

JK AGRI GENETICS LIMITED

Transcript of 21st Annual General Meeting held through Video Conferencing on 7th September 2021 at 3.00 PM

Shri Anoop Singh Gusain, Company Secretary:

Dear Members - Good Afternoon to all of you. It is time 3:00 PM to commence the AGM proceedings. Shri Bharat Hari Singhania, Chairman is present with us, and I request him to start the proceedings. Thank you.

Shri Bharat Hari Singhania, Chairman:

Ladies & Gentlemen - Good afternoon to all of you. I extend a warm welcome to all of you at the 21st AGM of your Company. We hope you and your family members are safe and healthy. We also wish the best of health for you and your family members in the future.

In due compliance of the relevant circulars issued by the Ministry of Corporate Affairs and SEBI, we are holding this AGM through Video Conferencing in the midst of COVID-19 pandemic.

I would like to place on record that all the efforts feasible under the current circumstances have been made by the Company to enable the Members to participate in the AGM, in large numbers and vote on the items being considered in this Meeting for approval of the Members. I do hope that we will be able to have physical meeting next year, as it is always a pleasure to interact with all of you, face to face.

Now, I would like to introduce the Directors participating in the AGM through Video Conferencing. Along with me in the Company's Board Room from New Delhi are Dr. Raghupati Singhania, Director, Shri Vikrampati Singhania, Managing Director and Chairman of Corporate Social Responsibility Committee and Shri Amar Singh Mehta, Chairman of Stakeholders Relationship Committee.

The other Directors namely: Shri Sanjay Kumar Khaitan, Independent Director, Chairman of Audit Committee and Smt. Swati Singhania, Director are participating in this Meeting from New Delhi. Shri Sanjeev Kumar Jhunjhunwala, Independent Director, Chairman of Nomination and Remuneration Committee is participating in this Meeting from Kanpur and Dr. Gyanendra Shukla, President and Director of the Company is participating in this Meeting from Mumbai.

Shri Ajay Srivastava and Shri Abhimanyu Jhaver, Independent Directors are unable to join the Meeting due to some exigencies.

Mr. Anoop Singh, Company Secretary is present with me in the Board Room and Mr. G. Sravana Kumar, Chief Financial Officer of the Company is participating in this Meeting from Hyderabad.

I would now request Mr. Anoop Singh, to confirm that requisite quorum is present and also brief the members regarding procedure of e-voting and participation in this Meeting.

Shri Anoop Singh:

Thank you, Sir. I confirm that requisite quorum is present through VC and the Meeting is in order.

As mentioned by the Chairman, this AGM of your Company is being held through Video Conferencing in due compliance of all the circulars issued by the MCA and the SEBI, through the e-voting services provided by CDSL.

Since this AGM is being held through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members is not available for the AGM. Facility for joining this Meeting through VC is made available for the Members for 15 minutes before and after the scheduled time of the commencement of the AGM. As requested in the AGM Notice, we hope that the Members have joined the Meeting through Laptops/iPads with high speed wired/ WiFi Internet connectivity to have a smooth experience of interaction during the Meeting and also read through the detailed e-voting procedure given therein.

All the Members who have joined this Meeting are placed on mute by the host to avoid any disturbance arising from the background noise and to ensure smooth conduct of the Meeting. During the meeting, when the Chairman invites questions from Members who have registered themselves as Speakers, their names will be announced one by one and their mike will be unmuted by the Host.

We request the Speakers to switch on their video/audio after a gap of 2 seconds and to keep their speech brief to help us manage the time.

In case there is connectivity issue at the Speakers end, we will request the next Speaker to express views or ask question, if any. Opportunity will be provided to the earlier Speaker after all other registered Speakers have spoken.

Please note that only those Members who have not casted their votes through remote e-voting and who are participating in this Meeting today, will have an opportunity to cast their votes during the AGM and till 15 minutes after conclusion of the Meeting.

I now request Shri Bharat Hari Singhania, Chairman to continue the AGM Proceedings.

Shri Bharat Hari Singhania:

Thank you, Mr. Anoop Singh.

Shri Darshan Chhajer, Partner M/s BGJC & Co. LLP, Chartered Accountants, Company's Statutory Auditors and Shri Pawan Sarawagi, Company Secretary in practice who has been appointed as Scrutiniser for supervising the e-voting process for this AGM are also present at the Meeting through VC. Further, Shri Namo Narain Agarwal Secretarial Auditor of the Company has authorised Shri Pawan Sarawagi to also act as his Representative at the AGM.

In conformity with sections 170 and 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their Shareholding and the Register of Contracts or Arrangements in which Directors are interested are available for inspection by the Members.

The Notice dated 2nd August 2021 convening the 21st AGM and the Annual Report for the Financial Year 2020-21, already circulated to the Members. I with permission of the Members, take them, as read.

Under the Companies Act, 2013, there is no requirement of reading of the Report of M/s BGJC & Co. LLP, Chartered Accountants, Company's Statutory Auditors for the Financial Year 2020-21 ended 31st March 2021, as the same does not contain any qualifications, observations or comments or other remarks on the financial transactions or matters which have any adverse effect on the functioning of the Company.

Also, there are no qualifications, observations or comments or other remarks in the Secretarial Audit Report for the Financial Year 2020-21 ended 31st March 2021 issued by the Secretarial Auditor. Therefore, there is no requirement to read this report.

Before taking up the items of the Agenda, I would like to share with you my thoughts on Indian Economy, Company's future prospects and working of the Company.

Chairman's Address:

"Dear Esteemed Members,

Namaskar.

With great pleasure, I, welcome you again at the 21st Annual General Meeting of your Company. This is second year when we are meeting virtually due to Covid-19 pandemic. We have witnessed unprecedented and unexpected situations, which are beyond our imaginations. Even though things are gradually normalising, uncertainty still prevails and disruptions are likely to remain in near future.

During the year, all the business segments of the Company, except Cotton, delivered high double-digit growth. As part of the larger growth strategy, JK Agri continues to make fundamental changes in all the areas of operations to bring efficiency. The newly launched products in Rice, Maize, Mustard, Millets, Sorghum Sudan grass and Cotton have been received well and will start contributing significantly to the turnover and profitability of the Company in the coming years. Your Company has also successfully launched crops like Chili, Onion & Raddish etc., to complement its basket of offering in vegetable seeds category. On the export front, your Company is carefully expanding its geographical and product footprint and reducing the overall dependence on the Cotton seeds. Export segment in general continues to face headwinds due to currency & trade logistics issues aggravated by Covid-19.

Your Company achieved a turnover of Rs. 226.86 Crore for the year ended 31st March 2021, i.e., 24% revenue growth as compared to the last year. During the said period, the Company recorded EBIDTA and Profit before Tax of Rs. 23.85 crores and Rs. 10.01 crores respectively. This performance was possible due to the effectiveness of the “Covid Business continuity team” formed to operationalise supply chain by mobilising the entire organisation.

Your directors recommend a dividend of 15% on the equity share capital of the Company.

On the people front, your Company continues to implement several innovative ways to engage with them and implement changes to drive people motivation. Various recognition and reward schemes were implemented. Second year in a row, your Company has earned the distinction of “Great Place to WorkTM” by the Great Place to Work[®] Institute, a global certification body. During the pandemic crisis, our focus has been to protect both emotional and physical health of the people. Your Company implemented several proactive measures like Doctors connect, medical assistance & opened frequent open channels of Communications. This helped in getting better appreciation of employees’ feelings.

Covid-19 situation during the year was more serious than last year as virus penetrated deep in the country. Agriculture food system is basic to human survival. Hence, we believe that impact on this sector will be far lower as compared to discretionary items of consumption and the focus on agriculture is going to more intense. Monsoon for the year 2021 started on the positive note but erratic pattern and prolonged gap coupled with lack of rain have impacted cropping patterns. Cotton industry has come under pressure due to proliferation of illegal seed and reduced planting. Other crops of our significance that have suffered are Bajra and Maize. Commodity prices for most crops are holding firm and expect recovery in Rabi season. Pandemic has increased the awareness about the need to eat healthy food and that should auger well for fruits and vegetables.

The government continues to lay significant emphasis towards the Agri sector and has announced several programs to benefit the Farmers and Agri & Food sectors in general. We believe that continued policy level focus by the Government of India will create further positive momentum and opportunity for growth.

Acknowledgements: I take this opportunity to thank all Members, Customers, Suppliers, Banks, Financial Institutions, Central and State Governments as well as the Farming community for their continuous support and cooperation. My thanks also go to all the employees for their dedicated service to the Company.

Thank you very much.”

Resolutions, Questions & Answers Session and E-voting

Shri Bharat Hari Singhania:

Now, I will read items of the business to be conducted at the AGM, as mentioned in the Notice, one by one. All resolutions have already been put to vote through Remote e-voting. Therefore, no Resolution is required to be proposed or seconded by the Members at the AGM.

Item No. 1: Adoption of the Audited Financial Statements of the Company for the Financial Year 2020-21 ended 31st March 2021 and the Reports of the Board of Directors and Auditors thereon.

Item No. 2: Declaration of Dividend ₹ 1.50 per Equity Share (15%) for the Financial Year ended 31st March 2021.

I now request Shri A.S. Mehta to take up Items No. 3 to 5 of the Notice, as I am interested in these items.

Shri A.S. Mehta, Independent Director:

Item No. 3: Re-appointment of Shri Vikrampati Singhania as a Director liable to retire by rotation.

Item No. 4: Continuation of Dr. Raghupati Singhania, who would be attaining the age of 75 years as on 8th December 2021 as ‘Non-Executive Non-Independent Director’, liable to retire by rotation.

Item No. 5: Payment of ‘Minimum Remuneration’ to Shri Vikrampati Singhania, Managing Director, in the event of inadequacy of profits, for his remaining tenure.

I now request the Chairman to take forward the proceedings of the Meeting.

Shri Bharat Hari Singhania:

Thank you, Mr. Mehta.

Item No. 6: Alteration of Memorandum of Association of the Company.

Item No. 7: Adoption of new set of Articles of Association of the Company in substitution of existing Articles of Association to make it align with the provisions of the Companies Act, 2013.

Shri Bharat Hari Singhania:

As you are aware, remote e-voting on all the resolutions was open from 4th September 2021 at 10.00 AM to 6th September 2021 up to 5.00 PM. Therefore, many of the Members may have already casted their votes during above period. However, those who have not casted their vote through remote e-voting, have the opportunity to vote now at the facility provided through CDSL portal through which you have logged in.

The Scrutiniser will submit a consolidated Scrutiniser's Report on remote e-Voting and e-Voting at the AGM of the total votes cast in favour or against, if any, not later than 2 working days of conclusion of this Meeting.

I authorise Shri Anoop Singh, Company Secretary and in his absence Shri G. Sravana Kumar, CFO of the Company to declare the final results of e-voting by 9th September 2021. The results declared along with the Report of the Scrutiniser shall be posted on the website of the Company and also on the website of CDSL. The results will simultaneously be forwarded to BSE Ltd. for placing on its website and shall also be displayed on the Company's Notice Board at the Registered Office and its Secretarial Office, in New Delhi.

I now request Mr. Anoop Singh, Company Secretary, to announce names of the Speakers who have requested to express their views / ask any question arising out of Annual Accounts/ Reports of the Directors and Auditors thereon. We will respond to the questions at the end, after all the Speakers have spoken.

Mr. Anoop Singh announced the names of 5 Speakers, one by one, who have registered themselves as Speakers at the AGM and facilitated the Questions & Answers Session.

Members/Speakers: Three Members namely, Mr. Manoj Kumar Gupta, Mr. Bimal Krishna Sarkar and Mr. Kapil Chopra spoke at the Meeting. The Members appreciated the management on holding of the virtual AGM, enabling them to participate in the Meeting without any difficulty. They expressed their views and sought information/ clarifications, *inter alia*, on the Company's operations, future prospects, impact of Covid-19 on the Company's performance and employees, number of casualties due to Covid and vaccination of employees & their families. Mr. Surendra Nath Kapoor and Mr. Ballabha Das Mundhra who were registered as Speakers did not respond to the calls made for requesting them to speak.

Shri Bharat Hari Singhania thanked the Speakers for their comments and suggestions. On the request of the Chairman, Managing Director, President & Director and Shri A.S. Mehta, Independent Director of the Company replied to the queries of the Members to their satisfaction.

Shri Bharat Hari Singhania:

I believe that all the questions of the Members have been replied to their satisfaction. May, I, therefore, with your permission, declare the Meeting as closed. However, please note that the e-voting window will remain open for another 15 minutes for voting by the Members who have so far not casted their votes.

I thank you once again for your participation in the AGM.

The Meeting concluded at 3:48 PM.
