



JUMBO BAG LTD.

TRANSCRIPT OF 32nd ANNUAL GENERAL MEETING – 27th JUNE, 2022 - 10.45 A.M

❖ Welcome Speech by the Chairman

A very good morning to all of you.

On behalf of Jumbo Bag Limited, I Renuka Mohan Rao, Non-executive Chairperson of the company, delighted to welcome you all to the 32nd Annual General Meeting of your Company. This meeting is conducted through video conferencing as per the directions as issued by the "Ministry of Corporate Affairs" and "Security and Exchange Board of India". We thank you all for joining with us today.

- ❖ **Chairman:** Since the required quorum being present to conduct the Annual General Meeting, I now declare the meeting in order.

❖ Introduction of Directors by the Chairman

Before I take up the agenda for this meeting today, I would like to introduce my colleagues who have also joined through webcast from chennai:

- Shri G. S. Anil kumar, Managing Director
- Shri G.P.N. Gupta – Whole-Time Director and CFO
- Smt. S. Subhashini, Independent Director and Chairperson NRC Committee.
- Shri Rajendra Kumar P – Independent Director
- Shri G.S. Rajasekar- Additional Director and Chairperson of Stakeholder Relationship Committee.
- Shri Kashiraman Balakrishnan - Company Secretary
- The representatives of Statutory Auditor M/s J.V. Ramanujam & Co, Secretarial Auditor M/s Lakshmi Subramanian & Associates and internal auditor Jayachandran & Co are also present with us.

- ❖ **Chairman:** We have 47 members present through video conferencing to conduct the proceedings of this meeting. Since there is no requirement physical presence of members proxy is not applicable for the meeting. The Register of Directors' Shareholdings, Register of Key Managerial Personnel and Register of Contracts or Arrangements in which directors are interested as per the Companies Act, 2013 are available for inspection on the shareholders e voting login portal.



❖ **The Chairman's Speech – Please read the Chairman speech**

Esteemed Shareholders, my colleagues on the Board, distinguished ladies and gentlemen, once again with great pleasure I welcome you all to the 32nd Annual General Meeting of your Company. We thank you all for joining us today through video conferencing and I confirm that we have the quorum present. I highly regret that once again, we are unable to meet in person due to social distancing advisory for COVID-19. The pandemic which has brought a new order to the world and its social implications which are going to be felt for a long time. In wake of same we decided to put your health and safety first and adhering to social distancing norms and safeguard each and every one, this year's annual general meeting is called on virtual mode. The vaccines developed in record time for COVID, are one of the greatest examples that we as human beings have come past many such crises and overcome them and lead the life. I strongly believe that the current crisis will also go past with more vaccination drives and adhering to social distancing norms.

Now let us move on to the business today. I would like to start with a brief overview on the happenings during the year, performance of your Company, future prospects and strategies adopted. We will then move onto the formal part of the meeting when we propose the resolutions set out in the notice of meeting.

I would like to share the remarkable progress your Company has made in the last financial year despite the challenges of recovering from the unprecedented global pandemic. As they say **"Energy and persistence conquers all things."** Your company has worked on number of key areas during these difficult times like better waste management, value addition to existing product leading to improved sales from existing customer and adding new customers to the order book. The outcome of which is before you, such a result has also bought new energy and confidence among the employees to deliver your expectations further.

I will further discuss how the Company plans to perform going forward after reviewing the financial performance for the year 2021-22.

Financial Performance of your company:

The Annual Report for the year has already been circulated which contains Standalone financials, Directors Report and Management Discussion analysis giving in detail performance of the Company during the year 2021-22.

Though the business environment in the financial year 2021-22 saw return of normalcy the geopolitical tension around Eastern Europe and rise in crude oil prices has led to supply chain disruptions, energy price volatility and localized wage pressures makes the business



environment vulnerable to uncertainty. Despite global headwinds, domestic macroeconomic conditions continued to strengthen the central bank published a growth rate of 8.7 per cent in 2021-22, India's gross domestic product (GDP) surpassed its pre-pandemic (2019-20) level by 1.5 per cent. Projection comparable with World Bank and Asian Development Bank's latest forecasts of real GDP growth of 8.7 percent and 7.5 percent respectively for 2022-23 looking at the macro factors. Your Company having presence in the overseas market had its export turnover increasing from Rs. 2,023/- lakhs in FY 20-21 to Rs. 5,130/- lakhs in FY 21-22 with lifting of restriction over global trade. Where else the domestic sales has also showed promising results post Covid with a increase in domestic sales from Rs. 5,999/- lakhs in FY 20-21 to Rs. 7,243/- lakhs in FY 21-22.

As a result the PBT improved from Rs. 54.89 lakhs to Rs. 127.49 lakhs.

The trading division of the company which is into polymer sales has recorded higher sales during the FY 2021-22 compared to previous years despite stiff price competition from new market players, supply side restriction from IOCL and fluctuation in polymer price. The revenue from trading division of the company for the year was Rs. 295.75 lakhs higher by 6.98% as against previous year Rs. 276.45 lakhs for F.Y 2020-21.

Going Forward:

At the beginning of 2022, new COVID-19 variant began to spread around the world, millions of people worldwide were infected with new COVID-19 variant, but unlike its precedents the same disappeared in no time thanks to mass vaccination drives carried out by government and non-government organisation.

Future developments will depend on the path of the health crisis, including whether any new COVID-19 strains prove susceptible to vaccines or they prolong the pandemic and geopolitical tensions, including in eastern Europe and east Asia, imperil energy supply, international trade and policy cooperation. This could surge cost of raw materials for manufacturing of FIBC bags and ultimately making in a bit expensive for customers who use it for storage and transportation of their goods. Hence your Company is engaging on product development, waste management and procurement of raw material as and when cash flow permits.

The upcoming financial year 2022-23 will be challenging due to rising crude oil prices, geopolitical tension in eastern Europe, inflation and weakening rupee.

Further the company has liquidated its unused land situated at kharagpur for healthier working capital and avoid finance cost on external borrowings during the year.

Now I shall brief you about the Insurance Claims:

The legal course of action taken by the Company on the fire accident insurance claims is



ongoing. Though it is being delayed a bit due to certain restriction on functioning of courts due to Covid-19, there has been significant improvement in the matter before court although nothing can be said as of now Your Company is very confident that the claim will be considered favorably by the Honorable High Court looking at the veracity of claim. The Company has written off claim receivable for stock, owing to prolong impact of Covid-19 on functioning of the court and lapse of time much more than the expectations by the company. The company ensures you to will continue to take steps towards recovery of the claim amount through the legal process.

Social Responsibility undertaken by your company:

Your Company believes in importance of education in the growth of individuals and the economy as whole. With an intention to support the education of under privileged children your company runs a school in the name of Gorantla Ramalingaiah Vivekananda Vidyalaya providing education to over 1100 students at concessional fees. Many children's have benefited from this initiative of the Company and we have provided donations on Flag day for Armed Forces to our local government bodies. We contributed for NSS camp students to give awareness for cleaning, hygienic and health for rural area. We contributed food arrangements for Polio drop camp in panjetty primary health centre and we have provided tables and chairs for our local village panchyath office.

Our company has sponsored various social activities in this Covid -19 lockdown periods and awareness program. Further providing Rice to local villagers and Covid precautionary items such as Face mask, hand gloves and sanitizer to government offices and village peoples and local government bodies.

Our company has arranged Covid – 19 vaccination camps for both doses for all our employees and our local area peoples.

Annual Report:

The Annual Report for the year ended 31st March, 2022 along with the AGM notice, Directors' Report and Management Discussion & Analysis and the Audited Annual Accounts of the Company have been circulated by email to members who have updated their email address with the Company. Hard copy of the Annual Report has not been sent as per the directions of Ministry of Corporate Affairs and Security and Exchange Board of India due to curb further spread of Covid-19 unless request for the same is made by the shareholder.

With your permission, I take them as read.

Conclusion:

Before I end, I would like to express my sincere appreciation and special thanks to all employees of the Company for their support and contribution in these challenging times and



to my colleagues on the Board for their contribution and counsel. I also wish to thank all our customers, sub-contractors, vendors, bankers for their support. Lastly, I wish to convey my deep appreciation to you, dear shareholders, for your continued support and understanding shown over the years. Thank you.

❖**Chairman:** We now come to the formal proceedings of the meeting. Before we proceed, I am pleased to bring to your notice that as required under Section 108 of the Companies Act, 2013, Secretarial Standards and the Listing Obligations, the Company extended e-voting facility through Central Depository Services (India) Limited (CDSL) to the Members of the Company (who were holding shares as on cut-off date 20th June, 2022) in respect of the businesses to be transacted at the Annual General Meeting. The e-voting period commenced at 9:00 A.M. on Friday, 24th June, 2022 and ended at 5:00 P.M. on Sunday, 26th June, 2022. Members who have not voted during the above e-voting period can cast their vote in the course of the meeting through e-voting. M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer for the e-voting process.

The Report of Statutory Auditors for the financial year 2021-22 do not contain any qualification or adverse remarks hence they are not required to be read out as per the Companies Act, 2013. The report of the Secretarial Auditor do not contain any qualification or adverse remarks too hence they are not required to be read out as per the Companies Act, 2013.

❖**Chairman:** Thank you. I take the Annexure to Statutory Auditors Report and Secretarial Audit Report as read with the permission of members.

❖**Chairman:** Since all the businesses requiring shareholders approval as provided in the notice of AGM is voted through e-voting there is no requirement for taking them in the meeting.

❖**Chairman:** We have now come to the end of this meeting. The combined results of e-voting and poll, if any, along with the report of the scrutinizer will be informed to the stock exchanges and uploaded on the website of the company within 2 working days from the conclusion of this meeting.

❖**Chairman:** With this the 32nd Annual General Meeting comes to an end. On behalf of all I want to thank all the members and Directors for having attended the meeting. I declare the proceedings as closed. Thank you.