

Hello.

Hello? Hello?

Sir, we are at 10:15.

Exactly on live. Hand overing the proceedings to Chairman to take over. Thank you

Good morning to all.

We have the requisite quorum present to conduct the proceedings of this meeting. Participation of members through video conference is being reckoned for the purpose of quorum as per the Circulars issued by the Ministry of Corporate Affairs and under Section 103 of the Companies Act 2013. The quorum being present, I call this 35th Annual General Meeting to order.

We shall start the AGM with a silent prayer for 1 minute.

Let's specially remember all those who have lost their lives due to the pandemic in particular our employees and other stakeholders.

Thank you. It's my privilege and pleasure in welcoming you to this 35th Annual General meeting of your Company. For our own safety, and to comply with the social distancing norms, this meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. I am participating in this meeting from the registered office of the Company at Chennai.

I would now introduce our Directors and Company Secretary to you, who are participating in the AGM from the registered office of the Company.

To my immediate left is Mr. K. J. Joseph, Chairman Emeritus, who had served the Board with a distinction for more than 35 years. Mr. K.J. Joseph resigned from the Board as a Director and Chairman with effect from the close of business hours on 22nd June 2021. In recognition of his outstanding service, the Board was pleased to confer on Mr. K. J. Joseph the honorary title of Chairman Emeritus. I would like to, on behalf of all of you, as well as on behalf of Board and my personal self, thank him for the wonderful leadership he contributed.

To my immediate right is Mr. Thomas John who is the Co-Promoter and currently the Vice Chairman of the Company. He is also a member of the Corporate Social Responsibility Committee and Allotment Committee. To my immediate right is Manoj Joseph- your new Managing Director and Member of the Allotment Committee.

I am not going to discuss in detail the profiles of Directors who are Executive Directors because those details are already with you in the Annual Report.

To Manoj's immediate right is Mr. A. Satyaseelan. He is an Advocate practicing in the High Court of Madras, specializing in Corporate Law. He's an Independent Director on our Board and Chairman of the Allotment Committee and a Member of the Audit Committee.

To his immediate right is Mr. V.K. Srivastava. He is the former MD of Bokaro Steel Plant of SAIL. He is an Independent Director on our Board as well as in many other Boards. And He is the Chairman of Corporate Social Responsibility Committee and a Member of Shareholders and Investors' Grievance Committee.

To his immediate right is Dr. C.N. Ramchand. He is the CEO of SAKSIN Lifesciences Private Limited, MagGenome Technologies Private Limited and Theragen Private Limited. He is an

Independent Director on the Board and Chairman of the Shareholders' and Investors' Grievance Committee and also helps substantially in our R&D Centre.

To the immediate left of Mr. K.J. Joseph is Mr. Rajesh John-Director-Sales and Member of the Allotment Committee.

To his immediate left is Mr. M.P. Vijay Kumar. Mr. Vijay Kumar is a Member of the Central Council of Institute of Chartered Accountants of India. He was the Chairman of Accounting Standards of the Institute. And now a member of the IFRS Interpretation Committee of the International Accounting Standards Body. He is the 1st Indian to be nominated to that coveted position. I am happy. I'm sure that all of us are proud and happy that he has been selected to such a coveted post.

[applauds]

He is an Independent Director on our Board and Chairman of the Audit Committee and a Member of the Compensation and Nomination and Remuneration Committee. To his left is Mr. Manesh Joseph- Directors-Services and Operation and Maintenance, the new induction into our Board, whose details are already with you. To his immediate left is Mrs. Sujatha Jayarajan who is a former senior banker of SBI Group with more than 3 decades of experience in Finance and IT sector. She is an Independent Director on several Boards, including our Board and a Member of the Audit Committee and also the Compensation Nomination and Remuneration Committee.

To her immediate left is Mr. M.D. Ravikanth, Chief Financial Officer and Secretary.

Now, let me introduce the only Director, the senior most who is participating through video conference from Bombay, Mr. Ganga Ram is the former Executive Director of IDBI. He is an Independent Director on our Board and the Chairman of the Compensation/Nomination and Remuneration Committee and a Member of the Audit Committee. He is participating through video conference from Mumbai.

Let me now introduce our Statutory Auditors. Mr. Ravi Shankar, Senior Partner and Mr. Babu, Partner of our Statutory Auditors M/s. Brahmayya and Company, Chartered Accountants are present through video conferencing.

Mr. Chella K. Srinivasan, Partner of our Internal Auditors M/s. S. Viswanathan LLP, Chartered Accountants and our Secretarial Auditor, Mrs. Sindhuja Porselvam, Company Secretary in Practice have also joined this meeting through video conferencing.

Members may note that this Annual General Meeting is being held through video conference in accordance with the Companies Act 2013 and circulars issued by the Ministry of corporate affairs and SEBI. Facility for joining this meeting through video conference or other audio-visual means is made available for the members on a first-come-first-served basis. The Registers,

Documents, Certificates and Records that are to be made available during the AGM for inspection are available electronically for inspection by the members during the AGM.

Members seeking to inspect such documents can send their request to [investor@thejo-engg.com](mailto:investor@thejo-engg.com). As the AGM is being held through video conference, the facility for appointment of proxies by the members is not applicable.

The Notice convening this meeting, the Board's report and the audited accounts for the year 20-21. Along with the resolutions to be adopted in this meeting, have been sent to you, and it is with you for some time and with your permission, I shall take them as read. The statutory auditors have given an unqualified report for the year ended 31st March, 2021 and with your

permission, we shall take it as read. The Secretarial Auditor has given an unqualified report for the year ended 31.3.2021 and with your permission, we shall take it as read.

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has engaged M/s Central Depository Services India Limited (CDSL) as the authorized agency to provide remote e-voting facility to members to cast their votes, for all the resolutions, as mentioned in the AGM notice. The facility was made available from 9.00 A.M. on 27th August 2021 till 5.00 P.M. on 29th August 2021. Members who have not cast their votes using the remote e-voting facility and participating in this AGM can cast their votes during the AGM through the E-voting system provided by CDSL.

Now, let me proceed to the Chairman's address.

Dear Members, nowadays, covid-19 finds a place in the opening remarks of Chairman's address to members of any Corporate and rightfully so. Undoubtedly, this is one of the most severe test ever faced by humanity, Individuals, Corporates, Governments and the society at large. At this critical juncture, it's not only important to observe health and safety measures but also remain psychologically and emotionally strong. Above all, we should also stay united in our shared sense of purpose. Thejo's first priority is to take every possible care of its employees, contract workers and community at large. We also consider the contract workers as a part of our extended workforce and have continued to promptly pay their salaries and provide food, shelter and support, wherever needed while following the covid-centered protocol at our manufacturing services and maintenance sites.

At the same time, I am extremely proud to inform you that during the first wave of covid, the managerial staff of the Company took a voluntary cut in their remuneration which was made good by the Company when the situation improved, last year. Again, during the second wave the managerial staff has had again taken voluntary cuts in their remuneration from May to July 2021. During the last financial year, the manufacturing facilities of the Company were temporarily closed during the latter part of March 2020 and early part of April 2020.

Since your Company is catering to various organizations classified under Essential Services Act, we were permitted to resume manufacturing operations. The Company also continued to service its clients' requirements in the maintenance area. The restrictions were slowly relaxed by the Government and the Company started to regain the business momentum from the second quarter of the financial year and the second half of the financial year was really impressive.

During the second wave of covid, which was witnessed during April and May 2021 there were localized lockdowns. However, the intensity of the impact of the second wave was greater than the first wave. Our manufacturing activities were closed for a short period of time in line with the lockdown announced by the Tamil Nadu Government. With motivated team efforts, the Company is currently carrying all its operations following all statutory guidelines and complying with the necessary safety and sanitary norms.

## **FINANCIAL PERFORMANCE AND DIVIDEND**

The Company continued its preference for value added products under its manufacturing division. The Company also stressed on cost control and efficient working capital management with special focus on receivables. This coupled with the efforts of our highly motivated employees enabled the Company to increase its turnover and profitability. The full details of the financials of the Company have already been in your hand for some time. Therefore, I am not going into the details. However, I would like to highlight the following key performance parameters.

## **CONSOLIDATED PERFORMANCE REVIEW**

Last year, we had a consolidated turnover of 303.90 crores which improved to 327.07 crores for the year ended 2021, showing an increase of 8 percent. Similarly, EBITDA which was 49.35 in 19-20, has increased to 51.72 crores showing an increase of 5 percent during the last year. Profit after tax also proportionately went up from 25.14 crores to 27.41 crores. The order book as on 31st March 2021 is 153 crores as against 135 crores in the previous year, showing an increase of 13%. The current order book position as on 31st July is about 139 crores.

Your Directors have recommended a dividend of 60% i.e., is Rs.6/- per Equity Share of 10/- each for the financial year ended 31st March 2021 as against 50% in the previous year.

Now, I would request Manoj Joseph our young and energetic Managing Director to brief you about the operations of the Company, an overview. Over to you Manoj.

Thank you.

Respected Chairman Emeritus, Chairman, Vice Chairman, Co-Directors, shareholders, colleagues and friends, it is my privilege and honour to address this AGM as Managing Director, on the eve of my completing 30 years in this great organization.

Thejo initiated its business as a service provider and pioneer of cold vulcanizing Belt Splices in 1974. Over the years the operations expanded to include all belt related maintenance services, such as belt splicing, belt repairs, pulley lagging, etc. For a major part since its inception, Thejo's primary share of business focus was on belt conveyor related services. However, the Company has over the past two decades made inroads into manufacture and supply of engineering products for the mining, mineral processing, bulk material handling and corrosion production industry. Furthermore, in the past 6 years, the Company has ventured into comprehensive Operations and Maintenance of the core sector industries with reasonable success.

## **TECHNICAL SERVICES**

Over the years, we have established leadership and meticulously maintained market share in the technical services of belt conveyor maintenance operations within the country. In today's open economy and market condition, where there is no dearth of competition, we retain the major market share while ensuring a steady year on year growth. However, we do not foresee a significant jump in sales turnover of the conventional service offerings. Hence, we have been continuously exploring avenues and opportunities that could bring about enhanced rate of growth in service operations, with the objective of retaining a fair share of our overall revenue. Consequentially, we have introduced new strategies to increase the business offering under services vertical from existing clients while retaining our core strength i.e., the upkeep of belt conveyor system.

'SSS' Sustainable Synergetic Solutions is a specialized, comprehensive offering, focusing on primary problematic area of a belt conveyor system, which is the transfer point. Through the 'SSS' offering, we ensure that transfer chutes function effectively, efficiently and economically. It involves audit of transfer points, design, fabrication, supply and maintenance of engineered transfer chutes. The 'SSS' engineered chutes ensured smooth transitional flow of material from one belt to the other. When combined with other ancillary products such as Belt cleaners, impact beds, skirtings, belt trackers, dust suppression systems wear and abrasion liners, etc., the 'SSS' offers high return on investment to clients through higher performance life, while reducing pollution and increasing the safety levels of operations. With our wide network of service centers across the country, having 24x7 contact with client operations we foresee a steady but significant growth of our service business.

## **ENGINEERED PRODUCT SOLUTIONS**

The engineered product solutions could be categorized under 5 verticals namely, conveyor care, transfer point solutions, wear abrasion and separation, filtration and corrosion protection. Barring a few, all products under each of these verticals are manufactured at our Company's five manufacturing units. The manufacturing plants cater to rubber moulding and extrusions, polyurethane castings, metal fabrications and rubber lining activities. The manufacturing activities are based out of Chennai and caters to both our Indian and global operations.

The existing manufacturing facilities are currently being streamlined for better process control, cost reduction and ease of operations. A focus on higher productivity and automation of processes is being undertaken to gear up to meet the short and medium term growth requirements of the Company. A key factor to ensure sustained growth in sales and profit margins, is by offering IP protected product lines. Over the past few years our R&D and Product Development team have successfully filed patents for innovative products across chosen geographical territories. While few of these products are already in the process of commercialization, the systematic commercialization of others have been planned over the coming years. We take pride in announcing that Confederation of Indian Industry, CII has awarded our Company, the most innovative Company in manufacturing segment - medium - for the year 2021. We have also been recognized to be among the top 25 innovative organizations in India for a 2<sup>nd</sup> year in running. No doubt, this is a worthy recognition to the efforts put in by our team.

## **OPERATIONS AND MAINTENANCE**

The operation and maintenance segment of our business was set up in the year 2014-15 and has seen reasonable success till date. The Company has re-energized this division by bringing in new leadership and pruning non-value- added projects from its clientele. The recent success and re-engineering and retrofitting project for NMDC's filtration plant has given rise to interest from many mineral processing plants for O&M contracts. We foresee a systematic growth of this vertical with focus on KPA based operation and maintenance contracts in the upcoming years. Thank you.

Thank you, Manoj.

Now, let me spend few minutes in addressing our subsidiary organizations. As members are aware, the Company has 4 overseas subsidiaries. These subsidiaries are located in Saudi Arabia, Australia, Brazil, and Chile. These subsidiaries have contributed significantly during the last year. Now, I shall give a small brief about each of our 4 subsidiaries. Thejo Australia Private Limited is our subsidiary in Australia where our Company holds 74% stake with the balance being held by Bridgestone. It is an industrial services Company primarily catering to the mining sector in Western Australia. The mining industry in Australia has shown good growth over the past few years due to the generally higher output and stronger commodity prices. High global demand prompted several major Australian mining companies to commit to new mining projects and expansions early over the period. This helped our subsidiary in Australia to strongly establish its business and continue its profitable operations. It has achieved a turnover of Australian dollar 19.39 million (almost equivalent to 99 crores Indian Rupees) with a profit of Australian Dollar 0.95 million (it's about Rs.5.42 crores).

Thejo Hatcon Industrial Services Company is our subsidiary located in Saudi Arabia. In this subsidiary, we hold 51% stake while the balance is held by Hatcon Industrial Services. The economy of Saudi Arabia was badly hit due to covid pandemic impacting its primary sector, namely petroleum. However, with established business and clientele, Thejo Hatcon Industrial Services Company could more or less retain its business and profitability. Thejo Hatcon Industrial Services Company registered a turnover of 8.20 million SAR (its almost equivalent

to 17 crores) of which it made a net profit of 1.67 million SAR (it's almost Rs.3.23 crores Indian Rupees)

Thejo Brazil continued to maintain its low key while We have consciously done it that way because of the issues the economy is going through in Brazil. However, its operations are continuing because we see good future in the years ahead. It has incurred a small loss of 30 lakhs during the last financial year.

Thejo Engineering Latinoamerica is our subsidiary located in Chile. Though the GDP of Chile contracted by 6% during 2020, it's mining exports, registered a growth of about 4% during the year. On the back of consistent effort put forth by our subsidiary we were able to steadily establish our brand and products in the market. This helped the subsidiary to maintain its business with a profit during the last financial year, inspite of the logistics problem. I have to underline that. I will discuss in detail later. Our subsidiary in Chile achieved a turnover of US Dollar 1.21 million with a profit of US Dollars 0.02 million (just broke even) (Indian Rs.1.69 lakhs).

The consistent performance of all our subsidiaries, despite the disruption caused due to covid has resulted in considerable growth achieved by the Company at the consolidated level. Subject to the economic shock generated by covid, the subsidiaries are expected to grow in the medium term.

## **CORPORATE SOCIAL RESPONSIBILITY**

During the year 2020-21, we have spent Rs.34 lakhs under various CSR activities, what we are expected to do in the areas of relief during covid pandemic, contribution to PM Cares Fund, hunger eradication, preventive health care, etc.

## **OPPORTUNITIES AND FUTURE OUTLOOK**

The products as well as services offering of the Company are intended for the core sector industries, especially to steel, mining and power sector industries. The opportunities for the industry in which the Company operates go hand in hand with the opportunities for these core sector industries. With the steel consolidating to some extent and the Central Government announcing various policy measures in Coal and Mining sector, there is good possibility for new business opportunities. However, much will depend on the way the policy measures are implemented at the ground level. The Company strives to maintain a balanced portfolio of products and services so as to moderate the impact of cyclicity experienced by the customers.

The Company has managed to maintain its exports with a minor blip during last year on account of the pandemic and the resultant impact on logistics posing challenge to international trade. With the domestic growth expected to be average and subject to cyclicity, the Company considers export as an area of opportunity in the medium and long term. However, in the near term, exports, logistics and supply chain management are proving to be a challenge for the business across geographies.

The business and economic impact of covid and its subsequent waves is expected to be fell during 21-22. While 22 is expected to be a year of continued economic uncertainty, the pace and the extent of recovery will depend on future covid waves, pace of vaccination, efficacy of the vaccines and more importantly the earnestness with which various policy measures announced to boost the economic growth are implemented. Under these circumstances the future outlook continues to remain one of guarded optimism.

## **SUSTAINABILITY INITIATIVES**

Your Company has commenced a number of initiatives under ESG. As the society sees it, sustainable development must be necessarily translated into tangible things that make life secure, less burdensome and more promising for the future generations. We are conscious of this fact and will be looking at alternate energy sources other than fossil fuels, keeping in mind the environment in the various processes and policies that we adopt.

Turning to governance, our core values continued to pivot around satisfy the everchanging demands of customers through creative solutions, respect and protect the environment, encourage professionalism and meritocracy, value and nurture relationship with all stakeholders and practice high ethical standards. The Company has been adopting the best practices in corporate governance. We have a very competent Board with highly talented and experienced Directors with diversified skills. Your Company has implemented various governance practices, which are more than what is stipulated by the Regulators for our Company. For example, publishing, half yearly audited results, majority of Directors being Independent Directors, having a Woman Independent Director. Above all, two important committees of the Board, namely Audit Committee as well as Nomination and Remuneration Committee are having only Independent Directors as members.

Realizing that CEO succession can be a major disruption in governance, we have implemented succession planning in a smooth and efficient manner, details of which are already available to you. I am also happy to inform you that the minimum lot size for trading in the shares of our Company has been reduced to 50 from 100 by NSE. This will come into effect from 6th, September 2021.

## **DIGITAL TRANSFORMATION**

Though your Company's operations are in B2B segment, we have realized the importance of digitalization to cater to the future demands of the customers and to remain competitive in the market. We have engaged an expert team to do a discovery study and based on their expert recommendation, have initiated the process. Against all odds your Company has demonstrated commendable economic resilience, despite stringent lockdowns, reverse migration of labour and supply chain disruptions. The outlook for 21-22 is one of cautious optimism. In this totally unpredictable situation, what we can do is to remain agile and resilient, so as to adapt faster to sudden changes in the environment. It is said: "the darkest hour is before dawn". Let us hope we are beginning to see glimpses of early signs of recovery.

Before I conclude my Chairman's speech, I take this opportunity to thank first and foremost all our employees for their commitment and dedication. I also thank all our stakeholders for the support extended to us and hope for their continued support in future as well. To enable the shareholders to express their views and ask their queries on the business items contained in this AGM notice, we have given an opportunity to shareholders to register as speaker shareholders. We have also given an option to the Shareholders to email queries so that the same can be answered at the AGM. Accordingly, some shareholders have registered themselves as speaker shareholders and a few have emailed their questions.

Now, the members who have registered themselves as speaker can ask their queries regarding the business items contained in the notice and other matters relating to the Company, if any. I shall announce the name of the members who have registered themselves as speaker. The name will be announced in the order in which we have received their request. Once I announce the members name, they will be unmuted to speak and express their views. Questions of all speakers along with the questions received through mail will be answered together by me at the end.

First speaker is Mr. Kausik Mehta. Mr. Kausik, can you please unmute?  
Yeah. Hi, Sir.

Hi.

Sir. Thanks a lot for detailed explanation. I'm your shareholder from Ahmedabad, we have been shareholders for more than ...

Come closer to the mic. We can't hear you. Can you come closer to the mic?

I'm using a headphone very close to the mike.

Okay, okay. Just okay. Please speak louder and let me check.

So, Sir, thanks a lot for the explanation. I'm your shareholder for Ahmedabad for more than a year now. Very, very impressed by how we've been able to tackle our Company during covid period. Sir, I have few questions. If I talk about the domestic business, can you divide the domestic business across industries? How much business comes from coal? how much business comes from power and how much business comes from steel? And is there any other industry that we cater to? Within that how much will be, services business and how much will be product business. You have given that in the annual report but I just wanted to understand more industry wise. As far as, Sir, Australia is concerned, we got a contract 1<sup>st</sup>, large contract, in FY20 and, we've been able to, which had a lot of product sales. Can you, sir, throw some light upon how much is the continued O&M business of that large Australian contract and, we also have some channel checks, which suggests that we can essentially get more of such orders in the future as well. How much do you think is the potential? Obviously, Australia is the mining capital of the world, but, you know, just wanted to understand what is our capability, in terms of how much can we ramp up, in Australia?

Sir wanted to understand a little bit more about, in Australia, Bridgestone has tied up with us. What, and that too, in a, in a minority shareholding situation, what capabilities did you think, that Bridgestone saw in us for them to have such a, I mean, it's a significant achievement for a small Company like us to have such a tie up and do you think we can have such more such tie up? Is there anything in the works where we think we can significantly grow from here in that respect. So, Sir, today we are kind of a tiny 300 crore Company. What do you think we can do in terms of revenue in 3 to 4 years' time? Is there a vision and where will that come from? Like, will, let's say if you think 300 can become 6 - 700, would a large portion come from India or will the incremental growth be majorly driven from Australia? Sir, last question is, our listing on NSE we are still in spite of being one of the best Companies, which have listed through SME. We have still not migrated to Main Board. My humble request to the firm will be to try and migrate to the Main Board as well. And I am sure we are doing a bonus issue today, probably because of that to meet that requirement. So, I hope we get that through and, best of luck, Sir. I look forward to your answers.

Thank you, Kaushik. I will answer all questions together as I mentioned.

Let me now go to the next speaker. The next speaker is Porinju Veliyath. Mr. Porinju Veliyath, can you unmute and address?

Just a minute. Yeah, Am I audible?

Yes, very clear.

Okay, okay, Good morning, everybody. I'm Porinju Veliyath from Equity Intelligence. I really appreciate the Board and the management, you know, for such an impressive performance even during tough times. And the wealth creation, which has been happening in the Company. In fact, Thejo is now, I think around the 1000 crores of Market capitalization and interestingly, 80% of it just happened with the last 1 year. Or maybe 75%, so that doesn't mean Company's fortunes have gone up so much in the last 1 year. It's, a process which takes, may be much more than that. So, that's something very interesting. I'm really happy as an investor. I invested in Thejo you know, I say found it's a very innovative Company in a



very niche, services and products. And, which is, I would say future relevant business. And more more importantly, you know, the Company is promoted and nurtured by 2 legendary Malayalees. I live in Cochin. I am a Keralite. And you know, it's something that they are very socially responsible citizens. So, nothing to worry about the quality, the ethics and the integrity of the people behind the Company, which is the major challenge for Indian investors, especially in the past. Okay, so i would also like to especially thank George Sir. Mr. V A George for the shareholder friendliness and a very transparent, kind of attitude. I think Mr. Kaushik asked about the vision for the Company. So, I just would like to ask Manoj Joseph about where he sees Thejo in 2025, and, you know, looking at what's happening today and what we are developing and the new verticals, new geographies. And I'm very confident, we have a long way to go. So, that's all about me. About from my side. Thank you.

Thank you, Porinju

I think next is Mr. Satya Prakash Mittal. Mittal please.

Am I audible Sir?

Yes. Please go ahead.

Good morning. Dear Board members, fellow shareholders and all the members present. Firstly, deep condolences for the people who lost lives in the last one year in the country, and our stakeholders. On the other hand, I would like to congratulate the management for an amazing set of performance, despite the challenges. And like Mr. Mehta and Mr. Veliyath already, you know, talked a lot about the Company and our achievements in the past few years. I would just like to run through the questions that we have - the broad questions, we have sent him a request. But we just reiterate them. So far Sir, first amazing performance on Thejo Australia and the work that we have done there and partnering with Bridgestone. So, you know, what would be the key developments that have happened in the last 1-2 years for our Company. The next question is how has the geopolitical situation between China and Australia affected the overall industry and our growth plans there? The next question is, you know, what kind of a competitive landscape is there in Australia and who would be our major competitors? How does Thejo fit into all of this? What kind of difficulties does a Company like Thejo, which is small, but has a lot of support from Bridgestone, you know, what kind of difficulties do we face while getting a new contract? If you could educate us about the process of signing up a new client, that would be really helpful and how does Bridgestone help us in this process? What is the opportunity size for Thejo in Australia and what are our efforts to bring in market share, like, you had mentioned in your opening remarks that right now we are only present in Western Australia. So, are we trying to navigate ourselves into another region where mining is as big as in Western Australia? What are the Company's plans for the next 3 - 5 years in Australia and what are steps towards that? Just one question on the financials. We see that low the revenues increased in Thejo Australia in FY21 over last year but our profits did not. So, if you can throw some light on the reasons behind that would be really helpful. If our understanding is correct, and, you know, our manufacturing division is linked with our services division because we say cross sell a lot of products to our O&M clients. So, despite services division seeing a growth, our manufacturing division did not. So, what were the reasons for that. Also, have we started selling our manufactured products to O&M clients in Australia. And what kind of opportunity lies for our manufacturing division in the export markets, given China plus 1, and other things. The Company had a rather dovish tone on the domestic industry and our opportunities here; whereas what we see in the industry is that lot of domestic players are making a lot of money and the entire industries is in an upcycle. So, we would like to understand why the management feels that the domestic market is not as much a utility as the export market.

My next question is the input costs have risen across the Board and our PRM prices would have also gone up with polyurethane being one of them. How does Company manage RM

price increase and how easy is it to pass on cost increases? How are our contracts negotiated with regards to this? The Company as Mr. Joseph mentioned that, you know, has filed for a lot of patents. And, you know, that helps us for sustainable growth. We would like to understand what are these patents and how do we develop them? What kind of R&D capabilities do we have? And something on that would be really helpful. What are Company's thoughts on the overall mining upcycle that we see right now. And how does the Company plan to capitalize on this? And like asked by other participants what is the Company's visions for the next 5 years? And we would also like to strongly, you know, request you to expedite the process of getting listed on the Main Board. A very, very hearty congratulations on the performance and best of luck for the years ahead. So, that's it from me, Sir.

Thank you, Kaushik. Mittal. Sorry. I think you have asked questions I think each one need about 3 hours to answer. You have studied it so well. I compliment all of you, we really like to have investors who are knowledgeable and who are passionate about the Company and spend time to understand. The questions are really what we ask ourselves every day on strategy growth. Okay, challenges coming in. We will explain to you. Apart from that I have received from Amit Joshi. He has mailed it. He said he will not speak. But he has asked a number of questions. What I will do is..I am going to club all these and give you an answer. Okay. So, let me start, first.

I think all of us, if you see, all of you have mentioned few things in common, so I will address that. I think everyone at first want is congratulating us. Thank you very much for your support. And you are the ones who are helping us to create wealth. We work hard. But then your trust in us and your faith in us is what makes the Company to really do wealth creation. Thank you very much. And seek your continued support. Having said that the one question is on Thejo Australia. So, Australia is the one all of you have been asking about what is the prospect. Let me briefly discuss, which will cover all the points what you have said. One- the question that has come from Mittal is that, you know, what is the mining industry in Australia? How is it? How do you find it? The reports from Australia is that the mining industry is booming; in that itself, specially, iron ore and gold. Iron ore and gold are booming. That's again, because after the pandemic you have seen, there's a demand for metal across the world. So, steel, gold, all metals are in hot demand and copper. So therefore, Australia is really booming. Mining is really booming. And recently, it was gold and iron ore. But now, last few months, lithium is another one which is in very, very good demand. You will know the reason because lithium is used for manufacture of batteries and with the kind of ESG challenges coming in, electric car. So, lithium is also, we have some clients there. So, these 3 areas are booming, therefore, market is booming. Okay.

Now, the next question, what you have asked is the geopolitical situation between China and Australia- how it is going to impact our growth plans? What we understand is, as far as China is concerned, Australia is the biggest supplier of iron ore to China, which they really need. There is no conflict in terms of.. And they are the, China is the largest trade partner for Australia and as far as iron ore, or gold or lithium or coal, there are no issues between the two countries. The main problem what they are facing is in the area of agriculture products. Okay. Especially barley there are some challenges. The governments will manage it. But we don't see this geopolitical situation in any way to impact in terms of our business as of now. It's mainly for agricultural area which is a matter of concern. Now, the second one you have asked is who are our competitors there and how we do business. There are 3 major large players. One is Fenner Dunlop. Second is Contitech and third is REMA Tip Top. These are big giants. We are not there. As you rightly said, we are a small Company. There was one more. That was METSO. Actually, METSO is getting out of service business because METSO has been taken over by Autotech and Autotech decided that they will not do servicing and maintenance of any products other than what they manufacture. Therefore, they have sold out- the services division is they are going out. So, there is space coming in there. And then there are medium sized players- four or five coming in. And you have asked how we are going to get into this business; how we are going to compete. See one area, the process of getting a tender for services is you do one-off services in the mines; get their trust and then you slowly

go for long term contracts like the Royhill we have obtained, for which the 1st requirement is vendor registration. It's a big process. And what we have recently done is -I'm very happy to tell you- Thejo Australia Pty Ltd has got triple ISO -that is for Quality, Safety and Environment. All the three your subsidiary has got, which will be a huge advantage for us to go to big mines, like Royhill; we are Going; we have already started the process that will help us to do. And then we get the contract, we do it. Again, it is a question of building trust. Now, how we have done Royhill contract, you know. So, you have done Royhill. Then they'll look at it. Naturally you will look at a vendor. Same way. People will look at it. And therefore, that is the way we are planning to move in. And personally, to me, size doesn't matter. Okay, you have to be unique. I'm just digressing a bit to highlight this. Many of us think the biggest player always have a big advantage. They have certain advantage of size, but then they will be hampered in terms of agility. Big players. To react to an everchanging dynamic world and you have to be unique. For example, who is the best singer if you ask; all of us will say- somebody will say older generation will say Mohammed Rafi; someone will say no, no, Latha Mangeshkar. Someone will say it will be some singer here. Each one is good in their own sphere. Ghazal, Jagjit Singh, you may say. So, each one is unique in their way, and they are all performing well. So, it is not a or b or c. So, nimble-footed medium sized players can really add value in the market. We have to play the game accordingly. You cannot compete with a big player on his own stuff. You have to change the thing. So that's what exactly we are doing. One thing unique about us as what all of us have mentioned, is that Thejo has both products and services. And that is one thing, and we have a balanced product service mix. We aim almost 50:50, sometimes it will be 40:60. sometimes it will be 60:40. And one of the earlier questions, I mean, is that, you know, why last year services are little more than manufactured. The reason is simple. What we have seen is whenever there is a slow-down happening, customers will reduce their CAPEX. It's a general principle. Therefore, maintenance gets importance. Actually, last year was such like. But our NMDC order the net profit, which Managing Director mentioned earlier helped us to improve the products ratio better. Otherwise, services will have been still more higher. It is a cyclical thing, but you see a boom period comes immediately CAPEX will increase. So, product mix depends on the environment. We are ready for both. Depending on the demand, we will supply. But product and services together to handle, is a complex management challenge. Many of the big players have tried to do both. They have not been able to do. And that's why METSO is the largest, latest casualty. But we have somehow been able to manage that. That is going to be our USP- Giving everything under one. That brings me to that question why Bridgestone such a big player has come for a minor stake with us. That's what we tested whether they are really interested to have a synergy in the operation. They wanted exactly the same thing. They are manufacturers of conveyor belts. They wanted a service organization, so that together you can offer a one stop solution to the client. Royhill- we have done exactly that. You know, Royhill the contract wants to help Bridgestone. I'm answering all the questions in these answers. Bridgestone was the one who got the belt order, tyre order. And then they offered a combined solution, providing things to Royhill and we got the maintenance contract. That is a way we have worked it. And We will look at opportunities as and it emerges. But we will not go and tie up with so many players. That will not be our thing. We would like to be on our own if possible. But wherever we need, we are willing to collaborate with a player if good quality comes in. And, in future, we will look at that way to move forward. And against any future chance for Australia. See, we are now coming to domestic and international market. Please don't have a wrong illusion that we are thinking Exports is everything and not domestic. No. We're the largest organized player in our sphere, here in India and we will continue to do that and increase our market share, but the possibility of a Leader in the area to increase the market share is far more difficult. Than a player with a minor share, so we have gone for future growth to other markets. So overall we should get the best possible to you for your capital to get the best return. So, we have no way looking at not focusing on India. India is our land. We have such a large network as again they mentioned in the stock. We are spread across all over. Any steel plant in India we are there. So, we are involved in Coal India. We are in NMDC. We are in NTPC. We will continue to do that. Opportunities coming in. So as and when it comes, we will jump at it. When it will come? As I mentioned, it depends on the policy initiatives. For example, now, there has been a move to control

pollution. Open conveyor, transport of material should be into pipe conveyors. If pipe conveyor transformation comes in -huge opportunity. We are getting ready to move into that space. When it will happen- we do not know. So, we have taken some orders. We have maintained it well. We have got people for that. As and when it comes, we will leverage in India. We will continue to do that well. Okay, so there is no question of we having any kind of.. Second thing, domestic market is very very important for us. It is our bread. As of today. Okay. There is no illusion and we have no intention to get out of this. Same way, we are focused. See, we are looking at the client need. Services or manufacture is internal to us because the pros are different. We would like to satisfy the client needs and the ultimate one is what O&M- we are clubbing the two -services and products and offering them. And this will take some time to mature because our industry is not that matured that, you know, they are not looking at long term value they are looking at the lowest price and all that at public sector. Slowly it is changing. Private sector, some of them are very progressive. For example, we have NMDC is a classic case. Though it is a public sector unit, they have come; they have taken and we have been very happy – MD and team. We have been complimented. Because, you know, that is a big challenge. Very profitable. So, Service and products were really added. This brings me to the next question- why Australia last year, the year before last we had a lot of product sales and this year the profitability is less though turnover is high. This is exactly the point: Australia Royhill contract- 1<sup>st</sup> year we had to supply equipments like vulcanizing presses, winders, etc., which gave us very good margin because, you know, we sold those. But they are using the component for the next 2-3 years. So that income will not be available. It was only the maintenance part of it. And again, because there is another side of it, when you have Bridgestone, they are the main contractor. So, there is again a pricing margin difference for us as a subcontractor to come in. So, there's a margin less in the services side and that is why revenue is up, but profits are less. The sale last year has really contributed to the increased profitability. So, what we are striving is we should be able to get products order as well and services order every year so that we will be able to maintain steadily the revenue and profitability. This is exactly the point on that aspect. Then, there was another question, Mr. Kaushik's on sector wise, he wanted to look at. I think, in India, the sector wise, can be looked at. Our main focus as of now, the share is in steel sector, which is booming well today. Thanks. And, we have products about 35% is revenue from products and steel customers. And the services is 45%. And in the terms of coal, it is 5% in terms of products. And services is about 10%. Power sector is another one where 25% of revenue comes from services of power sector. And 5% in products. So, it also shows there is potential for us to grow in these areas and I think reforms are coming to catch up with the environmental concerns. Quality will get and that is where we hope we will be able to really add value and grow better. Again, as you mentioned in Australian market, we are only very limited though we have crossed 100 crores. We know in that Australian market in Western Australia itself we have hardly touched anything worthwhile today. So, there is tremendous scope. But we are careful also. Because then like METSO, so we cannot buy and next day, sell it and go because we are valuing every pie we spend. We get in slowly; we Find out the risk involved and slowly increase. If you look at our whole thing- what we have done was last when we went into globalization and meltdown period- we invested in Australia, we invested in Brazil, we invested in Chile, Saudi; financial meltdown came. Any big player would have itself been in trouble. So, it gave us the ability to manage crises, absorb shock. And now resilience built in. And we are turned around all of them. Now, Chile has also broken-even. Brazil, of course, I'm sure in future, it will be able to turn around better. So once these happens, our growth potential is tremendous. And another question is 3 to 5 years vision you wanted to.. you mentioned, MD to talk about that. We are all in our strategy formulation as we discussed together. See, we have certain numbers very, very high targets. But when I talk about that today, what I am reminded is Prof. Jayanth Varma. He is a Professor in IIM Ahmedabad and he has also taught me. His comments on monetary policy review. He said forecasting numbers is one he is not agreeing with, in times like this. Because he says it is extremely risky. So, what we can do is remain resilient; adjust to environment faster; do our best, which we assure you. Our plans are to grow- Domestic and international market in the areas we are having. We have plans to expand our manufacturing to improve the quality to meet our international operations. We have great ambition and we will be nimble footed and fast in reacting to

environment. We are hungry for growth. And sometimes I hear this comment also. I want to tell you that. 35 years you have not grown. Let me be very, very open. About the 35 years -till about 10 to 12 years back, our ambitions and growth of the Company itself, the vision was different. We have changed it. And then what we did was it was not a new company. We had the legacy of 20 - 22 years. So, we didn't do rock the boat and start afresh. No. We continued to maintain; slowly transformed; the change came in without even looking at in the governance area, even in the professionalism coming into employees; every aspect of it. It took some time for us. So, we really started, then our meltdown came. So real growth you are seeing is only in the last 2-3 years. Next 4 to 5 years are the real growth period for us, provided environment permit. The real growth period you will see in the next 4 to 5 years that you are asking - that will be the growth phase.

This also answers to the question on the dividend. Okay. So, we have a dividend policy. We would like to be a consistent dividend paying company which we are today, and we hope to do it. However, we have not fixed a definite payout ratio or a percentage of as a dividend today, because we expect this growth phase, which is going to be in the next 3 to 5 years. We made our CAPEX requirement. We have various things needed. Therefore, you have to bear with us and one 2 to 3 years, we will be able to stabilize and we will be able to commit within a range those things. Instead of doing something and then altering it; Board deliberated a lot and then we decided to have that policy. One thing we will tell you. If you believe your money in our hands cannot earn more than what you can earn; we will return the money. That's simply what we will do. We'll continue to remain capital efficient. Market is very good. Many said "Why don't you raise huge amount and expand?" No. We will raise money when we are sure we can utilize it to the best. Please bear with us. We will continue to do the way we have managed. And I'm sure we have a wonderful team. And with new young Directors coming in and our new Managing Director, we will be able to go very smooth. Transition is happening. So, you can see the results, please bear with us and trust we will all be able to see the rewards. And we hope we can get from you appreciation next year by this time as well.

Okay, and, finally we have a Board Meeting. Someone asked about the main platform. And Board Meeting- Board will, of course, look at and decide when to migrate or not -all those aspects. You will hear shortly. Today soon after this meeting, we have the Board Meeting. And you will get the news by afternoon and, with this.. Another question- there are 100s. So, another one was the raw material pricing which is very relevant -how are we handling that? You know so what we do is, in our annual contracts, normally it is a 2 year, 3 year, period contracts. We don't factor in these prices. Because, you know, abnormality is normally even out there. But if it is continuous, you know, subsequent contracts, we build up that into the fresh contract. So, with a number of contracts, it will all even out. That's what we have done so far in experience. But in the products, it is different. What we do is- the impact will really come when after taking an order before execution, some sudden changes. But we will have First-In-First-Out kind of inventory. So, we may not be able to have much of an impact, but future orders we will definitely price with factor of increase. And logistics is another challenge. Now we are looking at Ex-works products and the risks being shared by them because it's faced across humanity. It's not by one organization. So, these are handled individually by our operations team. We will be addressing it later. Patents, Manoj has already mentioned about R&D things. Manoj, do you want to add anything more on patents specifically? Because Patents gives an inner end advantage that somebody cannot copy. That's what is essentially the whole thing. And in terms of our capability, we have a government recognized R&D center. And central government of India, and we have a highly competent R&D Director and again Dr Ramchand helps us in the R&D. These patents have been developed. And it has to become a culture. You have to develop new product and get it patented. And we have also brought in some schemes where people who are getting the patents and the moment it gets commercialized, we are planning to reward them on a continuous basis. Various initiatives are there. Patents, really apart from the product, it also gives you a good brand value in terms of market. Okay. How many patents you hold? This is a question we are asked when we go to Customers. And it tells about our innovative ideas, the practices we follow. Because change is happening across. That's all. I think, now, with

this, I have answered all the questions and now, those members holding shares in their physical form, or in DEMAT mode as on 23<sup>rd</sup> August 2021 were given an option to vote electronically using the remote e-voting facility. Members who have not cast their vote (I mentioned it in the beginning) they can still have an opportunity to cast their votes during the meeting through the e-voting system provided by CDSL. This facility is open now. Members can click on the EVSN of the Company to cast their votes. Mrs. Sindhuja Poorselvam, Practising Company Secretary has been appointed as scrutinizer for the E-voting process. She will submit her report to me. I also want to mention her father was our Secretarial matters. He has been the Auditor. Secretarial audit for long years, excellent person. We lost him for covid. We share our condolence to you Sindhuja. I just thought I should mention that. The results shall be declared within 2 working days of conclusion of the AGM and the same shall be communicated to the stock exchange and will be uploaded on the Company's website.

On behalf of the Board, I would like to convey my sincere thanks to all our stakeholders for their continued trust and confidence in the Company, and its management. With this, the discussions are concluded. The e-voting on CDSL platform will continue to be available for the next 15 minutes. The meeting will stand closed at the end of 15 minutes provided e-voting CDSL platform. Thank you. And, wish you all the best. Stay safe, stay healthy hope to see you next year. Thank you.

Thank you, Mr. Chairman