

**TRANSCRIPT OF THE ANNUAL GENERAL MEETING OF JAYA HIND INDUSTRIES LIMITED  
SCHEDULED ON 28<sup>TH</sup> SEPTEMBER, 2020 AT 2.30 P.M.**

**Company Secretary (Ms. Amruta Patil)**

Before I handover the proceedings to the Chairman, I would like to highlight certain point over here. The Members are requested to keep their videos on and mic on mute mode throughout the meeting. The members will be given an opportunity to ask queries, if any. In such case you are requested to unmute yourself. Please mention your name and the location from where you are joining. Voting on the resolutions will be done by show of hands. Any member dissenting to any resolution is requested to identify himself or herself by stating their name and raising by raising their hands. I hereby confirm that the valid quorum is present and the meeting can be called to order. I now request the Chairman to take over the proceedings. Thank you.

May I know, Can I just ask someone who has got a Lenovo laptop and he has joined the meeting, so if you can just switch on the video for us to identify. Ma'am can you please identify yourself. You are requested to unmute you, yourself please. You are on mute mode.

**Shribala Chordia**

Amruta, sorry, are you talking to me.

**Company Secretary (Ms. Amruta Patil)**

Yes Ma'am

**Shribala Chordia**

Shribala Chordia, yeah it does not have my name on it.

**Company Secretary (Ms. Amruta Patil)**

Yes Ma'am, thats done, but a Ma'am with orange Punjabi dress, can you please identify yourself. You are on mute mode Ma'am.

**Chairman (Mr. Abhaykumar Firodia)**

Hello Harsha, you are on mute. Please unmute yourself and identify yourself.

**Managing Director (Mr. Prasan Firodia)**

No Amruta is not asking about Harsha or Shribala there's another lady on the call who has logged in from a Lenovo laptop and Amruta is asking for her identification

**Company Secretary (Ms. Amruta Patil)**

That's right sir.

**Chairman (Mr. Abhaykumar Firodia)**

So who is that?

**Company Secretary (Ms. Amruta Patil)**

Ma'am apki avaj nahi aa rahi hain...

Please unmute yourself Ma'am.

**Independent Director (Mr. Pradeep Munot)**

Admin you can also unmute her.

**JHI Secretarial Department**

No we cannot, we won't be able to do it.

**Managing Director (Mr. Prasan Firodia)**

Does any of the shareholders present right now in this meeting, recognize the lady may be you can say who it is if at all.

Madam tumcha computer unmute kara.

**Company Secretary (Ms. Amruta Patil)**

Madam tumcha je mute cha button ahe te parat ekda daba thite te unmute hoil parat.

**Managing Director (Mr. Prasan Firodia)**

Ya, Amruta

**Company Secretary (Ms. Amruta Patil)**

Yes sir

**Managing Director (Mr. Prasan Firodia)**

Amruta, I think, Chairman got logged off due to some network issues. I think he is trying to log in from an iphone, so we need to need to let him in though.

**Company Secretary (Ms. Amruta Patil)**

Sure, Sure.. we will wait..

**Managing Director (Mr. Prasan Firodia)**

Yeah, okay, we can see him now.

Amruta, any update from that lady.

**Company Secretary (Ms. Amruta Patil)**

No Sir. No update.

Yes the person joining from Lenovo laptop, since we didn't identify you, we are removing from our meeting right now.

Ya.. Sir, I guess we are good to go.

**Chairman (Mr. Abhaykumar Firodia)**

Right. So... welcome to all the members, who are attending this meeting. I am Abhay Firodia, Chairman of the Company, speaking from my office at Navalveerayatan, located at Chaskamar. Before we commence the proceedings, I wish to introduce our directors, who are present in this meeting. Mr. Prasan Firodia, the Managing Director, Mrs. Indira Firodia, Mrs. Shribala Chordia, Mr. Pradeep Munot, Independent Director and Mr. Mohindar Singh Bhogal whole-time director. We also have Statutory Auditors, M/s. Kirtane & Pandit and Secretarial Auditor, Mr. I U Thakur, who have joined this meeting.

The Company has taken all feasible efforts under the current circumstances to enable members to participate through video conference and to vote at this AGM.

I hope I am audible.

**Company Secretary (Ms. Amruta Patil)**

Yes Sir.

**Chairman (Mr. Abhaykumar Firodia)**

Right. Let me make opening remarks, the year that closed in March 2020, was not a year of growth it was a year of shrinkage of business. It saw our manufacturing operations decreased by nearly by 30% and even the EBIT dropped significantly from 73 to 43 crores. However, on a consolidated basis, including our subsidiaries etc., the situation has been much better last year. I will not like to go into the details of plant operations and I will ask the Managing Director later to apprise us about the activities of the Company at our various plants in Akurdi, in Pithampur, in Chennai, and in Pithampur, Urse also.

Currently, during the current year, we are facing a very severe crisis. One of the worst crisis that we have seen ever. With the covid we have had a very bad first quarter wherein our factories were fully closed and significant losses have been suffered and now in the last couple of months once the plants have started to work there is some activity going on, however which is far from satisfactory. The situation is also complicated by the fact that both on our supply side and on our demand side there are disruptions. Our customers are too facing such challenges, they cannot function properly. I am happy to observe that our management has made strenuous efforts to ensure continuous production to the extent

possible by inducting a lot of people because much of our normal staff had immigrated/migrated/left so that gap had to be fulfilled and very strong efforts have been made to do that. There have been challenges also on the maintenance of electric supply at Urse and strong efforts have been made to induct additional power into the system by employing power generators. This also was the time when there has been a lopsided performance, some of the plants are working better than others, but let the Managing Director give us a better assessment of how the situation is functioning now but my assessment, personal assessment is that this year will be a very difficult year for the Company even in the next half I would expect that there will be a big struggle to establish a regular production at all the plants and to even meet the already depleted, already restricted production of last year. But I am sure our plant and company management will leave no stone unturned to see that we do as well as possible.

I would like now turn to the official business of the Company. The statutory auditors, Kirtane & Pandit and the Secretarial Auditors, I U Thakur, have expressed unqualified opinion in respective audit reports for the financial year 2019-20. As the notice is already circulated to all members, with permission of the members present I take the notice convening the meeting as read. As a matter of fact in the new convention that has been announced this is allowed as a matter of routine. We will address the ordinary business first..

Resolution No. 1

I shall read out the resolution.

“RESOLVED THAT the audited standalone and consolidated financial statements of the Company, for the Financial Year ended 31<sup>st</sup> March 2020, together with the Board’s Report and Auditors’ Report thereon be and are hereby approved and adopted.”

If there are any queries from the members on the financials of the Company...

**Managing Director (Mr. Prasan Firodia)**

I second the resolution.

**Chairman (Mr. Abhaykumar Firodia)**

Now, I put the resolution to vote.

Those in favour, please raise your hands

**Managing Director (Mr. Prasan Firodia)**

I second the resolution, Prasan Firodia here..

**Chairman (Mr. Abhaykumar Firodia)**

The secondment is noted.

The resolution is put to vote

I do not see any negative votes, so the resolution is passed unanimously.

This next agenda item, item relates to me, I request that Mr. Mohindar Singh Bhogal, who is a non-interested director, should conduct the proceedings for the next agenda item relating to resolution no. 2. Mr. Bhogal please take...

**Whole-Time Director (Mr. Mohindar Singh Bhogal)**

Good afternoon Sir..

“RESOLVED THAT Mr. Abhaykumar Firodia, who retires by rotation, be and he is hereby re-appointed as a Director of the Company.”

**Managing Director (Mr. Prasan Firodia)**

I propose the resolution, Prasan Firodia here.

**Shribala Chordia**

I would second the resolution, Shribala Chordia.

**Whole-Time Director (Mr. Mohindar Singh Bhogal)**

I hereby put the resolution for vote

Requesting members in favour of the resolution to raise their hands.

Requesting members, who are against the resolution to raise their hands.

**Shribala Chordia**

You are not audible

**Whole-Time Director (Mr. Mohindar Singh Bhogal)**

Read..Read.. I read again..okay

I request the members in favour of the resolution to raise their hands

Next

I request the members against the resolution to raise their hands..

I declare the resolution as passed unanimously.

**Chairman (Mr. Abhaykumar Firodia)**

That having accomplished, I now resume the Chair..

Resolution No. 3 ... I shall read out

“RESOLVED THAT Mr. M. S Bhogal, who retires by rotation, be and he is hereby re-appointed as a Director of the Company.”

I propose this resolution.

Any secondment..

**Managing Director (Mr. Prasan Firodia)**

I second the resolution, Prasan Firodia

**Chairman (Mr. Abhaykumar Firodia)**

Ya... having being proposed and seconded, I put the resolution for vote.

Those in favour please raise your hands

Anybody against

Unanimously...

Special Business

**Company Secretary (Ms. Amruta Patil)**

Sir...Appointment of Cost accounts

**JHI Secretarial Department**

Amruta...read the resolution

**Company Secretary (Ms. Amruta Patil)**

Yes Sir..

I read out the resolution for appointment of cost accounts with remuneration.. Special Business...Resolution no. 4

“RESOLVED THAT M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune, who are appointed by the Board of Directors of the Company, to verify and review the cost records of the Company for the Financial Year ending 31st March 2021, be paid remuneration of ₹1,35,000 (Rupees One Lakh Thirty Five Thousand only) plus travelling and out of pocket expenses and taxes, if any.”

**Chairman (Mr. Abhaykumar Firodia)**

I propose the resolution...

Any secondment...

**Managing Director (Mr. Prasan Firodia)**

I second the resolution, Prasan Firodia

**Chairman (Mr. Abhaykumar Firodia)**

Now I put the resolution to vote

Members in favour please raise their hands

No one against

So I declare the resolution passed as unanimously.

As there is no other business to transact, I hereby declare the meeting as concluded. However, if the managing director wishes to take some observations about the business, I think we would all like to hear.

**Managing Director (Mr. Prasan Firodia)**

Good afternoon everyone, taking this forward from where the Chairman mentioned about the status of the business. If I look at the last two years, you know even before the Covid hit not just in India but the global economy the business has started to shrink which is predominantly due to the slowdown in the commercial vehicle sector and you know from a 880 crore turnover we came down to about 630 crores last year or last to last year..and then you know the commercial vehicle segment continued to dip. This has been on account of you know various you know aspects one was the government legislation change in terms of allowing extra load carrying capacity per vehicles, the insurance cost of vehicles went up, there was also a significant increase in the GST slabs all this reduced or you know slowed down the automotive industry significantly. While we were struggling with you know the slowdown, Covid has created a complete havoc and ofcourse in the last or since the beginning of this year our business has dropped by almost close to about 60% when I compare it to say August last year because of this top line decreased of close to 63%, there is also a loss that the Company is incurring right now because for the first four months of this financial year the plant utilization ofcourse for the first two months was completely shut down and after we reopened we were struggling with utilization levels of anywhere between 20 to 35%. The demand in the automotive industry has picked up ofcourse it is segment base some segments are doing extremely well, segments like the entry level passenger cars, or segment like you know the two wheeler industry, they have started to do very well.. Commercial vehicles remain to be significantly subdued. With our spread, overall

the increase in demand has come through from our OEM customers but the challenge today is not the demand for us the challenge today is to be able to supply because in the last 4 months we had lost close to about 500 of our people who went back to their native states, so we done a lot of work to bring back people and in the last month alone we have recruited over 400 freshers who have been pulled in from various states. So now we have you know 2 challenges..one while we have added people, these people are yet to settle down in terms of their operations, they are yet to deliver in terms of output or efficiency..so efficiency yet remains lower at anywhere between 40 to 55% from these people and therefore there is a huge pressure from our OEM customers for supply. Though the good news in a way is that in terms of schedules that we are receiving, we are more or less back to you know August last year levels. The challenge will continue to remain to see how we can cater to this demand. In terms of the Akurdi plant very quickly, the Akurdi plant has very little operations now in terms of die casting operations per se, we predominantly do a lot of our engineering work at the Akurdi facility which is may be at about 85% utilization levels. At our Pithampur plant we have set up a brand new bus making facility where we will be doing work for Force Motors. We will built complete buses, now this again while the plant is fully established and ready and commissioned, however the bus market has again completely collapsed due to covid, there is no real shared mobility or transportation or people are not really moving out. Here we are looking at anywhere between 50 to 75 crores Rupees of investment which is predominantly needed in terms of adding machining capacity. Another good thing is in the last two years alone or between last year and the current year we have got a complete new order book of close to about 200 crore rupees and so that's the additional business we have got. This business has predominantly come from two customers one is Volkswagen so we will be producing all the engine blocks for all the Volkswagen cars produced in India be it Seat or be it Skoda or the Volkswagen Family, so all engine blocks we will be produced by us. Also we have large orders close to about 75 crores rupees from Peugeot Citroen so the PSA platforms where they will start building cars in India soon will all be powered by engine blocks produced at Jaya Hind from the Chennai facility. On the export side, two years back we had almost matured to a level about close to 100 crores rupees of export on an annualised basis which then fell down to about 60 odd crore rupees but now gradually exports is also picking up and may be this year we will see about 70 crore rupees of turnover coming out of exports alone. So generally the order book is okay, we have got about 200 crore rupees of new orders which we have got in the last two years. The key is now to settle down in the new regime of covid with all the you know guidelines laid down by MHA in terms of social distancing and so on and so forth and to build up on the numbers to cater to the demand that will come up. So this is a brief you know outlook on where we stand. The year will be challenging, we don't know what the future has, we don't know whether we are going to you know get succumbed to a second wave that may come through or if the vaccine comes through there will be a huge psychological relief as well, which will further boost up demand, but it's a wait and watch situation; clearly for the year we will be making a loss and I don't think that is something which is unique to us but I think it is an industry



wide phenomena where everybody will lose money because we lost sales for almost one complete quarter. So thank you there are any questions from any members I will be happy to answer those. Okay if there are no questions then I will again request the Chairman to conclude the meeting.

**Chairman (Mr. Abhaykumar Firodia)**

Thank you very much.. I think you gave a very nice tour d'horizon and we are better informed about both the challenges and the opportunities before us. We have faced many many problems in our over 70 years of history, this is one of the most severe ones and I am very confident that we shall be able to weather this storm. So I would like to take this opportunity to wish the best of success to our operating team who have performed very well under the severe conditions. Let me wish you all the best and with that I will now conclude the meeting while thanking all the directors present and all the shareholders who are attending this meeting. Thank you very much. The meeting is closed.

**Company Secretary (Ms. Amruta Patil)**

Thank you everybody...Thank you...

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