



JUMBO BAG LIMITED
CHAIRPERSON SPEECH AT 34th AGM

AGENDA FOR 34th ANNUAL GENERAL MEETING – 24th July, 2024 - 10.30 A.M

❖ **Welcome 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 34th 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 us through webcast:

- Shri G. S. Anil Kumar, Managing Director
- Shri G.A. Darshan –Chief Financial Officer (CFO)
- Smt. S. Subhashini, Independent Director and Chairperson NRC Committee.
- Shri Rajendra Kumar P – Independent Director
- Shri G.S. Rajasekar- Director and Chairperson of Stakeholder Relationship Committee.
- Smt. Bharathi J - Company Secretary
- The representatives of Statutory Auditor M/s.Venkatesh & Co, Secretarial Auditor M/s Lakshmi Subramanian & Associates and internal auditors M/s. C V R K & Associates are also present with us.

- ❖ **Chairman:** Since there is no requirement of physical presence of member's, proxy is not applicable for this 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**

It's my pleasure to welcome you all on behalf of the Board of Directors to the 34th Annual General Meeting of "Jumbo Bag Limited" for the Financial Year 2023-24, being held today

through Video Conference. I am honored and inspired by the spirit you have demonstrated by joining us virtually. I am grateful for the opportunity to speak to you at this moment.

We have uploaded our Annual Report (with addendum to Notice of AGM) for FY23-24 on the stock exchanges and Company's website and it has been circulated to the Shareholders as well. I hope everybody had an opportunity to go through the same. We have tried to lay out the business performance and outlook of the Company with an aim to help you to gain insights on the future strategies and way forward of your Company. With your kind permission, could I take the Director's Report and Audited Accounts for FY24 as read.

I would like to share the progress of your Company has made in the last financial year despite the challenges. As they say "Energy and persistence conquers all things." Your company has worked on number of key areas during like better waste management, value addition to existing product 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 2023-24.

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 2023-24.

The business environment in the financial year 2023-24 states growth in the volume of world trade was expected to decline from 5.1 percent in 2022 to 2.4 percent in 2023, echoing the slowdown in global demand after two years of rapid catch-up growth from the pandemic increases triggered by the war in Ukraine, which caused a widening in oil and other commodity trade balances. Over the medium term, global balances was expected to narrow gradually as commodity prices decline.

During FY 2023-24, the Company's export turnover was decreased from Rs. 3662.39/- lakhs in FY 22-23 to Rs. 2747.48/- lakhs. This was on account of delay in receipt of export contracts.

Where else the domestic sales has also showed promising results with an increase in domestic sales from Rs. 6928.33/- lakhs in FY 22-23 to Rs. 7059.87/- lakhs in FY 23-24. The PBT Rs. 189.08 lakhs to Rs. 137.75 lakhs is due to written off of insuranc claim receivable.

The trading division of the company which is into polymer sales has recorded increased sales during the FY 2023-24 compared to previous years despite stiff price competition from new market players and fluctuation in polymer price. The revenue from trading divison of

the company for the year was Rs. 430.95/- lakhs higher by 42% as against previous year Rs. 302.02/- lakhs for F.Y 2022-23.

The EBITDA of the Company was ₹800.28 Lakhs compared to ₹722.58 Lakhs in the previous year, there was a increase of 77.7 lakhs or 10%..

Going Forward:

The FIBC industry is fragmented because of low entry barrier as capital and technology requirements are limited, gestation period is small, and raw materials are easily available. This restricts substantial scale up in operations and exerts pricing pressure. Also, this industry being highly labour intensive the retention of workers has been high priority for the Company. Attrition of workers may affect the production and also involves cost and time in inducting and training of new appointees. Several other global as well as Indian economic and political factors that are beyond our control may affect the business of the Company. Hence your Company is engaging on product development, waste management and managing the labours effectively.

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 continual hearings, 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 Rs. 178 Lakhs of claim receivable for machinery, owing to prolong case hearing s 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 Shri Gorantla Ramalingaiah Vivekananda Vidyalaya School providing education to over 1300 students at concessional fees. Many children have benefited from this initiative of the Company. We have signed MOU with Vadakarai Government ITI to provide one month industrial training to develop the skills of final year ITI students with stipend. We have signed MOU with VIT and RMK colleges to provide opportunities for the Engineering students to develop automation projects in our company. Further, we have contributed donations for Flag Day for Armed Forces to our local government bodies.

ACKNOWLEDGEMENT

I wish to place on record my sincere gratitude towards our Board Members for their constant guidance and support in our pursuit of maximizing long-term shareholder value. I would also like to thank all our shareholders and customers for believing in us and

supporting us throughout our journey. Last but not least, I would like to acknowledge the passion, dedication and commitment of our employees. As I close, I would like to take this opportunity to thank you all for your continuous support and faith in the Company and its management. We shall endeavor to scale newer heights as we continue our journey ahead. Thank you for your attention!

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 17th July, 2024) in respect of the businesses to be transacted at the Annual General Meeting. The e-voting period commenced at 9:00 A.M. on Sunday, 21st July 2024 and ended at 5:00 P.M. on Tuesday, 23rd July, 2024. 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 2023-24 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:** 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:** Now I request the moderator to call upon the speakers who have registered with us for speaking at the AGM.

❖ **Chairman:** We have now come to the end of this meeting. The combined results of e-voting during voting period and during AGM 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 34th 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.

Chairman
RENUKA MOHAN RAO