

JTL Industries Limited
Transcript of 33rd Annual General Meeting held on
Saturday, 14th September, 2024

Mr. Amrender Kumar Yadav (Company Secretary):

I, Amrender Kumar Yadav, Company Secretary of JTL Industries Limited, joining from Chandigarh, welcome you all to this 33rd Annual General Meeting of the Company being held today on 14th September, 2024 through video conferencing or other audio-visual means.

The Ministry of Corporate Affairs and SEBI has vide their various circulars, allowed the companies to conduct their Annual General Meetings through video conferencing or other audio-visual means. The present AGM is being held in accordance with the Companies Act, 2013 read with relevant circulars of MCA and SEBI. Members attending this meeting through Video conferencing or other audio-visual means shall be counted for the purpose of reckoning quorum under section 103 of the Companies Act, 2013. All members have been kept mute by default to avoid any background disturbance and to ensure smooth and seamless conduct of the meeting. Once the question answer session starts, the name of the shareholders will be announced who have registered themselves as speakers to enable them to speak at this meeting. The speaker shareholder will thereafter be unmuted to speak. In order to give a fair chance to all speakers limited time period will be allotted to each speaker. To start speaking, shareholders are requested to follow the instructions given to them by the operator. However, if due to any reason they are unable to join the meeting through video, they can speak through audio video mode. If there is a connectivity problem at the speaker's end, the next shareholder waiting in the queue will be asked to join him or her. At the outset, I would like to introduce panel of our esteemed Directors, KMPs and Auditors.

Mr. Sukhdev Raj Sharma, Independent Director and Chairman. He is chairing this meeting as per provisions of Articles of Association read with Companies Act, 2013. From the Promoter Group and Promoter Directors we have with us:-

Sh. Madan Mohan (Managing Director)

Sh. Rakesh Garg (Executive Director)

Sh. Dhruv Singla (Executive Director)

Sh. Pranav Singla (Executive Director)

From Non-Promoter and Non-Independent category, we have with us Mr. Sanjeev Gupta, Whole Time Director of the Company.

Next, I would like to introduce Independent Directors who have joined this Annual General Meeting.

Ms. Preet Kamal Kaur Bhatia, Independent Director and chairperson of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. She is joining from Chandigarh.

Mr. Ashok Goyal, Independent Director and member of Audit and Nomination & Remuneration Committee, joining from Chandigarh.

Mr. Rakesh Mohan Garg, Independent Director and member of Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, joining from New Delhi.

The Chief Financial Officer Mr. Atul Garg and the Chief Strategy Officer Mr. Amit Gaur have also joined this AGM from their respective locations. Besides this Statutory Auditor, Secretarial Auditor, Scrutinizer appointed for this AGM & other invitees are participating through video conferencing from their respective locations.

Now I would request Mr. Sukhdev Raj Sharma, Chairman to address the stakeholders.

Over to Mr. Sukhdev Raj Sharma, Chairman.

Mr. Sukhdev Raj Sharma (Chairman):

Good Morning Ladies and Gentlemen. I welcome you all to the 33rd Annual General Meeting of the shareholders of JTL Industries Limited. It is my proud privilege to address you all as the Chairman of the Company. In compliance with the circulars and directives issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India and the applicable provisions of the Companies Act, 2013, this Annual General Meeting is being held through video conferencing.

I greatly appreciate you for sparing your valuable time to attend the AGM of your Company. Since the requisite quorum is present through video conferencing for this AGM, I call the meeting to order.

With the permission of the members, I am now taking the notice of the 33rd AGM and the Board's report, which are already circulated to all the shareholders, as read. As the Statutory Auditors' Report on the Annual Financial Statements (Standalone & Consolidated) of the Company for the financial year ended 31st March, 2024 and the Secretarial Auditor's Report for the financial year ended 31st March, 2024 do not contain any qualification, observation, comment or other remarks, the same are also taken as read.

Now, I request the Company Secretary to give a brief overview of regulatory matters and general instructions pertaining to the Annual General Meeting of the Company.

Mr. Amrender Kumar Yadav (Company Secretary):

Thank You Sir.

Now I request, Mr. Amit Gaur, the Chief Strategy Officer of the Company to take you through key developments and operational performance of the Company.

Over to Mr. Amit Gaur.

Mr. Amit Gaur (Chief Strategy Officer):

Good morning distinguished Shareholders, Board members, esteemed colleagues, ladies and gentlemen. Thank you all for making the time to attend this year's Annual General Meeting. It is my great honor and privilege to welcome you all to the 33rd Annual General Meeting of the Company. I hope all the shareholders, their family members and other associates are in good health and spirit. Now I'd like to brief on the financial overview and other major events that has taken place during the past year 2023-24.

This past year has been one of the both challenges and triumphs. Despite unpredictable market conditions, Company demonstrated resilience, adaptability and growth. During the financial year, the

Company has reported the highest ever revenues as well as the sales volumes. The revenues increased to rupees 2040 crores as compared to rupees 1548 crores in the previous financial year, registering a growth of about 31% by making a successful year driven by our Company's dedication and innovation. The profits for the financial year 2023-24 increased to Rs. 113 crores as compared to 90 crores in the previous financial year, registering an increase of around 25%. Further, the company witnessed a significant increase in the sales of Value-Added Products, with volumes rising from 74,000 metric ton per annum in the financial year 2022-23 to about a 100,000 ton per annum in the financial year 2023-24, marking a significant growth of about 34%.

During the financial year 23-24, on account of conversion of Warrants into equity and further on account of issues of Bonus Shares, the paid-up shared capital of the Company increased to Rs. 35.40 Crores. Further, after the closure of the financial year 23-24, the company came up with Qualified Institutional Placement ("QIP") and it issued around 1.42 Crore equity shares at the rate of 211 each aggregating to Rs. 300 Crores. The proceeds from the QIP have been earmarked for part financing the cost towards capacity expansion of our existing manufacturing facility by setting up new unit at Raigad Maharashtra, working capital requirements of the company and other general corporate purposes. This bolstered the capital structure of the company, significantly enhanced the company's financial flexibility and accelerated the Company's ambitious growth plans.

During the financial year 23-24, the company came up with another preferential issue and allotted 2.5 Crore fully convertible warrants to Promoter Group and Non-Promoter Group aggregating to Rs. 675 Crores. The Company received Rs. 168.75 Crores being 25% of the amount and the balance funds are expected in the coming period. This move is aimed to augment the manufacturing capacities and support future growth. The acquisition of 67% controlling interest in Nabha Steels and Metals, Mandi Gobindgarh, Punjab is a significant milestone in comprehensive backward integration strategy. Nabha Steel has a manufacturing capacity of 200,000 MTPA of coils and long steel products.

Furthermore, the Company will enhance coil production at the Raipur plant to 250,000 MTPA and will increase the 'long product output' by 100,000 MTPA across Chhattisgarh and Punjab.

We are committed to continuous growth and expansion. Our ambitious plans include increasing manufacturing capacity from 5,86,000 MTPA in FY 2023-24 to 10,00,000 MTPA by FY 2024-25, with further expansion to 20,00,000 MTPA in the future. This underscores our confidence in the industry's potential. We are investing in cutting-edge technologies like DFT to enhance efficiency, expand our product range, and solidify our presence in new markets. This expansion is strategically aligned with the growing demand for steel tubes in various sectors, including infrastructure, construction, and agriculture.

During the Year under review, the turnover and profitability of the Company has increased brilliantly. Based on the Company's financial position, the Board of Directors, at its meeting held on 10th May, 2024 had recommended a final dividend @12.5% i.e. Rs. 0.25 per equity share of face value of Rs. 2/- each for the Financial Year 2023-24.

Looking ahead, the road may still hold some uncertainties. However, we are well positioned to capitalize on new opportunities. In the coming time, the Company anticipates significant revenue growth and strong EBITDA. Company's strategic focus on Value Added Products will open new markets, particularly in exports and structural applications along-with setting up additional production facilities at Maharashtra Plant in phased manner.

Through relentless innovation, strategic expansion, and operational excellence, we will strive our best to deliver exceptional value to our shareholders, customers, and employees. Additionally, we will place a strong emphasis on sustainability & social responsibility.

Now, we would like to express our sincere gratitude to all the Directors on the Board for their valued support in guiding the Company. We are deeply grateful to our management team & employees whose hard-work and dedication have been the cornerstone of our success. Our team is passionate, and has made our achievements possible despite challenging situations over the years. We would like to thank our Shareholders, Bankers, Investors, Financial Institutions, Distributors & Customers for your continued trust & support. Your confidence in our vision empowers us to push forward and we remain deeply committed to driving long-term values. Let us continue this journey together. Thank you.

With this, over to the Company Secretary to proceed further. Thank you.

Mr. Amrender Kumar Yadav (Company Secretary):

Thank you, Amit Ji

Members are requested to kindly note that the present AGM is being conducted to transact the businesses specified in the Notice of the AGM dated 14th August, 2024. Members are also further requested to kindly follow the instructions for voting at AGM with respect to items of the business, if they have not earlier voted through remote e-voting. The Register of Directors, KMPs and their shareholding and the Register of Contracts or Arrangements, in which Directors are interested, are available for physical inspection at the Registered office of the Company. At this Meeting, we will take up the resolutions as set forth in the notice. I would like to inform that there are total 9 business items to be transacted in this meeting. The requisite Quorum is present.

The Shareholders may kindly take note that in terms of the applicable provisions of the Companies Act, 2013 read with the relevant rules thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided the facility to cast their vote through remote e-voting system administered by Central Depository Services (India) Limited ("CDSL") from 11th September, 2024 to 13th September, 2024. Further, the facility to vote at the Meeting is available during and 15 minutes after the conclusion of the meeting, for all those Equity Shareholders who are present at the meeting and who have not cast their votes by availing the remote e-voting facility.

M/s SV Associates, Proprietor Mr. Sahil Malhotra, Practicing Company Secretary has been appointed as the scrutinizer of the said meeting of Equity Shareholders of the Company to conduct the remote e-voting and voting at the Meeting in a fair and transparent manner.

Now, I would like to move on to the agenda items to be transacted at this AGM. There are 9 agenda items which are to be passed as ordinary/special resolution by the members.

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon - Proposed to be passed as Ordinary Resolution

- 2) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon - Proposed to be passed as Ordinary Resolution

- 3) To declare a Final dividend of Rs. 0.25/- (i.e. @12.5%) per equity share of face value of Rs. 2/- each for the Financial Year 2023-24, on Equity Shares for the financial year ended March 31, 2024 - Proposed to be passed as Ordinary Resolution
- 4) To appoint a Director in place of Mr. Pranav Singla (DIN: 07898093), who retires by rotation at this Meeting and being eligible offers himself for his re-appointment - Proposed to be passed as Ordinary Resolution
- 5) To appoint a Director in place of Mr. Mithan Lal Singla (DIN: 00156885), who retires by rotation at this Meeting and being eligible offers himself for his re-appointment - Proposed to be passed as Ordinary Resolution

SPECIAL BUSINESSES

- 6) Ratification and approval of remuneration payable to Cost Auditors - proposed to be passed as Ordinary Resolution
- 7) To re-appoint Mr. Madan Mohan (DIN:00156668) as Managing Director of the Company - proposed to be passed as Special Resolution
- 8) To re-appoint Mr. Rakesh Garg (DIN:00184081) as a Whole-Time Director of the company- proposed to be passed as Special Resolution
- 9) To re-appoint Mr. Sukhdev Raj Sharma (DIN:02135083) as an Independent Director for the second term- proposed to be passed as Special Resolution

Now, I invite the speaker shareholders to raise questions, if any, on the items of the business of the meeting. I request the members to confine their queries strictly to the items of the business of the meeting and each shareholder shall be given limited time slot for their queries.

Team Beetal, is there any speaker present. Kindly allow them to speak one by one.

Mr. Bhawendra Jha (Team Beetal):

Mr. Praveen Kumar

Mr. Praveen Kumar (Registered Speaker):

A very very good morning to my respected Chairperson, esteemed Board of Directors and my fellow shareholders. Myself Praveen Kumar joining this meeting from New Delhi. I have a few observations which I would love to share with the entire house, but before that, as in this financial year this is our first interaction with the management, I wish entire management team a happy, healthy and prosperous future.

It was excellent address to the shareholders as it was very informative and detailed for shareholders like me. Our company will grow leap and bound in the future. The future look bright to me, I'm with the company for years and I have the deepest respect to the respective Chairperson for creating sustainable growth and I'm very, very thankful to our respected Company Secretary for bringing out the highest standards of corporate governance. I wish you all the luck and all the best and thank you

for this opportunity sir. All the very best for the future. God bless you. Excellent CSR activities. Thank you.

Mr. Amrender Kumar Yadav (Company Secretary):

Thank you, Mr. Praveen.

Mr. Bhawendra Jha (Team Beetal):

Next shareholder Mr. Ayush Gupta

Mr. Ayush Gupta (Registered Speaker):

I welcome all the Board Members. It was an excellent address to the shareholders in which present and future prospectus was briefed to the shareholders. I would like to congratulate entire management for such a commendable performance in the previous years, at the same time I would request the management to put some light on future strategies of the Company. Secondly, I would request management to brief us about its acquisition of RCI Industries Limited and further developments as am also the shareholder in RCI Industries. Lastly, I would like to thank Company's Secretarial team for providing timely information on various developments in the Company. This is a good platform to interact with the Company management and I would request the management to continue conducting AGMs through with VC/Audio-Video means. I wish all the best to the Company for all of its future endeavours.

Mr. Amrender Kumar Yadav (Company Secretary):

Pranav Sir, can you please reply to his queries.

Mr. Pranav Singla (Director):

Thank you for your questions. Usually, we regularly do our con-calls and we have given our projections in the con-calls for the Company's progress. Although I'll give you a brief on what we have projection for this year.

So, this year we are expecting around 30% increase in volumes to maintain the same level of growth and profitability as compared to the previous years. If we talk about RCI Industries, we are a little far from getting the company in process, which will be informed to the shareholders in the given period of time. So, stay awaited and the company will make new heights in the coming years as well. Thank you.

Mr. Amrender Kumar Yadav (Company Secretary):

Thank you, Pranav sir, for addressing the shareholders queries. So, as we are done with the shareholder queries, the shareholders who have not casted their votes by remote e-voting prior to the meeting may cast their votes now through e-voting system available on your screen. I would like to inform that the results of the e-voting and remote e-voting will be announced on the receipt of the scrutinizer report and the same will be placed on the Company's website and will also be sent to the Stock Exchanges. The e-voting will be enabled for next 15 min and shareholders may complete their e-voting.

With this with the permission of Chairman, I declare the meeting as concluded. I would like to convey heartly thanks to Chairman sir, for sparing his valuable time to attend this Annual General Meeting. I

would like to thank all the Directors, Shareholders, KMPs, Auditors and Invitees for their active participation.

We express our gratitude to all the members for their cooperation. With this, we declared the 33rd Annual General Meeting of the Company as concluded.

Thank you everyone.
