



## **Jai Balaji Industries Limited -Transcript-Annual General Meeting - October 29, 2020**

**Shri Sanjiv Jajodia:** Good morning Ladies and Gentlemen. I warmly welcome you all to the 21<sup>st</sup> Annual General Meeting of Jai Balaji Industries Limited on behalf of my Board colleagues and myself. Thank you for joining us today.

Now I would like to request our Chairman, Shri Aditya Jajodia to proceed with the business of the meeting.

**Shri Aditya Jajodia (Chairman):** Good Morning Ladies and Gentlemen, I have great pleasure in welcoming you to the 21<sup>st</sup> Annual General Meeting of your Company. In view of the need for social distancing due to the prevailing extraordinary circumstances, 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 advised 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.

### ***Chairman's Speech***

Dear Shareholders,

I want to thank you for your continued support. Our existence would not have been possible without your continuous support and cooperation.

I welcome all the Directors to the meeting and would like to take this opportunity to acknowledge the contribution made by them to the Company.

I would have very much liked to meet and address you in person, but as you know, we are holding this meeting over a virtual platform due to the prevailing unprecedented circumstances. I would like to thank you for sparing the 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 remaining healthy and staying safe.

The continuing spread of COVID-19 has left in its wake significant losses of lives and livelihoods being a health crisis with deep economic implications. Normal life came to a halt amid the lockdowns across the world including in India in the latter part of March. The past several months have been undoubtedly the most challenging times for everyone and Jai Balaji and all our stakeholders were not immune to the impact of such global events. Our first response to COVID-19 was to institute a number of measures and protocols to ensure the safety of our colleagues and their families. Right from the onset of the pandemic Jai Balaji adopted stringent safety measures to ensure the safety and wellbeing of its people and stakeholders. As a good corporate citizen with a social



conscience we responded to the humanitarian crisis caused by the virus with monetary and material assistance.

For most of FY 2019-20 the global steel industry faced a number of challenges due to global demand and geopolitical tensions which have affected the contours of the business environment in which we operate. Next came the onset of the COVID-19 pandemic in the last quarter of the year which ushered in a new reality for industries across the world. In a manner of speaking, FY20 ended abruptly, and at the same time, it became clear that the summer season as well as the rest of FY21 would be challenging periods as well.

Global GDP growth eased to 2.9% in 2019 against an initial growth projection of 3.5%. In India growth slowed to 4.2% in FY 2019-20 against an initial growth projection of 7.5% in the beginning of the year. India was just beginning to show signs of coming out of a protracted slowdown that began in early 2018 and COVID-19 arrived.

The impact of the slowing economy was also felt in the global steel sector. Global crude steel production reached 1870 MnT in 2019 registering a more modest growth of 3.4% in 2019 against 4.6% in 2018. The Indian steel sector registered a stark easing of growth to 1.8% in 2019 compared to 7.7% growth in the previous year. Domestic steel prices declined sharply in FY 2019-20 (-15% year-on-year on average) due to weak demand from key industries including automobile construction and consumer durables. Overcapacity in China also played a role in the softness in steel prices last year.

Due to the lockdown announced by the government and its subsequent extensions to contain the spread project activity at various sites were severely constrained by the non-availability of required manpower and material. The period leading up to the lockdown and the subsequent stoppage of all economic activity from 25th March 2020 has adversely affected your Company's operations in late FY 2019-20 as well as the better part of Q1 FY 2020-21.

The Covid-19 pandemic and its fallout makes it difficult to forecast the future with any degree of certainty. While we are hopeful that the 2nd half of FY 2020-21 will herald better economic and business activity in terms of tendering good liquidity and revival of labour and supply chains it would be premature to predict the Company's business outcomes for FY 2020-21. The company is putting in enormous efforts to mitigate the impact of the pandemic and register enhanced performance in FY 2021-22. Normalcy is being gradually restored and is expected to stabilize to near regular levels in the second half of FY 2020-21.

Our journey during the past few months has been an arduous one - there have been moments of anxiety and frustration. But what kept us going was the immense confidence, understanding and patience shown by our stakeholders. We will continuously challenge ourselves to look at all opportunities around us to improve productivity and efficiency.



As we continue our journey of being better every day in the new normal I would like to thank the Board for guiding me to execute my responsibilities in the best possible manner.

On behalf of the Board, I would like to take this opportunity to thank all the employees throughout the organisation for their dedication and passion in delivering results and enabling us navigate through these unprecedented times. It is their focus and resilience in the phase of difficulty that enables our substantial progress.

Thank you all for your trust and confidence in us. I am now more than convinced that we will come out of these difficult times soon - stronger, wiser and tougher. My best wishes to you and your families. Stay safe, stay healthy.

Let me have the pleasure to introduce the directors present with us:

- Shri Sanjiv Jajodia
- Shri Rajiv Jajodia
- Shri Shailendra Kumar Tamotia
- Shri Ashim Kumar Mukherjee
- Mrs. Rakhi Bajoria
- Mrs. Swati Bajaj
- Shri Bimal Kumar Choudhary

All the directors present in virtual mode are attending this meeting from Kolkata except Shri Shailendra Kumar Tamotia who is attending the meeting from Bhubaneswar.

Due to some exigencies the other Board Members are unable to attend the Meeting”

All the Auditors of the Company including the Statutory Auditor and the Secretarial Auditor are also present with us.

The Statutory Registers along with all the documents are electronically available for inspection to any person having the right to attend this meeting.

In terms of Section 108 of the Companies Act, 2013 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) 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 26th October, 2020 at 10:00 a.m. and ended on 28th October, 2020 at 5:00 p.m.

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.”

Mr. Suresh Chandra Pal, Partner, M/s S. C. Pal & Associates, Practising Company Secretary, has been appointed as the Scrutinizer for scrutinizing the voting process in a fair and transparent manner.



Now I will request Shri Ajay Kumar Tantia, the Company Secretary to proceed with the business before this meeting.

**Shri Ajay Kumar Tantia:** Let us now proceed with the business before this meeting.

The notice dated 15th September, 2020 convening this Annual General Meeting along with reports and accounts for the financial year ended 31st March, 2020 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.

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.1,03,019.80 Lacs of which Rs.27,383.99 Lacs 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 some of the lenders. Due to this reason, loss for the current financial year has been understated by Rs.27,383.99 Lacs and accordingly loss for the year ended 31st March, 2020 would have been Rs. 38,817.58 Lacs instead of Rs.11,433.59 Lacs.

The Secretarial Auditors' Report to the shareholders for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

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 which 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.

May I draw your attention that the Chairman reserve the right to limit the number of speakers, if the situation so demands.

May I now request the first speaker to speak and I would request the operator to coordinate.

### **Speakers and Reply to their Queries**

*The following speakers present spoke at the AGM:*

- *Amit Kumar Banerjee*



- *Jaydip Bakshi*
- *Manoj Kumar Gupta*
- *Tapas Kumar Dutta*
- *Bimal Krishna Sarkar*
- *Chandravati Gattani*
- *Sujan Modak*
- *Shyam Sr. Bhattacharya*
- *Ashit Kumar Pathak*

*They expressed their views and sought clarifications inter alia on the Company's business operations.*

*The Chairman thanked each and every shareholder on behalf of the Board, for their interaction and the invaluable comments and suggestions given by them. He assured that the Board will consider their comments and suggestions. After the Shareholders made their comments, before summing up the interaction, the Chairman with the help of the Chairman of Audit Committee and other Board members along with the Company Secretary answered as far as possible, to the queries of shareholders.*

**Chairman:** I would now take up the official business as set in the Notice.

❖ Item No. 1 of the Notice-

Adoption of Standalone & Consolidated Audited Accounts for financial year ended 31st March, 2020 and approval of Directors' and Auditors' Report as an Ordinary Resolution.

❖ Item No. 2 of the Notice –

Re- Appointment of Shri Rajiv Jajodia as a Director of the Company who retires by rotation and being eligible, offers himself for re-appointment, as an Ordinary Resolution.

❖ Item No. 3 of the Notice –

Re- Appointment of Shri Gaurav Jajodia as a Director of the Company who retires by rotation and being eligible, offers himself for re-appointment, as an Ordinary Resolution.

❖ Item No. 4 of the Notice –

Appointment of M/s S. K. Agrawal & Co., Chartered Accountants, as the Statutory Auditors of the Company for a term of 3 years and fixation of their remuneration as an Ordinary Resolution .



- ❖ Item No. 5 of the Notice –  
Ratification of remuneration payable to Cost Auditor of the Company for the financial year 2020-21 as an Ordinary Resolution.
  
- ❖ Item No. 6 of the Notice –  
Re-appointment of Shri Ashim Kumar Mukherjee, who is more than 75 years of age, as an Independent Director of the Company for a further period of 5 years, as a Special Resolution.
  
- ❖ Item No. 7 of the Notice –  
Appointment of Shri Bimal Kumar Choudhary as a Director of the Company as an Ordinary Resolution.
  
- ❖ Item No. 8 of the Notice –  
Appointment of Shri Bimal Kumar Choudhary as an Executive Director of the Company for a period of 3 years as an Ordinary Resolution.

The objectives and the implications of the resolutions as required have been set out in the Explanatory statement annexed to the Notice of this meeting.

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 . The facility shall be unavailable after 15 minutes from now.

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.

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.

*The meeting concluded at 12:10 pm.*

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