

KENNAMETAL INDIA LIMITED

TRANSCRIPTS OF THE SHAREHOLDERS MEETING OF KENNAMETAL INDIA LIMITED CONVENED BY NCLT HELD AT 10.30 A.M IST ON MONDAY, APRIL 12, 2021 THROUGH VIDEO CONFERENCING

NAVEEN CHANDRA:

“Good morning, Dear Shareholders,

On behalf of Kennametal India Limited, I have great pleasure in extending a warm welcome to all of you to this Shareholders’ Meeting of Kennametal India Limited duly convened by the Hon’ble National Company Law Tribunal, Bengaluru Bench. I also extend a warm welcome to the Chairperson of this meeting, Ms. Sandhya Rani A and Ms. Sowmya Sridhar, Scrutinizer for the meeting, duly appointed by Hon’ble NCLT and also to all the Directors of the Company who have joined us this meeting through audio visual means.

In view of the COVID-19 pandemic, we are convening this Meeting of the Shareholders’ through ‘Audio-Visual Means’ (“AVM”). I think this is an opportunity to enable us to connect with a larger number of our shareholders living in different parts of the country, who can participate virtually without having to take the trouble the risk or risk of travelling.

Before I proceed further, I would think it appropriate to provide you all a safety briefing and general advisory to shareholders who have logged onto this virtual meeting.

Safety Briefing:

This being a virtual meeting, all shareholders / attendees to the meeting are requested to take care while handling electrical wires and plug points. You are requested not to let live wires hanging or plug points with switch on unattended. We request you all to maintain right sitting posture while you are attending this meeting.

For the Directors, personnel and administrators who are present in this meeting room, in person, I would like to apprise you that this hall is equipped with two exits. One to my right and the other to my left. In the event of any emergency, when communicated to move out from this Hall, please use the exits on to my left side to

and to reach the Safe Assembly Point. The nearest Safe Assembly Point to this building is opposite to this building near which is the flag post.

- If you were to take the EXIT to my left, please proceed ahead and take a left opposite to the elevator to locate the downstairs. The downstairs takes you to the ground floor and the Safe Assembly Point is just near the flag post, opposite to this building.

Please be careful while getting off the stairs so to avoid slipping and falling. In view of the pandemic, we would not recommend using handrails while using the stairs.

The first aid medical help is available in the Occupational health center which is near to the PU 2 building.

General advisory to all shareholders and attendees who are participating in the virtual Meeting

The Management will be answering those questions which we have received from the shareholders, by email, on or before April 5, 2021. This will be followed by session wherein, I will be calling out the names of the shareholders who have requested to answer them a few questions, I will be calling out the names of the shareholders who have registered themselves for speaking at the meeting, in the order in which we received the requests by email.

All shareholders are requested to kindly make sure that you are on 'voice mute' until requested by the panelists to 'unmute' yourself. We request those shareholders who have registered themselves to talk at the meeting to position themselves in a place where there is least background noise.

The register of Directors and Key Managerial Personnel and their shareholding and along with the Register of Contracts or arrangements in which directors are interested are available in this meeting hall. These will remain accessible to the members electronically as well for inspection, if they so desire. Members seeking to inspect such documents can send email as mentioned in the notice conveying the shareholders meeting.

This is a virtual meeting, proxies are not entitled to attend this meeting and there will also be no voting by show of hands as per section 107 read with section 108 of the Companies Act, 2013.

As required under Section 108 of the Companies Act, 2013, the Company has provided remote e-voting facility to the Shareholders to cast their votes electronically in respect of the business mentioned in the notice. Members who are currently attending the meeting virtually shall be permitted to exercise their right to vote using the e-voting facility, provided, they have not cast their votes using the remote e-voting facility earlier. The members who have already cast their votes prior to the meeting using the remote e- voting facility will not be able to cast their votes again.

The combined results of remote e-voting and the votes cast by shareholders who have attended this meeting will be declared on or before April 14, 2021 on the BSE Limited's website and it will also be available at the Company's website.

It's my pleasure to introduce you the other people on dais from my left, Mr. Vijaykrishnan, Managing Director of Kennametal India Limited, we also have in our presence Ms. Sandhya Rani A, the Chairperson of the meeting, I also have with me Mr. Suresh Reddy, Chief Financial Officer, of the Kennametal India Limited.

Joining us virtually on this WEBEX platform, I have with me Mr. Anjani Kumar, the Chairman of the Board and also Mr. Parameswar Reddy, Non-Executive Director of Kennametal India Limited. A warm welcome to both of you thank you for joining Sir.

Before we proceed any further, I would like to make a disclaimer on forward looking statement:

Members are requested to note that certain forward-looking statements will be made, may be made during the course of this meeting that might involve risks and uncertainties. The company added takes no obligation to publicly update or revise any forward-looking statements whether as a result of new formation, future events or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements, members are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates.

Before I let the chairperson take over the proceedings of the meeting, I would like

to update the Chair. That company has received 2 valid corporate representations for 1,64,83,680 equity shares aggregating to 75% of the paid up capital of the company. The total shareholders present through audio visual means are 58 in number. There is adequate quorum Madam for this meeting.

Now, I kindly request the chairperson to call the meeting to order and accordingly take over the proceedings of this meeting. Thank you.

SANDHYA RANI:

Thank you, Naveen.

The required quorum being present, the meeting is validly constituted and I called the meeting to order with the permission of the Members present. May I take the notice convening this meeting as read now I move on to put up the business mentioned in the notice convening the meeting which is to consider and if thought fit, approving with or without modifications the scheme of amalgamation for merger of Widia India private Tooling private Limited, transferor company with its holding company that is Kennametal India Limited transferee company. Before the management's attempt to answer the shareholder on this proposal, I request the Company Secretary to read any questions received from the shareholders.

NAVEEN CHANDRA:

Sure.

SANDHYA RANI:

Thank you.

NAVEEN CHANDRA:

Thank you, Chairperson. We have received a few questions from one shareholder, Ms. Veena Patel, with DP ID ending with 1424 and there's also request from another shareholder Mr. Santosh Kumar Saraf with DP ID ending with 18019 to talk at the meeting basically.

Before I invite the shareholders to share their thoughts on the proposal or the management attempting to answer any questions already posed by shareholders in writing.

I would like to reiterate that this merger will enable Kennametal India Limited to streamline the go to market model and enhance our relevance to our customers in

India by offering full range of solutions from Kennametal and Vedia branded products. The merger enhances our market coverage reach to customers and brings in techno commercial synergies to service our customer requirements in a more effective manner the merger proposal is part of the larger global brand positioning strategy and is not a more targeted at cost optimization. I now request our Managing Director, Mr. Vijay Krishnan Venkatesan to address the queries posed by Ms. Veena Patil.

VIJAYKRISHNAN VENKATESAN:

Thanks Naveen. Good morning, we received the three questions and what we will do is we'll go through them in sequence. The first one, the first question was what is the rationale for merger? of Widia India Limited? So what I would do is I'll give a little bit of a background which would answer this question a little more clearly.

Kennametal Inc globally looked at global brand repositioning strategy now this was looked at from the end user standpoint across the globe, different countries, different market segments and what we looked at is what are the kind of needs the customers as and we bucketed that into four categories. One can say that full solutions where a customer looks at a little bit of a consulting approach solution providing, we work with the customer. And there's a lot of value add where there's a premium being paid in such a situation. The second category more so for this conversation, let's say it's a B kind of a B tier kind of a requirement from a customer what we call as performance. Then there's some amount of differentiation, some amount of consulting, some amount of project which is involved and there's a customer looking for some amount of support on a need to need to or a case to case basis. The third category is what we call performance value where the customer knows the products extremely well.

They have a good understanding of what the offering from Kennametal Inc and there is a selection which is available for them to pick and use and what we call the tier B segment, which is the value segment, which is highly price sensitive. Now, given the kind of market structure what we are looking at, it was appropriate for Kennametal to look at a brand repositioning strategy, to look at Kennametal as a full solution provider at the premium end of the market and repositioning Widia brand globally as a performance and a performance value category where the two brands work in tandem to offer complete set of solutions to a customer so that a customer has the option to pick, when it comes to a project or a specialized product at the top end and also a performance and a performance value product from the

Widia stable, Now this is, this was a global strategy. And for India, we wanted to replicate this global strategy, which entailed us integrating the two business teams into one, which is pretty much the commercial teams and both the Kennametal sales team and the Widia sales teams are to be integrated into from one metal cutting sales organization.

That was a rationale for bringing in WITPL merger into Kennametal India Limited. So, this answers the first question. The second question was the benefits of the merger on the financials of the company going forward now as stated by our company secretary in his brief. This was not initiated as a cost optimization exercise. It was more to do with the brand repositioning exercise. What it does do at least is to take out some of the administrative cost of managing two legal entities. So to that extent, there would be some savings in in a year or two. But beyond that, our focus of this strategy is to drive growth and to make sure our customers benefit from the offerings of the two brands and the solutions what we provide. Now I would invite our CFO Suresh Reddy to take on the third question. Suresh.

SURESH REDDY:

Yes, Good morning, everyone. The question was Widia tooling was majorly a trading entity post-merger how will the trading component is get reflected in financials of the company. So, to give a brief background which our managing director and Company Secretary had reflected upon, Widia was always a brand of Kennametal India Limited so predominantly it was being manufactured at the Kennametal India Limited Bangalore location and only small component was imported from outside so WITPL was formed majorly to trade this that is manufactured in KIL which is routed through WITPL to market in the Indian domestic market. Now with this again collapsing back into KIL there would be much change because in the consolidated accounts earlier we were reflecting both trading and manufactured component in the consolidated results that would also eventually going forward also this business coming back to into KIL give the same reflection of both manufacturing and trading.

NAVEEN CHANDRA:

Thank you, Vijay. Thank you Suresh I now kindly request Mr. Santosh Kumar Saraf, the shareholder of the company with DP ID number IN 30429514231424 DPI ending with the sorry DP ID ending with 18019. You know to kindly talk at the meeting, you may kindly unmute yourself, I also request you to keep the keep your talk as brief as you can, not exceeding 4 to 5 minutes. Make sure that there is least

background noise when you unmute yourself. Thank you for your understanding.

SANTOSH KUMAR SARAF:

Respected Chairman, can I talk in Hindi.

BIDADI ANJANI KUMAR:

Yes, please sure.

SANTOSH KUMAR SARAF:

Honorable Chairman, Board of Directors and Shareholders, I am Santosh Kumar Saraf presenting in this EGM through video conferencing from Kolkata. Namaskar to all of you, I hope everybody's family including directors, employees and all their family members are keeping well and healthy. I pray that this financial year 21-22 is lucky for everybody including directors and employees. So, I have few questions first thing I wanted to know when this merger process would complete and what this merger will have an impact on the shareholders of the company. Secondly, what are the steps the company is taking to fight COVID and what the company has planned to tackle this and what steps the company is taking for employee safety if you think you can speak, please talk otherwise if you think you should not it is confidential you should not speak. So, one more request is to convene the AGM through video conferencing which will give an equal opportunity to other shareholders across India, I am from Kolkata, able to attend this meeting virtually which would not have been possible if this meeting would have been convened it through physical mode. Thank you so much, Jai Hind! and thank you for giving me the time to speak.

VIJAYKRISHNAN VENKATESAN:

Mr. Saraf, first of all, thank you for the thank you for your support and also thank you for raising some very valid questions. I just want to start with one one of the critical things which you touched regarding your company, which is the safety of the employees and how are we managing in the COVID environment. Your company continues to focus on the employee safety as a paramount importance. Well, in the current code environment, so we are we are focusing on all the safety protocols, what is required be it social distancing, providing the PPE's for the workmen who are coming into the campus staggered working schedule so that we don't have too much of footballs inside the campus. We're also monitoring the temperature of people who are coming in. We are also restricting people who come into the campus. We had vendors and suppliers, so and we are all constantly

educating our employees on all the norms which needs to be followed so that we all can be safe. Your company also has been taking a lot of awareness sessions. We have invited several doctors who are from leading hospitals to address the employees on how do they manage and keep themselves safe. So, that was one of your questions. Couple of other questions. I would invite our Company Secretary, Mr. Naveen, the one on the timing of this activity, closure and impact on the share price I think. Two were asked so, I reinvite Naveen to answer those questions.

NAVEEN CHANDRA:

Hi Thank you, Vijay. Thank you very much Mr Santosh Kumar Saraf, for taking time. You know, to talk at this meeting and to pose relevant question. So question number one that you had was on the completion of the merger process. I would like to submit that you would appreciate that this is a court process, this is a process which has to be approved by the National Company Law Tribunal Bengaluru Bench and we have very little clout. We have very little control on this because it's a code process, it's a tribunal process. But internally we are trying to target and close this. If everything goes well by November or December of 2021, that's our internal target. But it all depends on how effectively and you know the court wants to dispose of this matter. The second questions on any impact to the shareholders, if there would be any allotment etc. I would like to submit that this is a merger of a wholly owned subsidiary with its parent entity There are no proportional shares that can be allotted in these kind of schemes. It is a full acquisition back by Kennametal India Limited, you know, where it had invested money and now, you know, it's an absorption by the parent entity of its wholly owned subsidiary. And these kind of schemes, mergers, there would not be any proportionate share allotments to any of the shareholders. The value to all the shareholders remains unprejudiced remain uncompromised, status quo because in any case you had the same value because this was a wholly owned subsidiary and it's a consolidated level you still have that value it doesn't change the position in any manner what's so ever, so that answers your question.

Chairperson, Managing Director we don't have any other questions nor do I have any request from any of the shareholders to talk in this meeting I now request Members to cast their votes using the e-voting which is been provided to them. I may also add again here that those shareholders who have already exercised their voting rights through 'Remote e-voting facility", may restrain themselves from casting their votes because, as per law, such voting will be void.

Should you have any trouble in casting your vote, please reach out to the Registrar & Transfer Agents whose coordinates are made part of the notice convening the meeting.

I once again, reiterate that the combined results of remote e-voting and the votes cast by shareholders who have attended this meeting will be declared on or before April 14, 2021 on BSE Limited website and also on Kennametal India Limited website.

I thank you all for participating in the meeting.

I now request the Chairperson Ms. Sandhya Rani to call the meeting to a formal closure.

SANDHYA RANI:

Thank you, Naveen. I call this meeting to a formal closure. Thank you everybody for your active participation.”