



Transcript

of

23RD Annual General Meeting

DAY: Tuesday
DATE: 27th September, 2022
TIME: 12:30 p.m.

1. Chairman of the Meeting

<p>Shri Sanjiv Jajodia welcomed the members by saying:</p>	<p>“Good afternoon Ladies and Gentlemen. I warmly welcome you all to the 23rd Annual General Meeting of Jai Balaji Industries Limited on behalf of my Board colleagues and myself. Thank you for joining us today.</p> <p>Now I would like to request our Chairman, Shri Aditya Jajodia to proceed with the business of the meeting.”</p>
<p>Shri Aditya Jajodia said:</p>	<p>A very good afternoon to all of you.</p> <p>It is my privilege to welcome you all, on behalf of the Board of Directors and the Management Team of Jai Balaji Industries Limited, to the 23rd Annual General Meeting of your Company.</p> <p>I would like to thank you for sparing your time to join us today from wherever you are, and for your continued faith in the Company and its management. I hope you and your family members are safe and doing well.</p> <p>This AGM is being held through electronic mode in conformity with the regulatory provisions and the circulars issued by the Ministry of Corporate Affairs, Government of India. I have been confirmed by the Company Secretary that the requisite quorum is present, I therefore declare that the meeting open. All efforts feasible under the circumstances have indeed been made by the Company to enable members to participate and vote on the items being considered in the meeting.”</p> <p>“Let me have the pleasure to introduce the directors present with us.”</p> <p>[Shri Aditya Jajodia introduced the directors]</p> <p>“All the directors present in virtual mode are attending this meeting from Kolkata except Shri Shailendra Kumar Tamotia and Shri Bimal Kumar Choudhary who are attending the meeting from Bhubaneshwar and Durgapur respectively.”</p> <p>“All the Auditors of the Company including the Statutory Auditor and the Secretarial Auditor are also present with us.”</p> <p>“The Statutory Registers along with all the documents are electronically available for inspection to any person having the right to attend this meeting.”</p> <p>[Shri Aditya Jajodia delivered his speech]</p> <p>Dear Shareholders,</p>

Welcome to the 23rd Annual General Meeting of Jai Balaji Industries Limited. I am honored and inspired by the spirit you all have demonstrated by joining us virtually once again. I appreciate your generous support, and on behalf of the Board of Directors, I thank you for taking out the time from your busy schedules to join us.

The pandemic, as it progressed into the second year, continued to test us all. At Jai Balaji, we brought together our collective resources and strengths to respond to the challenging situation and run the business with the resilience that our clients, our employees and you - our shareholders - expect from us.

Amidst this widespread unpredictability, India stands tall as a beacon of growth and stability. The Government's skilful management of the pandemic, and pragmatic approach in dealing with the ensuing economic challenges, have helped us emerge more resilient than before.

The financial year gone by was a mixed bag with most major economies rebounding from the negative effects of COVID-19. Manufacturing activity and global trade rebounded strongly with rise in consumer and business confidence despite shipping and logistics constraints and supply chain issues. The supply constraints due to global labour and input shortages combined with a rapid increase in global demand post lifting of lockdown restrictions led to higher price inflation. Moreover, ongoing geopolitical tension has only aggravated the inflationary environment and put brakes on the strong growth momentum. While there exist risks of high input costs the growth of the Indian steel industry is likely to remain stable as domestic demand is expected to remain robust.

We witnessed strong set of performance in Fiscal 2021-22 despite disruptions caused by the second wave of the Covid- 19 pandemic. We demonstrated resilience, agility and adaptability which generated a Consolidated Revenue (comprising of sales and other income)of Rs. 4,673.39 Crores for the financial year under review as compared to Rs. 2,796.00 Crores during the previous financial year. It has made a net profit of Rs. 48.06 Crores during the F.Y. 2021-22 as compared to a net loss of Rs. 75.82 Crores during the F.Y. 2020-21 despite continued uncertainties.

During the financial year the Company achieved a consolidated EBITDA of Rs.238.09 crores, making a growth of 124% as compared to Rs. 106.21 crores in the previous financial year with a growth of just 16.72%.

The pandemic has acted as a catalyst for accelerating our business, to ensure workforce safety, business continuity & sustainability and agile decision-making. At the Company level, we continued to focus

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	<p>on further cost reduction, optimum utilization of existing capacity and enhancing operational efficiency. The results of these measures taken are already reflecting in the Balance Sheet with improved earnings.</p> <p>We are optimistic on future prospects and remain confident of improved performance going forward due to resilient demand environment in our end user industries.</p> <p>I would like to express my gratitude towards our Board Members for their constant guidance and support in our pursuit of maximizing long-term shareholder value. I would also like to thank all our shareholders and customers for their continuous support and faith in the Company. Finally, I would like to thank our employees for their commitment and engagement towards building a strong agile and responsible organization. It is their focus and resilience in the phase of difficulty that enables our substantial progress.</p> <p>Recent success has given Jai Balaji group a great platform to build on. We look forward to continue this journey along with you to take our Company to new horizons and this would require your constant support and patronage.</p> <p>Thank you, Ladies and Gentlemen for your valuable time and attention.</p> <p>“In terms of Section 108 of the Companies Act, 2013 and Regulation 44 of the SEBI (LODR) Regulations, 2015, your Company has provided remote e-voting facility to the members on the resolutions contained in the Notice convening this Meeting. The remote e-voting commenced on 24th September, 2022 at 10:00 a.m. and ended on 26th September, 2022 at 5:00 p.m.”</p> <p>“Further the Members attending this meeting and who have not casted their vote by remote e-voting may vote through e-voting facility available during the AGM.”</p> <p>“Further this is to inform that M/s. MKB & Associates, Company Secretaries in practice, (FRN: P2010WB042700), has been appointed as the Scrutinizer for scrutinizing the voting process in a fair and transparent manner.”</p>
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2. Reading of Notice Convening the Meeting

Chairman..... said:	<p>“Now I will request Shri Ajay Kumar Tantia, the Company Secretary to read the notice convening this Annual General Meeting.”</p> <p>Shri Ajay Kumar Tantia, said.....</p> <p>“I take the Notice for convening this meeting, circulated amongst the Shareholders with your permission, as read.”</p>
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3. Reading of Auditor's Report

Chairman..... said:	<p>“Now I request Shri Ajay Kumar Tantia to read the Auditor’s Report.”</p> <p>Shri Ajay Kumar Tantia, said</p> <p>“I take the Auditor’s report with your permission to be taken as read.”</p>
Shri Ajay Kumar Tantia said:	<p>“Let us now proceed with the business before this meeting.”</p> <p>“The notice dated 13th August, 2022 convening this Annual General Meeting along with reports and accounts for the financial year ended 31st March, 2022 have been sent in conformity with applicable regulatory requirements through electronic mode only to those Members whose e-mail addresses are registered with Depository Participant or the Company / its Registrar and Transfer Agent. With your permission, I take them as read.”</p> <p>“The report of the statutory auditors on standalone and consolidated financial statements for the year under review forms part of the Annual Report and contains a qualification that the Company has not provided for interest amounting to Rs.1,576.81 crores of which Rs. 299.39 Crores pertains to the current financial year on various loans and credit facilities availed from banks and financial institution on the ground that same is being treated as Non-Performing Assets by the lenders. Due to this reason, Profit for the current financial year has been overstated by Rs. 299.39 Crores and accordingly loss for the year ended 31st March, 2022 would have been Rs. 251.32 Crores instead of the profit of Rs. 48.07 Crores. Further, due to this, the Reserves and Surplus of the company would have been at a negative balance of Rs. 3,350.01 Crores.”</p> <p>The secured lenders of the Company have mostly assigned their debts to various ARC’s or settled through one time settlement scheme. The debt acquired by some ARCs have already been restructured and subsequent repayment has been started. The Company is in active discussion/ negotiation with other ARC for restructuring of debt which has been assigned to them. The rest of the debts have been settled through OTS. In view of the above. the Company has stopped providing interest in books but continues to accumulate separately.</p> <p>“The Secretarial Auditors’ Report to the shareholders for the year under review does not have any qualification except a remark that the unaudited financial results for the quarter ended on 30th September, 2021 were submitted to the stock exchange on 15th November, 2021 with a delay of 1(one) day.”</p>

4. Speakers in the meeting

Shri Ajay Kumar Tantia said:	<p>“We will now listen to the members who have registered themselves as speakers. I would advise the speaker members to please state their respective name and location from where they are attending this meeting. In the interest of time and in order to ensure that all the speakers get an opportunity to speak/ raise queries and seek clarification, I would request the members to keep their questions brief and specific and also to restrict their observations/ queries to a minimum time due to limited time availability. Members are requested to refrain from repeating questions/ observations already made by fellow members.”</p> <p>“May I draw your attention that the Chairman reserve the right to limit the number of speakers, if the situation so demands.”</p> <p>“May I now request the first speaker to speak and I would request the operator to coordinate.”</p> <p>Speakers participated at the meeting were:</p> <p>Mr. Subhash Kar Mr. Manas Banerjee Mr. Sujan Modak Mr. Tapas Kumar Dutta Mrs. Chandravati Gattani Mr. Amit Kumar Banerjee</p> <p>After the Shareholders have made their comments, the Chairman with the help of the Chairman of Audit Committee and other Board members answered as far as possible, to the queries of shareholders.</p>
	<p>“ I would now take up the official business as set in the Notice”</p>

5. Businesses as set out in the Notice

❖ **Item No. 1 of the Notice-**

Consideration & Adoption of Standalone & Consolidated Audited Accounts for financial year ended 31st March, 2022 and approval of Directors’ and Auditors’ Report as an Ordinary Resolution

Shri Ajay Kumar Tantia said:	<p>Consideration & Adoption of Standalone & Consolidated Audited Accounts for financial year ended 31st March, 2022 and approval of Directors’ and Auditors’ Report as an Ordinary Resolution:</p> <p>Shri Ajay Kumar Tantia read the resolution</p> <p>a) “RESOLVED THAT Audited Standalone Balance Sheet of the Company as at 31st March, 2022 and the Statement of Profit & Loss Account for the financial year ended as on that date, together with the Directors’ Report and Auditors’ Report thereon, as circulated and laid before the meeting be and are hereby considered and adopted.”</p> <p>b) “RESOLVED FURTHER THAT Audited Consolidated Balance Sheet of the Company as at 31st March, 2022 and the Statement of</p>
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	Profit & Loss Account for the financial year ended as on that date, together with the Auditors' Report thereon, as circulated and laid before the meeting be and are hereby considered and adopted."
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❖ **Item No. 2 of the Notice -**

Re- Appointment of Shri Bimal Kumar Choudhary who retires by rotation

Shri Ajay Kumar Tantia said:	Re-appointment of Shri Bimal Kumar Choudhary (DIN -08879262) as a Director of the Company as an Ordinary Resolution. Shri Ajay Kumar Tantia read the resolution "RESOLVED THAT Shri Bimal Kumar Choudhary, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."
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❖ **Item No. 3 of the Notice -**

To ratify remuneration payable to Cost Auditor of the Company for the financial year 2022-23

Shri Ajay Kumar Tantia said:	Ratification of remuneration payable to Cost Auditor of the Company for the financial year 2022-23 as an Ordinary Resolution. Shri Ajay Kumar Tantia read the resolution "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013..... the consolidated remuneration amounting to Rs. 1,20,000 as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 13th August, 2022 payable to Mondal & Associates, Proprietor Mr. Amiya Mondal, being the Cost Auditor of the Company,for the financial year 2022-23,"
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❖ **Item No. 4 of the Notice -**

Re-appointment of Shri Aditya Jajodia (holding DIN -00045114) as the Managing Director of the Company for a period of 5(five) years with effect from 22nd July, 2022

Shri Ajay Kumar Tantia said:	Re-appointment of Shri Aditya Jajodia (holding DIN -00045114) as the Managing Director of the Company for a period of 5(five) years with effect from 22nd July, 2022 to 21st July, 2027. Shri Ajay Kumar Tantia read the resolution ""RESOLVED THAT further to the resolution passed by the Members at the 18th Annual General Meeting of the Company according their consent to the re-appointment of Shri Aditya Jajodia (DIN: 00045114) as the Managing Director of the Company for a period of 5 years commencing from 22 nd July, 2017 at a remuneration and on the terms & conditions mentioned therein,
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 "RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution
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❖ **Item No. 5 of the Notice -**

Approval of remuneration paid to Shri Aditya Jajodia with effect from 01.04.2022 for the remaining tenure of his appointment i.e. from 1st April, 2022 to 21st July, 2022.

Shri Ajay Kumar Tantia said:	Approval of remuneration paid to Shri Aditya Jajodia with effect from 01.04.2022 for the remaining tenure of his appointment i.e. from 1st April, 2022 to 21st July, 2022. Shri Ajay Kumar Tantia read the resolution "RESOLVED THAT further to the resolution passed by the Members at the 18th Annual General Meeting of the Company according their consent to the re-appointment of Shri Aditya Jajodia (DIN: 00045114) as the Managing Director of the Company for a period of 5 years commencing from 22nd July, 2017 at a remuneration and on the terms & conditions mentioned therein,based on the recommendations of Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the remuneration paid to Shri. Aditya Jajodia (DIN: 00045114), Managing Director of the Company, on the terms and conditions as set out in the Explanatory Statement for the period from 1st April, 2022 to 21st July, 2022 be and is hereby approved." "RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution
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❖ **Item No. 6 of the Notice -**

Re-appointment of Shri Sanjiv Jajodia (DIN :00036339) as the Whole-time director of the company for a period of 3 years w.e.f 30th June,2023.

Shri Ajay Kumar Tantia said:	Re-appointment of Shri Sanjiv Jajodia (DIN :00036339) as the Whole-time director of the company for a period of 3 years w.e.f 30th June,2023. Shri Ajay Kumar Tantia read the resolution "RESOLVED THAT pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and rules made thereunder approval of the members of the Company be and is hereby accorded to the re-appointment of Shri Sanjiv Jajodia (holding DIN: 00036339), as Whole-time Director of the Company for a period of 3 (three) years with effect from 30th June, 2023 to 29th June, 2026,
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 "RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution
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❖ **Item No. 7 of the Notice -**

Approval of remuneration to be paid to Shri SanjivJajodia with effect from 01.04.2022 for theremaining tenure of his appointment i.e. from 1stApril, 2022 to 29th June, 2023.

Shri Ajay Kumar Tantia said:	Approval of remuneration to be paid to Shri SanjivJajodia with effect from 01.04.2022 for theremaining tenure of his appointment i.e. from 1stApril, 2022 to 29th June, 2023.. Shri Ajay Kumar Tantia read the resolution "RESOLVED THAT further to the resolution passed by the Members at the 19th Annual General Meeting of the Company according their consent to the re-appointment of Shri Sanjiv Jajodia (DIN: 00036339) as the Whole-time Director of the Company for a period of 5 years commencing from 30th June, 2018 at a remuneration and on the terms & conditions mentioned therein,, consent of the Members of the Company be and is hereby accorded for the payment of the remuneration to Shri. Sanjiv Jajodia (DIN: 00036339), Whole-time Director of the Company, on the terms and conditions as set out in the Explanatory Statement for the period from 1st April, 2022 to remaining tenure of his current appointment." "RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution
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❖ **Item No. 8 of the Notice -**

Appointment of Shri Rajiv Jajodia (DIN :00045192) as the Whole-time director of the company for a period of 3 years w.e.f 1st September, 2022.

Shri Ajay Kumar Tantia said:	Appointment of Shri Rajiv Jajodia (DIN :00045192) as the Whole-time director of the company for a period of 3 years w.e.f 1st September, 2022. Shri Ajay Kumar Tantia read the resolution "RESOLVED THAT pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and pursuant to the provisions of Sections 196, 197, 198, 203 approval of the members of the Company be and is hereby accorded to the appointment of Shri Rajiv Jajodia (holding DIN: 00045192), as Whole-time Director of the Company for a period of 3(three) years with effect from 1st September, 2022 to 31st August, 2025,
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	RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution
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❖ **Item No. 9 of the Notice -**

Appointment of Shri Gaurav Jajodia (DIN :00028560) as the Whole-time director of the company for a period of 3 years w.e.f 1st September, 2022

Shri Ajay Kumar Tantia said:	<p>Appointment of Shri Gaurav Jajodia (DIN :00028560) as the Whole-time director of the company for a period of 3 years w.e.f 1st September, 2022.</p> <p>Shri Ajay Kumar Tantia read the resolution</p> <p>“RESOLVED THAT pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and pursuant to the provisions of Sections 196, 197, 198, 203</p> <p>..... approval of the members of the Company be and is hereby accorded to the appointment of Shri Gaurav Jajodia (holding DIN: 00028560), as Whole-time Director of the Company for a period of 3(three) years with effect from 1st September, 2022, to 31st August, 2025</p> <p>.....</p> <p>RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution</p> ”
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6. **Voting at the Meeting:**

Shri Ajay Kumar Tantia said:	<p>“Now, I request all the members present who have not cast their vote by remote e-voting to cast their votes using the e-voting facility at the AGM.”</p> <p>“The voting results along with the Scrutinizer’s Report will be placed on the Company’s website and on the website of CDSL and will also be send to the Stock exchanges.”</p>
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7. **Vote of thanks:**

Shri Ajay Kumar Tantia said:	“Since there is no other business to be transacted, I declare this meeting is hereby concluded with thanks to all the Directors and shareholders of the Company.”
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Then Shri Ajay Kumar Tantia on behalf of the members offered vote of thanks to the Chairman to end the meeting.