratap. I call the meeting to order as we have the requisite quorum present through video conference 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 and 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 the meeting, may I take this opportunity to introduce my colleagues on the board of your company and other participants who are participating in this Annual General Meeting.
- To my left are, Mr. N V Shivakumar, Independent Director, Chairman of Audit Committee, Nomination and Remuneration Committee, and Risk Management Committee of the company. Ms. Elizabeth Kong, Non-Executive Director, and Mr. Jayanand Kaginalkar, Whole Time Director.
- And to my right are, Ramesh Ramadorai, Managing Director, Ms. Jung Hyun Kim, Non-Executive Director, Mr. Nikhil Arora, Chief Financial Officer of your company, and Pratap Bhuvanagiri, Company Secretary.
- I further acknowledge the virtual participation of Mr. Umang Banka representing Messrs. BSR & Company LLP Statutory Auditors, Mr. Parameshwar G Bhatt, Secretarial Auditor, and Mr. Murali Krishna, Cost Auditor.
- I now request Mr. Pratap to provide general instructions to the members regarding participation in the meeting.

- **Mr. Pratap Bhuvanagiri -- Company Secretary, 3M India Limited:**
- Thank you, Madam. Good morning, ladies and gentlemen. The company has enabled members to participate at the 38th Annual General Meeting through video conferencing facility provided by NSDL in compliance with applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. Facility for joining this meeting through video conference has been made available for members on a first come, first served basis. All members who have joined are by default placed on a mute mode by the moderator. When the session on question-and-answer commences, the speaker member will be unmuted by the moderator. The proceedings of the AGM are also being webcast live for all the members. Members have been provided with the facility to exercise their right to vote by electronic means, both through remote voting and e-voting at the AGM in accordance with the provisions of the Companies Act and the SEBI listing regulations. The members joining the meeting through video conferencing who have not already cast their vote, can exercise their vote using the e-voting platform provided by NSDL which would be closed after 30 minutes of the closure of the meeting.
- The company has appointed Mr. Vijayakrishna KT, Company Secretary, as the Scrutinizer who will collate the voting results of the remote e-voting and voting at the e-AGM for each of the items as per the notice. The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements is available for inspection. 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 proxy register for inspection is not applicable. 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 this session once the Chairperson opens the floor for questions. Members may also note that 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 notice to the AGM for seamless participation through video conference. In case any member faces difficulties, they may reach out NSDL on the helpline number given in the notice. Thank you very much. I now hand over to the Chairperson to continue with the proceedings.
- **Ms. Radhika Rajan – Chairperson, 3M India Limited:**
- Thank you, Pratap. The company has taken all feasible efforts under the circumstances to enable members to participate and vote on the items being considered at the meeting. Good morning, ladies and gentlemen. On behalf of the Board of Directors of 3M India, it gives me immense pleasure to welcome all of you to the 38th Annual General Meeting of your company through video conference and other audiovisual means. Thank you for your participation today. I trust the notice convening the meeting, the board's report, and the audited financial statements together with the Auditor's Report for the year ended March 31st, 2025, which was sent to you all electronically on August 4th have been received by you. As I take on the role of Chairperson of 3M India, I do so with a deep sense of honor. It is indeed a privilege to lead an organization whose purpose-driven ethos continues to shape its impact across industries and communities. 3M India has consistently delivered solutions that address real world challenges while creating sustainable value for stakeholders.
- We enter FY25-26 amidst considerable global economic uncertainty and trade tensions. Amidst these headwinds, India remains relatively resilient. The country continues to lead among major global economies driven by robust domestic demand, thriving service led sectors, and a deepening focus on infrastructure and innovation. This sustained growth momentum reflects the underlying strength and

adaptability of our economy even in the face of external volatility. Strategic investments in rural development, digital transformation, and inclusive policies are laying a strong foundation for long-term prosperity, positioning India as a beacon of stability and opportunity in a shifting global landscape. I'm pleased to report that we continue to pursue a sustainable growth path. Our disciplined execution delivered sales growth of 6.1%.

- The foundation of our impact lies in the strength and diversity of our four business groups. Safety and industrial, transportation and electronics, consumer and healthcare. Together, these businesses demonstrate the breadth of technology, the depth of consumer. Trust and our enduring commitment to improving lives through science. Our vision of progress is rooted in responsibility. We are actively advancing environmental stewardship across our value chain, supporting industries in their decarbonization efforts and contributing to a global transition to towards a circular climate resilient economy. Our sustainability efforts are anchored in science, powered by our innovation platforms, and guided by our philosophy of doing more with less. We believe long-term success is rooted in inclusivity. At 3M India, we are committed to building and fostering a culture of belonging.
- Our people strategy prioritizes inclusive hiring, equal growth opportunities, and diverse perspectives, strengthening our culture and sharpening our impact. Beyond our operations, we continue to invest in communities. Our social impact initiatives are focused on expanding access to STEM education, providing scholarships to young women, improving community health, and building water resilience through grassroots partnerships. I am optimistic about what lies ahead. At 3M India, we remain driven by our purpose, strengthened by our people, and energized by the opportunity to create long lasting value for stakeholders. I would like to take this opportunity to extend grateful thanks to the outgoing Directors of the board, Mr. Bharat Shah, Chairman for a long time, Mr. Biren Gabhawala, Mr. Amit Laroya, Mr. Andrew Bennett, and Ms. Yun Gin. Their guidance and counsel were invaluable.
- I'm pleased to share that your company's board has recommended for your approval a dividend of ₹535 per equity share, that is a final dividend of ₹160 per equity share and a special dividend of ₹375 per equity share. Mr. Ramesh Ramadorai, Managing Director, will cover the details of the financial performance of the company for the financial year 24-25 and for the first quarter of 25-26 separately. On behalf of the Board of Directors, I express a special thanks to our customers, dealers, suppliers, bankers, shareholders, 3M Company USA, and other 3M Group Companies worldwide for their support and cooperation.
- Last, but not least, on behalf of the Board of Directors of 3M India Limited, I thank you dear shareholders for your constant trust and support. Thank you. Please go ahead, Ramesh.
- **Mr. Ramesh Ramadorai -- Managing Director, 3M India Limited:**
- Thank you. Thank you, madam Chairperson, namaskara, namaskar to everyone. Good morning, ladies and gentlemen. My greetings to all of you. Welcome to the 38th Annual General Meeting of your company being conducted virtually. It's my honor to serve as the company's Managing Director and to present an overview of our performance in the last financial year. At the outset, I'd 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 these are subject to risks and uncertainties. The global economy continues to be buffeted by various issues. Global economic growth was about 2.8% in 2024 and is projected to be about 2.5% in 2025. During the financial year to 2024-25, the Indian economy delivered a robust growth of about 6.5%. India's GDP growth for the current financial year is projected between 6% and 6½%. The recently announced tariffs on Indian exports have inserted another element of uncertainty. Your company's exports are minimal and therefore there is negligible direct impact. However, the company's revenues may be affected based

on the impact on our customers in sectors such as auto components, machinery, etc. We expect that uncertainty will continue for some time and we continue to track that closely. In any event, and much more so in such a scenario, we must double down our efforts on those aspects of our operations that we can directly influence.

- We are investing selectively in several areas since the last year. These investments focused on improving our market presence by increasing our sales and marketing headcount and selectively increasing advertising and promotions. They were targeted at large existing market segments which had the potential to provide sustainable returns in a relatively short period of time. These initiatives have contributed to the improvement in the company's year-on-year growth over the last five quarters. Our growth rate was flat in the first quarter of the last financial year i.e. 2024-25 and then improved to about 7% in Q2, then it improved to 8% in the third quarter, and to 9.5% in the fourth quarter, resulting in a growth of about 6.1% for the full year 24-25. We are pleased to report that the company continued on this path of sustaining growth by delivering about 14.3% versus previous year in the first quarter of the current financial year 25-26. We are encouraged by this progress. It is difficult to predict the impact of the external environment on our results in the short term. We do anticipate some volatility. However, we remain optimistic about the future growth prospects of our economy and of our company.
- In uncertain times, we believe it is very important to strengthen the foundational blocks that contribute to building resilience. That is why we selected resilient growth as the theme for this year's Annual Report. The underlying strength of the company, its technologies, customer relationships, and its dedicated team of employees have all contributed to the resilience of the company. I will comment on a few aspects that contribute to building resilience.
- Financial Strength - We continue to maintain a strong financial position in the company with a healthy balance sheet, reserves, as well as operating margins.
- Customer Centricity - Over the years we have built strong relationships with our customers. We recognize this is an ongoing journey. We continue to work hard to deepen our engagement with our customers and channel partners.
- Operational Excellence - We continuously focused on streamlining all aspects of our operations with improved customer orientation and efficiencies. In this regard, we take the benefit of 3M companies, global processes and systems.
- Innovation - We focus on developing solutions which are relevant for customer needs in India, leveraging our global technology and products as well as locally developed products. And finally,
- Talent - We bring together people who have different technical expertise, industry knowledge, backgrounds, and experiences as a catalyst for innovation and growth. I will now highlight a few key sectors.
- 1 - Manufacturing - There is a gradual but sure growth in the manufacturing sector in various sunrise industries. Investments in consumer electronics manufacturing, semiconductors, and inputs for the renewable energy industry are well underway. The supplier value chains for these industries will be established over a period of time. 3M's technologies and product portfolios are well aligned to these emerging industries.
- 2 - Infrastructure - We recognize and appreciate the government's sustained allocation to developing quality infrastructure in India, including in sectors such as roads, railways, metros, and airports. These investments provide opportunities for our businesses.

- 3 – Automotive - The opportunity in the automotive industry remains attractive despite some recent softening. The passenger vehicle industry players have announced significant investments over the next five years to grow the market, launch new models, and upgrade technology and these investments again provide opportunities for your company.
- I will now turn to the company's performance in the financial year ended March 31st, 2025. For the year 2024-25, your company posted revenues of ₹4,446 crores registering 6.1% growth over previous year. Profit before tax declined marginally by 1% to 773 crores. This decline was mainly due to increased investments in sales and marketing to expand our market coverage. Excluding the onetime Vivad Se Vishwas or VSV impact, profit after tax also declined by about 1% to 575 crores with a PAT margin of 12.7%. I would like to make a few remarks on the Vivad Se Vishwas Scheme. This is a tax initiative introduced by the government, allowing taxpayers to settle outstanding disputes by paying only the incremental tax liability with a complete waiver of interest and penalties. Your company opted to settle certain long outstanding tax disputes to optimize tax costs, avoid prolonged litigation and avoid the cost of litigation, and also free up management bandwidth.
- As you know, your company operates in four business segments. For the year 24-25, the safety and industrial business contributed 32% of the revenue mix, transportation and electronics contributed 38%, healthcare 19%, and consumer about 11% of the revenue mix. All segments delivered growth with healthcare leading the growth at 13.7%, consumer at 8.6%, safety and industrial at 6%, and transportation and electronics segment delivered a 1.6% growth.
- Let me now turn to the first quarter of the current financial year that is 2025-26. Your company posted revenues of 1,196 crores in the first quarter of the current financial year with a growth of 14.3% versus prior year. We delivered a profit before tax of 239 crores, an increase of 13.5% over previous year at 19.8% to sales. There have been uncertainties in the market due to external issues including geopolitical concerns. The passenger vehicle production grew in the low single digits during the quarter; I'm talking about the first quarter of 25-26. The index of industrial production was also soft in the first quarter of the current financial year. We will continue to remain watchful of the market conditions, stay close to our customers, and continue to serve them as efficiently as we can. The company published its third Business Responsibility and Sustainability Report i.e. BRSR for the year 2024-25, which forms part of the Annual Report. This report outlines the company's progress in environmental, social, and governance areas for the period. During 24-25, we enhanced our BRSR efforts by broadening coverage across core parameters, providing a comprehensive view of our sustainability performance.
- InterTech India reviewed our BRSR core disclosures and tested our internal controls as our assurance partner. Your company supports the communities where we live and work. We are committed to our Corporate Social Responsibilities by leveraging our people and products to help build resilient, strong communities through science, technology, engineering, and math education, and scholarships for young women to healthcare and community-based water resilience initiatives. Through strategic partnerships and volunteer engagement, we aim to strengthen the social infrastructure and foster lasting change across diverse communities. As already highlighted by Madam Chairperson, I would also like to provide an update on the 3M India Board as covered by her in her speech. The year 2024-25 saw several changes to the board. After serving for 10 years as Independent Director, Mr. Bharat Shah retired as Chairman of the Board of 3M India on March 26th, 2025. We greatly benefited from his leadership and astute council, and we place on record our sincere gratitude for his contributions. Mr. Biren Gabhawala also retired from the Board of 3M India Limited on August 13th, 2024, upon completion of 10 years as Independent Director. During his tenure, Mr. Gabhawala served as the Chairman of the Audit Committee, amongst other roles, and provided invaluable guidance and leadership to the board. We place on record our sincere gratitude to Mr. Gabhawala as well.

- In other changes to the board composition, Ms. Vidya Sarathi resigned as Whole Time Director and CFO. Mr. Andrew Bennett, Mr. Amit Leroya, and Ms. Yun Jin resigned as Non-Executive Directors. We sincerely thanked them for their numerous contributions. We welcome Mr. N V Sivakumar as Independent Director. Mr. Jayanand Kaginalkar as Whole Time Director and Ms. Elizabeth Kong, and Ms. Jung Hyun Kim as Non-Executive Directors on the Board. I'm grateful to our talented and committed team of 3M'ers and my colleagues who contribute every day for the success of the company. I thank them all once again.
- In closing, I'd like to express my gratitude to you, our shareholders, for placing your trust and confidence in the company. I thank the Board of Directors led by our Chairperson, Ms. Radhika Rajan, for their guidance and support. I'd like to express our sincere thanks to the Government of India, the state governments, and the various government agencies for their continued support and my thanks also goes to our customers, our vendors, and partners and finally our employees for their invaluable support. Thank you very much. I now hand it back to the Chairperson.
- **Ms. Radhika Rajan – Chairperson, 3M India Limited:**
- Thank you, Mr. Ramesh. We shall now resume with the proceedings. MCA and SEBI circulars dispensed with the requirement of dispatching the physical copies of notice for this AGM. Hence, notice of this meeting has been sent electronically to all the members entitled to receive the same. Therefore, ladies and gentlemen, with your permission, I take the notice as read. I now request Pratap to provide a summary of the Auditor's Report.
- **Mr. Pratap Bhuvanagiri -- Company Secretary, 3M India Limited:**
- Thank you, Madam. The Secretarial auditors, Messrs. BSR & Co LLP and the Secretarial Auditor, Mr. Parameshwar G Bhatt, have expressed unqualified opinions in their respective audit reports for the financial year ended March 31, 2025. There were no qualifications or observations or adverse comments on the financial statements and in the secretarial audit report, which have any material bearing on the functioning of the company. Copies of the Secretarial 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.
- **Ms. Radhika Rajan – Chairperson, 3M India Limited:**
- Thank you, Pratap. With the consent of the members, I take the independent auditors report and secretarial audit report as read. As per the secretarial standards, I will request Pratap to briefly explain the background of all the seven resolutions proposed to be passed at this AGM for the benefit of the Members present.
- **Mr. Pratap Bhuvanagiri -- Company Secretary, 3M India Limited:**
- Thank you, Madam. For your information, as required under Section 108 of the Companies Act and SEBI listing regulations, the company has provided remote e-voting facility to the shareholders to cast their votes electronically in respect of all business mentioned in the notice calling this AGM. Brief description of the business to be transacted at the meeting is as follows.
- Ordinary Business, adoption of financial statements for the financial year ended March 31, 2025. Declaration of dividends for the financial year ended March 31, 2025. Reappointment of Ms. Kong Sau Wai Elizabeth who retires by rotation as a Director.

- Special Business, approval of material related party transactions with 3M Company USA, approval for payment of royalties to 3M Company USA, appointment of secretarial auditor, ratification of remuneration payable to Messrs. Rao Murthy & Associates, cost auditors for financial year 2025-26.
- The text of the resolutions, along with explanatory statements are provided in the notice circulated to the members. The e-voting facility was kept open for a period of three days. That is Saturday, August 23rd, 9:00 AM to Monday, August 25th till 5:00 PM. As per section 107, read with Section 108 of the Companies Act, there will be no voting by show of hands at this 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 vote using e-voting platform provided by NSTL. The results of remote e-voting and e-voting during the AGM will be reconciled and the 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 Chairperson to continue with the rest of the proceedings.
- **Ms. Radhika Rajan – Chairperson, 3M India Limited:**
- Thank you, Pratap. Before proceeding for e-voting, I invite the 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 their questions brief and specific. The moderator from NSDL will facilitate the questions on the audio or video feature. Members are required to mention their name and their folio ID or client ID before asking their questions. To avoid repetition, the Board will respond to all the questions, including the questions received through e-mail at the end. I shall now ask the moderator to give his general instructions to the Members who are present and who wish to seek clarifications.
- **Moderator:**
- Thank you, Chairperson. We will now begin with the Q&A session. Members are restricted to their comments to the agenda of this meeting. In the interest of time and so that all the speakers get the reasonable time to be present please be brief with your questions. With this, I request our first speaker Mr. Manoj Kumar Gupta to join. Sir, kindly unmute your mic, switch on your camera, and ask your question.
- **Mr. Manoj Kumar Gupta – Shareholder:**
- Hello. Good morning, Respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta joined this meeting from my residence City of Joy, Kolkata. I feel proud to be a shareholder of 3M India Limited. Ma'am, first of all, I warmly welcome you as our Chairperson. I believe that you will take the company further, on new heights under your able guidance and dynamic leadership with the help of entire team of management and when we meet next our share price will touch ₹50,000 under your leadership with the entire team of management. Ma'am, what's your future plan? And how you will reward to the shareholder and how much our ESG score, if the ESG score is right, then what's your plan? Kindly throw some highlights and how much renewable energy we are using as today and what's your plan in that regard in future to save the cost of energy and your products are very excellent. Every people use in office, schools, college students, and person using, so kindly explore more things in future to catch the market and what's your plan in regard? Kindly throw some light. Hello, ma'am, kindly, it's my humble request you kindly split the shares. Either 5:1 or 10:1 to increase the liquidity in market cap for that in future and ma'am kindly if possible kindly send a sample kit to the speaker shareholder if possible. I request always in the AGM and keep continue the VC meeting in future, so that you are in Bangalore, we are in Calcutta, so that we can talk to you and

we can attract 1 to 1 in the AGM or EGM. So, keep continue. With this, I strongly support all the resolutions. We will get good return in coming time under your able leadership. Thank you.

- **Moderator:**

- Thank you, Sir. With this, we move on to our next speaker shareholder Ms. HS Patel. Ma'am, request you to unmute yourself. Turn on your video and.

- **Ms. Hutokshi Sam Patel – Shareholder:**

- Hello. Hello.

- **Moderator:**

- Ma'am, you are audible. Please proceed.

- **Ms. Hutokshi Sam Patel – Shareholder:**

- Thank you, moderator. A very good morning to all of you. This is the 38th AGM and today the share price quoted is 30,455. We are excellent in every field and very good performance of the company. Our company is giving us a very good dividend of 535. Thank you very much for this superb dividend, but my humble request is please do not give us dividend, make use of this dividend in our companies. This dividend can be used for our various outputs and in the service of the company. I humbly request the management. Anyway, Mr. Bharat Shah, the outgoing Chairman of the company, thank you very much for the service of our 3M and all the very best to you. Thank you very much and thank you for the guidance and counseling that the company that you have given us to the company. Madam Radhika Rajan, the Chairman of the company, very good company you are heading and a little tough time ahead. Wish you all the best. Mr. Ramadorai, the MD of our company and very eminent Directors on the Board. Mr. Nikhil Arora, the CFO of our company. Thank you for giving us very good financial performance in the annual report. Our favorite, Mr. Pratap Bhuvanagiri Sir, you have been very helpful, and we are very good with the shareholders. Thank you very much for giving us support and Vilas also, I'm thankful to him, so that I'm able to speak at this juncture. Thank you for giving me an opportunity to speak. However, I would like to state that the financials have been good, that is, 4,446 is our revenue and our market cap is almost 39,342. Sir, however, I find a little that our inventory level has increased considerably from 64,823 to 53,179.

- Sir, the cash balance has decreased considerably, 104428 is the cash balance and it has come to 93,277 and our bank balance is also very less. It's very, very less 31,355. It has gone down to 460. Please why it is so very less if the about gives us the answer it would be much better. The financial cost has increased from 321, it has increased to 117, almost triple and other expense has also increased from 53,121 to 5,887. Low income and EPS is also down. It has a very long way to go. I hope so. My other questions are the dividend for the year is 535. Will this trend of giving higher dividend and payouts continue in the next year also? Payment of royalties, Sir, with the promoter holding 75% of stake, why are we paying the extra additional loyalty of 97,000? Please throw some light on it. The explanation, the income earned by the company is far lower than the expenditures incurred for the past three years. Cannot we avoid paying the royalties on the top of all that? I do hope that the company takes a very cautious call on this loyalty payments. I'm in support of our PT, but over and above this loyalty payment should be avoided as much as possible. Sir, do we undertake R&D expense and do we have any patents? What is the R&D cost and the cost of patents? Is there any increase in borrowing? And finance cost, it is purely lease purpose or it is short-term required?

- On segment reporting on page 67-68, can we also include PAT and PAT margins details for each segment. It would help us to understand the segments with higher margins. Sir, there are some statutory use that are pending from various courts, from income tax, sales tax, customs and excise, could you please throw some light on it on page 159? Yeah. I congratulate the management and I congratulate all the employees for winning all the awards for the company that is 0 defect delivery award that the company has won. Wish you all the best and congrats for all this. The company has ranked 46 in India under Top 250 companies in ESG. Very good performance of the company. I wish the company acquires more and more rewards and we wish the company all the best.
- Your CSR activities has been very good, very excellent. I have one little humble request, Sir. Again, I repeat that instead of giving us the - please do not split the shares. I do not like splitting the shares. Let our company's share price keep on increasing. I do not like companies which split their shares. Let our company price reach to a large extent more than even MRF. The 3M price should keep on increasing and increasing more than MRF. I wish this company all the very best and also please stop giving us a higher dividend. This higher dividend should have been - this can make our financial stronger and force our company to go ahead and accept various challenges instead of giving us such a high dividend. I request the company and the Board of Directors to this important thing, I'm telling to the Board of Directors, please see that our company displays companies product in annual report. Mostly all the companies, however, in the city in Bombay, where I'm having the various annual reports, I see from the pharmaceutical company. then your vehicle company car company, Scooter company, various companies they are displaying their each and every product in their annual report. 3M is having such a good product and very useful – through the report and they are also willing and wanting to put the shares in this company. So, it is very nice to even advertise this product. I humbly request that. Anyway, I support all the resolutions which is mentioned in the notice. I wish the company all the very best, especially the Board of Directors, the management team, and all the employees for going through the heavy rains, especially in our country. This time the rains have been very, very heavy. They are coming and working for our company all the very best in heavy sunlight. The people are coming and working. God bless you all. Thank you very much for giving us a good report. All the very best to you. I'm Mrs. Patel from Mumbai.
- **Moderator:**
- Thank you, ma'am. With this, we move on to our next speaker, Mr. Himanshu A Trivedi. So, kindly unmute your mic. Turn on your video and speak.
- **Mr. Himanshu A Trivedi – Shareholder:**
- Madam, I'm audible. Can you hear me?
- **Moderator:**
- Yes, Sir. You are audible.
- **Mr. Himanshu A Trivedi – Shareholder:**
- Yeah. Good morning all of you. Respected Chairman, Radhika Rajan and other Board of Directors sitting on the dais. Myself, Himanshu Trivedi from Vadodara. First of all, I'm thankful to our Company Secretary, Bhuvanagiri for sending me the hard copy of the AGM report well in time, which is full of impression, facts and figures in place. So, I'm thankful to you and your entire secretarial team. Report is nicely prepared with all beautiful photographs with all corporate governance covered in the report. I don't have much question because I have full faith on Board and their agenda. So, I support all the resolution items. I have all question and query sent to the e-mail well in advance to save the time of

AGM and give the opportunity to my rest of the speaker-shareholders. Sir, still I have few questions. What is the market share we have in domestic and international? And what would be the profit-sharing ratio in coming financial year? I wish good luck and bright future for coming financial year. Thank you to allow me to speak. Thank you, madam.

- **Moderator:**

- Thank you, Sir. We move on to our last speaker shareholder of the day, Mr. Gokul Maheshwari. Sir, can you turn on your mic, switch on your video, and ask your question.

- **Mr. Gokul Maheshwari – Shareholder:**

- Sure. Am I audible?

- **Moderator:**

- Sir, you're audible. Please proceed.

- **Mr. Gokul Maheshwari – Shareholder:**

- Okay. First of all, thanks for the opportunity and congratulations for the good set of results over the years. I had sent my questions prior to the AGM and in interest of management and my fellow shareholders time, I won't be repeating the questions, however, would like to request management if they would answer each of the questions separately and not club them with others while giving answers. Thank you and all the very best.

- **Moderator:**

- Thank you. With this, we have completed the Q&A session. I will now hand it back to the Chairperson to conduct the further proceedings of the AGM. Thank you.

- **Ms. Radhika Rajan – Chairperson, 3M India Limited:**

- Thank you. I will now request Mr. Ramesh Ramadorai to respond, clarify all the queries which were raised by the members.

- **Mr. Ramesh Ramadorai -- Managing Director, 3M India Limited:**

- Thank you very much, Madam Chairperson. First of all, I want to express my appreciation and gratitude to all the shareholders who participated in today's Q&A and raised the questions and to Mr. Maheshwari, I can confirm that we've received all your questions, and we will answer them as you requested. I will go in the order of the speakers.

- I'll start with Mr. Manoj Gupta first. So, I think he had raised about 6 different questions. 1 is on the future plan of the company. So, like I've mentioned, even during my speech, the company is focused on some of the key segments that are aligned with 3M's product portfolio. We focus on infrastructure segments, we focus on the automotive segments, automotive including Tier 1 suppliers into the automotive industry, the OEMs as well as the aftermarket. So, when I say automotive, it's the entire value chain of automotive and then we also focus on different manufacturing segments within the industry. Then, we also focus on our consumer business and our healthcare business. So, these are all the different segments where we have a strong participation in, and we continue to bring our competitive strengths and competitive advantages to bear in these industries and segments that we participate in.

- Our long-range plan is built on, you know, fine tuning and sharpening our competitive advantage in these segments. In addition to these that I've just talked about, obviously there are emerging sunrise sectors, which I briefly alluded to in my speech, specifically in electronics, consumer electronics, then going forward, we will see more in semiconductors. So, these are all segments to which we are already gearing up and to participate in and I think this question has also come up in one of the future speaker - later speakers. So, that is how we are planning for the future and then making necessary investments whether it's in sales and marketing competencies, R&D capabilities, manufacturing capacities. So, I think it's a lot of these and how do we also invest in our customer service, customer service operations, so that we can serve our customers on time and with as little friction as possible, ideally eliminate all friction.
- The next question was on rewarding shareholders. I think there were a couple of questions on rewarding shareholders paying dividends, retaining cash, conserving cash. I'll kind of take them because they all have - they go to the same topic. The board reviews the financial position of the company diligently and regularly, and we take our decisions for dividend, distribute payouts, and distribution based on the cash requirements of the company, based on the future projections, as well as what are anticipated cash generation will be over not just over the next four quarters, but even beyond that. If members look at our financial performance over the last several years, you will notice that our cash generation has been very stable and reasonably predictable. Okay. So, that gives us the confidence that we have a stable cash flows into the company. Therefore, we can also predict what our requirements are and accordingly make decisions on dividend distribution.
- So, we are rewarding shareholders. We are rewarding for you know we are acknowledging your trust and supported to the and we will make the appropriate decision based on balancing the needs to reinvest for growth as well as what should be maintained as prudent reserves as one of the - as Ms. Patel referred to and also accordingly come up with the dividend distribution.
- There were a couple of questions related to ESG. On an ESG score, we don't actively go out and you know look for scores, we've not done that. Let me just, I have made some notes here. I wanted to make sure I am accurate in what I am sharing with the members. So, you know what we do is, we have not partnered with any external agencies for ESG ratings in India. However, you know some agencies such as SES ESG Research Private Limited, they are a SEBI registered ESG rating provider. They have conducted an independent study and they have awarded 3M India a score of 70 based on various parameters. So, this is a journey we have embarked on. We continue to refine or improve and refine our ESG reporting and this is something we continue to improve on as we go forward and we have plans to do that.
- And related to that was a question on renewable energy. I think we expanded our onsite solar capacity as well as procured green electricity. We've achieved almost a 48% increase in renewable power consumption during the course of the year, but having said that, our renewables currently account for about 25% of our total electricity share and we have plans to advance this more towards the low carbon energy footprint.
- I have noted your comments, Mr. Gupta on share split as well as sample kit to shareholders. Thank you for your comments and thank you for participating in the Q&A.
- Ms. Patel, thank you for all of your questions and thank you for participating in our AGM. I think this is several years in a row, now so we truly appreciate it. We also noted your comments of appreciation to our outgoing Chairperson as well as to our current Chairperson and members of the Board so, thank you. I think your question on reinvestment to grow, dividends, and cash retaining cash etc., I think we've kind of talked about that. There was a question you asked on inventory increase and then for

increase in financial cost. So, I think the inventory increase is really aligned with for, there are two reasons. One is of course, our revenues are growing, so there will be increase in inventory aligned with that and in some cases, we take some based on what we see as logistics you know delays etc. in shipments, ocean shipments coming from different sources of supply. We take some prudent action to build up some buffer inventories. So, those are the reasons contributing to it. I think these are all things which will work itself out during the course of the year. So, we balance customer service, you know potential disruptions or delays in supply chain as well as our growth requirements. So, there is nothing unusual happening there. In terms of financial cost, I think I think that it is really some of the least expenses have are classified as financial costs. So, those would explain some of the increases you're seeing in financial cost.

- On the royalty payments, I just wanted to provide additional clarification. 3M3M India gains a lot from the technologies that are owned by the parent company 3M to which we have a license o access those technologies and we pay a royalty fee of 3.25% to the parent company on only the manufactured products. What we manufacture here locally in India using the technologies that we secure from the parent company, and we have done several studies benchmarking with other companies and if you look at the total royalty paid as a percent to sales, as a percent to total sales, it is somewhere in the neighborhood of 1.9% or so to 3M USA. Thank you for your support to the RPTs.
- You raised a question, an important question on patents. Yeah, we continue to file. We are active in the patent area in protecting the intellectual property of the company which is generated both here or in other parts of 3M. We have several - a couple of 100, over a couple of 100 patents live as we speak, which is a combination of both foreign you know, IP generated outside of India and as well as IP generated within 3M India and that is something we continue to monitor very closely. All of our new products and the new technologies that we develop go through an intellectual property review and we take appropriate action to file patents and protect their IP.
- I think profit after tax for segments, I think the profit before tax for segments actually provides a much cleaner view of the profitability for each of the operating segments, namely safety and industrial, transportation and electronics, healthcare and consumer. So, and I think we will continue to do that because it allows members to review our performance on a more comparable basis without any unusual impacts on those performance. It really refers to the operating performance of these business units - business segments.
- Statutory dues you referred to on page 159, I believe it was. So, these are ongoing, you know matters which we will continue. We continue to work through the various mechanisms available to the company. There could be demand notices, there could be you know different cases that are there, but these are something we continue to manage through the various avenues and mechanisms that are available to the company and we continue to provide updates on those both in the annual report and also when there are material impacts we do filings with the exchanges as required by regulations. Product display in the Annual Report, yeah point well taken. Thank you. Thank you. So, Ms. Patel, thank you once again for your questions and your participation in the AGM.
- Mr. Trivedi, thank you again for participating. I think I'll take your second question first. I believe it was you asked about profits in 2025-26. Like I said, we don't make forward-looking projections or estimates. What we aspire to do is, you know, continue to build the fundamentals of the company, continue to grow the company as I've explained in some of the segments that I alluded to earlier and also do it in a manner which provides the right level of margin. Margins may vary within a band year-to-year given various the various impacts on operations including foreign exchange fluctuations, including changes in, commodity prices globally.

- So, a lot of these shipping costs tend to vary quite a bit going you know whether it's sea freight, air freight, etc., they continue to vary quite a bit. So, these are all these will have some impact on our operations and that is why I keep saying we'll operate in a certain band. You talked about - you also asked a question about market shares. Our market share is very significant, and I think you also asked about global and India. So, I will restrict myself to India because in terms of what your company is operating in, they vary quite widely across different segments. It's very different. So, for example, we look at platforms like what we work with the automotive industry, we work in transportation safety, we work with different types of films, which are used for architectural purposes. Of course, we have core product platforms such as adhesives, industrial adhesives, industrial tapes, industrial abrasives, and then in consumer we have the home cleaning category and in healthcare we have different products and solutions that we provide to the hospitals. So, the market share positions in each of these segments, we track diligently and closely on a regular basis and the I mean the obviously the numbers vary by segment and by our strength. These also give us the opportunities for increasing our penetration and I spoke earlier in my speech about some selective investments we've been making to improve our market presence, to improve our penetration, and to deliver sustainable growth in the short-term, and I think those are kind of the relative share positions also inform us on where we should direct some of our resources. So, thank you for that question and thank you once again for your participation, Mr. Trivedi.
- I'll now turn to Mr. Maheshwari's questions, please bear with me. It may take a little bit of time. He sent me about two pages of questions. Sir, I'll do my best to answer them to your satisfaction. The first three groups of questions, or rather, the first four groups of questions are by the business segment. The first one is on safety and industrial, question is can you elaborate the factors that led to subdued growth over the past five to seven years? So, before I answer safety and industrial specifically, if you look at the last five years that is 24-25 being the 5th year and going back to 2019-20, the total company grew at a compounded growth rate of about 8.3% of which safety and industrial contributed 4.7, transportation, electronics and healthcare were in double digits 10.2 and 12.2, and consumer was about 8%. Okay. So, I think Mr. Maheshwari's question is very valid, what happened to safety and industrial? And I think his second part of his question also partly answers that which is we've faced some erosion in our pipe coating business in certain product portfolios. We had some impacts in our business in pipe coating specifically, which led to some of the softer growth over the last three or four years in safety and industrial. We are seeing some of that recovering as we go through the first quarter of this year and I think this is something we are very actively focused on. Within safety and industrial segments such as the automotive aftermarket business continues to do well and continue has performed well and then we've had some softness in areas like pipe coating and a couple of other areas. So, the second question was on the pipe coating business facing some temporary erosion approximately how does has the cycle bottomed out? Well, I think it's a bittersweet comment. I guess the good thing is it's probably bottoming out as we speak, but I would say it is bottoming out and then staying there for at least for the at this point in time.
- So, it is not that we see a significant recovery in that. So, we don't count on that for growth. Our operating margins were at 16% in safety and industrial and then that back in 2016 to 2020 and this has fallen to an average of about 10%. Q1 was better when we went back to 17%. So, it's a combination of - so, how did it improve? So, the question is, as I talked about, it's a the safety and industrial business has vast array of products going to different customer segments abrasives, diesels, automotive aftermarket, electrical products, safety products, etc. So, we continue to work very diligently on the most attractive market segments that we focus on in the short-term. Also, the product mix that goes into these segments and I think these are some activities that have happened over the past several quarters to shift the mix towards both segments that allowed us sustained growth as well as improved margins, a lot of that goes back to our efforts in these areas and the teams have done a good job in driving this in a sustained manner over several quarters.

- The second one was on healthcare. The question is in the Annual Report we have mentioned of refining our distribution strategy over the past three to four years in terms of educating, training, and helping hospitals and dental practitioners, could you please provide more details on it, namely, I mean how does the arrangement work, will 3M India pay for this etc.? So, first of all I want to say that our education training is very distinct and from our distribution channels, our commercial channels, we partner with them, and we supply products through our customers, end customers whether they are hospitals or dentists, we supply products through them. Whereas what we do through our education and training programs is work directly with the end customers. So, by doing that, what are we attempting to do? We try to enhance the capabilities of the healthcare professionals including doctors, dentists, nurses, and technicians by educating them on current standards and practices which are mandated by leading public health agencies such as CDC, INS, AOR, I'm sorry for these acronyms, but these are industry standards.
- We have a clinical team actually in your company in 3M India and they stay updated with the global guidelines and protocols and then they support the healthcare and dental facilities in their adoption. So, that is how we work with them, and we do this as a service to the customers that we work with. There is no charge. We do not charge them for this.
- The operating margin, the second part of the question from Mr. Maheshwari for Healthcare is, the operating margin trajectory in this division has also sustained over the last four or five quarters. Could you provide some insights on what has led to this improvement? So, like I talked about, even with safety and industrial, so in this case, we've had a sustained, very consistent conduct of these education and training programs over a few years; it's not just a few quarters over a few years and that has also allowed us to gradually improve the product mix, bring the right products for the right use situations in the hospitals, and that in turn has helped us improve the margins of this entire portfolio. So, this has been a multi quarter effort and we will continue to stay focused on that to sustain it in the coming periods as well.
- Then, the third group of questions that he asked is on transportation and electronics. Could you elaborate more on the subdued revenue performance over the last two years and is the margin improvement sustainable? Yeah, I think the main contributors in this business at this point are, you know, we have a transportation safety, we have certain architectural films, and of course, the automotive OEM business, these are the largest components of the transportation and electronics business. You know we also had 3M exited certain portfolios in this, which happened to fall in this business segment in our specialty materials area and this was disclosed to the members through our Stock Exchange filing in December 2022 and I think some of the impact of that exit is what has impacted the growth. If you look at prior year comparisons, most of that exit is behind us now and I think we would see more cleaner growth rates reflective of the health of the business coming through and going forward and therefore the margins are also aligned with the improvement in the growth trajectory of the business.
- The fourth group of questions is on the consumer business. We had mentioned of increasing distribution reach, which led to growth in this segment. If you could quantify what has been our direct indirect general trade and modern trade reach three to five years back and where do we stand now? And does this segment have the potential to grow in the mid-teens over the next five years like transportation or healthcare or would it be in line with historical levels? So, what I do want to say is, you know in our channel mix in the consumer business has changed quite a bit in the last three years or so. We were heavily general trade focused, not really focused, but our most of our sales went through general trade. But in the last 2-3 years, I think we've seen a big increase in the shift towards e-commerce channels including quick commerce, so that has been a very interesting change that we've observed and the company is geared very well to serve those channels and that is why we also

had a little, you know, we called that out in the annual report as an example of how those we've been providing value to our customers. In the general trade, we are still relatively urban heavy. I would say that we don't have a broad presence in the rural markets. So, we are still urban heavy and we have opportunities to increase our reach even within the urban segments that we participate in today and in modern trade, we follow our key customers as they expand stores across the geography across India. So, we follow them and we support them with the necessary investments for demand generation, promotions in store promotions, etc. So, these are things that we've been doing consistently with our customers and these continue to service well.

- What is our what is our target? Does this segment have the potential to grow? You know in general, our target in 3M India is to grow at a premium to the macros. That means the external economic indicators we want to be able to grow at a premium to that. In some cases the premium might be a few percentage points. In some cases it could be significantly higher. Because it's the same thing we say in our automotive business as well. If the number of vehicles being produced is growing at a certain rate, we aspire to grow at a premium to that rate. So, if it is growing at 5%, we want to grow at 5% plus something, and similarly here in the consumer business as well, our target is to grow at a premium to the macros.
- In this case the macro could be consumption spending of households in the country and that is what we've been delivering and in fact, if you see the first quarter of this financial year, 2025-26, we've had some very strong growth delivered in the consumer business. The next question is on new products. What is the contribution of new products, contribution to the revenue from new products launched and how many new products were launched in the last five years were from the parents table and how many were developed in India? So, we don't disclose the exact contribution of new products contribution to the revenue. However, what I do want to say is two things. One is, as we continue to grow our business at right at the beginning, I mentioned 3 important aspects we focus on. One is a commercial excellence which is, you know, how do we serve customers. Second is our innovation that is new products and the third is operational excellence. So, I spoke to all of these three during my opening speech as the part of the MD speech. So, I want to just reiterate the same three components. One that is commercial excellence. We are seeing a lot of the early gains that we've seen this year, you know if you recall, I spoke about a 14% growth in the first quarter of this year on the back of, you know, a sequential improvement quarter by quarter in the last financial year. A lot of the early gains we would say probably comes from commercial excellence and the company has a strong focus on improving the contribution from new products to the revenue growth and in terms of global - and we continue to - a lot of our products draws on technologies from the parent company from 3M. We draw on technology platforms that are available in 3M as you know, we have 49 different technology platforms in 3M company worldwide. We draw on all of those strengths to develop new products for the Indian market and in some cases the products that are available from other sources of supply are actually a very good fit and therefore we go with those imported products. So, we have local product development capabilities focused on certain segments such as automotive, such as road safety in electrical. So, we have the local product development capabilities in addition to certain industrial tapes we do locally. As you know, we have three manufacturing facilities, one the main, the largest facility is in Pune, outside Pune in Ranjangaon and we have in Bangalore in Electronic City, and then in Ahmedabad.
- The sixth group of questions is on the parents focus on India. So, the first part of that question is localization, manufacturing and R&D. With electronics, semiconductor manufacturing taking steps to localize the value chain in India, does 3M also plan to increase the manufacturing footprint, R&D, and localization? Yes, the answer is yes, we will. In fact, as we speak right now, we are completing a building out a brand-new electronics laboratory here in Bangalore in our R&D center. This is to serve customers in the electronics market both in consumer electronics and in semiconductors, and

manufacturing like you rightly pointed out Mr. Maheshwari in your question is the tier suppliers serving these industries, that localization is starting to happen now and I think I mentioned that in my speech as well, so we are following those closely and we will continue to, we will expand our local manufacturing as required to serve those customers. There was another question on EMS opportunity you raised. So, I think it kind of fits into the same question. So, I would not cover that separately.

- Exports are there talks with the parent company on increasing exports from India over the next few years? No, not at this time. I think we are focused on developing products and serving the domestic market here in India. In some cases, the products that we developed here for the Indian market, if it has applicability outside of India, there would be an organic export that would accrue to the company, but I would have to say that it is not an explicit intentional strategy at this point in time purely to export from here.
- There are couple of questions on the PLI scheme and the capital allocation. Well, I'll come back to the GCC last. The PLI scheme is brought about investments in the country, however, till now we were more like assemble in India versus make in India. You've highlighted in the past that the ecosystem has not yet developed for make in India, are you seeing any progress in this? The answer is yes. We are seeing progress and I think I referred to that earlier as well. We are definitely seeing progress in the consumer electronics area and we are gearing up for that. We have the electronics lab, we can, we have the capability to do some local manufacturing to serve some of the initial requirements of this developing ecosystem. I think the semiconductors to serve them locally will come a little later, but we are staying in very close touch with customers and we will be prepared to serve them locally as required.
- And then the question on capital allocation goes back to the similar question on dividends. You've been paying out healthy dividends in the last few years. The CapEx investments have been subdued, do you have enough capacity to meet, if the demand improves demand situation increases, do you have enough capacity to serve your customers? So, I think 3M has a very unique global supply chain model. So, we have the ability to meet any ramp up in our demand through a combination of imports, local manufacturing, as well as what we call local finishing operations. So, local value addition at the finishing stage. So, this allows us to handle either brand new segments and new product lines where we have to step up our response to customers and also allows us the flexibility to and the lead time that's necessary to build up our own local manufacturing capabilities. So, this model allows us to do it. So, we are fairly confident that this will hold us in good stead even as some of these new segments start to ramp up.
- And finally, I'll come to the question on GCC. Basically, that stands for the Global Capability Center. What is the role of the Global Capability Center set up by the parent, is it conflicting with 3M or to be considered as a catalyst for growth? First, just to clarify to the members, 3M global parent company set up what we call a Global Technology Center in India a couple of years back and I want to clarify that that is outside the 3M India entity and managed independently and clearly there are no conflicts and that entity provides services for the global 3M operations and it is managed independently from 3M India. So, I think there is absolutely no conflict and it is part of the global team. So, with this Mr. Maheshwari, I hope I have answered all of your questions and then if there are any additional follow-ups, if you or any of the members would like, please do not hesitate to e-mail Mr. Pratap Bhuvanagiri or Mr. Vilas and we will be more than happy to get back to you with our responses.
- Once again, before I close and hand it back to the Chairperson. I want to truly thank everybody for your questions, for your participation. It gives us, it informs us of how you think about your company, the questions you have for management, and what's important on your minds. So, thank you very much once again.

- **Ms. Radhika Rajan – Chairperson, 3M India Limited:**
- Thank you, Ramesh. Members may note that the icon for e-voting is available on the screen, which will direct 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 Mr. Vijayakrishna KT, Practicing Company Secretary, as the scrutinizer to supervise the e-voting process. Further, I hereby severally authorized Mr. Ramesh Ramadorai, managing Director, Mr. Jayanand Kaginalkar, Whole Time Director and Mr. Pratap Bhuvanagiri, 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 requisite number of votes. We had many members participating together today in this 38th AGM virtually. We are grateful to all our shareholders for attending the meeting and I hereby declare the proceedings of this 38th AGM as closed. Thank you very much to all our shareholders and see you next year.

End of Transcript