



Isgrec Heavy Engineering Limited

90th Annual General Meeting Transcript

Mr. Sachin Saluja, Company Secretary

Good morning, everyone. I'm Sachin Saluja, company Secretary of ISGEC Heavy Engineering Limited. I welcome all the participants in this 90th Annual General Meeting of the company. Hope you and your family are safe and healthy. 80 members have joined us in this meeting so far, so requisite quorum being present. The meeting is therefore call to order In accordance with the provisions of the Companies Act, 2013 and circular issued by the Ministry of Corporate Affairs and the Security and Exchange Board of India. The notice of this AGM along with the annual report, financial statement and other reports were sent to the shareholders through email. This year the AGM is being organised virtually through the platform provided by the National Security Depository Limited as permitted. Before I request our Chairman Sir to welcome all the directors, shareholders, auditors and other participants. I would like to announce few points as stated in para.19 of the notice of AGM member seeking information with regard to accounts or any matter placed at the AGM were requested to write to the company on or before 16th August 2023 through email as on date there is no such mail pending with the company which is yet to be addressed. During the AGM, the facility to pause or raise question will be available for all the participants through query box answer against which will be given after the speech of Managing Director. Now I request Mr Ranjit Puri are Chairman, Sir to further take up the proceeding. Over to you, Sir.

Mr. Ranjit Puri, Chairman

Thank you, Sachin. Namaskar shareholders, I would like to join Sachin in extending. Welcome to all of you. On this 90th Annual General Meeting of the company. This is the 4th time we are meeting You know on screen instead of live, we there are 80 shareholders I don't think they've ever had this many in a physical meeting. So, I suppose there is some advantage to having an AGM by video because we missed the personal warm then interaction. But then there are my pleasure to everything. As Sachin has already told you, we are in compliance with the requirement for the of SEBI and of the Ministry of Corporate affair. He has already told you that the quorum is present, so I would now like to introduce the Board of Directors. I will start with Vishal. Mr. Vishal Kirti Keshav Marwah. He is the Are you there Vishal. Raise your hand also. Yes, he also the same in the audit committee. Then we have Sidharth Prasad chairman of the Nomination and Remuneration Committee and also of the Risk Management committee. There is Sidharth. Arvind Sagar who is a member of the Audit committee and the Nomination Remuneration Committee and the Shareholder Relationship and Grievances Committee. We have Mrs. Rashi Sikka who is a member of the Shareholder Relation Grievances Committee. Aditya Puri the Managing Director, Sanjay Gulati is the Whole-time Director. And he is the head of the manufacturing activities of the company and Mr. Kishore Chatnani, who is the whole time Director also and the Chief Finance Officer of the company and I am Ranjit Puri, the Chairman of the Company. We also have with us today. And I would like to introduce Mr. Abhinav Khosla who is the representative and senior partner of SCV & Company who are Chartered Accountants. Are you there?





Mr. Abhinav Khosla, Statutory Auditor

Yes, I am there.

Mr. Ranjit Puri, Chairman

Yes, you there. Then we have Mr Gopinathan Mohan Das, Cost Auditor. Is he Here?

Mr. Sachin Saluja, Company Secretary

yes, Sir, he is present.

Mr. Ranjit Puri, Chairman

Well, he I can't see him. Anyway, he is present and we have Mr Pramod Kothari, who is the secretarial auditor They have also joined the meeting. And then of course, we have Mr Sachin Saluja, who is the company secretary, who you already heard Now Thank you all of you for joining this meeting. I hope you all see if any good health. We have made necessary a few announcements. We have made necessary arrangements to ensure your participation through video conferencing and to enable you to vote on the resolutions which you already which have already been sent to you. There is no need for proxy because this is a video meeting and so you will not you have not received proxy forms. I have also not maintained proxy register. Other applicable registers and statutory documents are available for inspection. If you want to see them, apply to ask Sachin and they will be made available to you. Couple of small ground rules. For the meeting resolution of do not need to be proposed, they do not need to be second it. E-voting was available to you from the 20th of August, from 9:00 in the morning to 5:00 in the evening. Sorry. From 9:00 in the morning on the 20th to 5:00 in the evening yesterday. Most of you must have voted by them. In case you have not voted they will be 15-minute window at the end of this meeting and you can cast your vote. I think I don't need to tell you that if your vote in once, please don't vote again the second time. we have received clean reports from the statutory auditors that is SCV & Co. LLP. And from Mr Pramod Kothari is the secretarial auditor and qualified reports, so they see there are no qualifications. These reports will not feel read out at this meeting. I know. Ask Mr Aditya Puri is the Managing Director to tell you about the activities of the company. Thank you for being with us and I wish you all good health.

Mr. Sachin Saluja, Company Secretary

Thank you Sir. Now I request Mr. Aditya Puri, Managing Director to please brief the members about the working of the Company.
Over to you, Sir.

Mr. Aditya Puri, Managing Director

Thank you. Thank you, Sachin. Good morning, ladies and gentlemen. We welcome you to the 90th Annual General Meeting of the company. This is the 4th Annual General Meeting. AGM being held through video conferencing. We hope we can meet in person for the





in Yamunanagar next year. Many, many of you have been shareholders of your company for a long time and we are grateful for your faith in the company. But the information of the new shareholders, I will give you a brief introduction about our business. We are a diversified heavy engineering company engaged in manufacturing and project businesses. We manufacture process plant equipment, boiler tubes and panels, boiler pressure parts, hydraulic and mechanical presses, industrial machinery containers, and iron and steel castings.

We execute turnkey projects for setting up boilers, power plants, air pollution control equipment, sugar plants, distilleries, factories and bulk material handling facilities. We provide equipment and solutions for a wide spectrum of industries, mainly power, fertilizer, trigger and ethanol distilleries, Oil and gas and petrochem, Automobile components, Steel, Cement, chemicals, Aluminium, railways and defense. We have customers in projects spread across 91 countries in 6 continents. Our presence across multiple industries and geographies helps us mitigate sectoral and geographic risks. You can also sign information about our company in our annual report and on our website. We also actively give updates about the company across social media platforms and on Stock Exchange websites.

Performance and financial year 2022-23. Financial year 2022-23 has been good. Both revenue and profitability are higher in comparison to the previous year. The total consolidated income for FY 23 at ₹641, 2 crores was 16% higher in comparison to ₹551, 3crores in FY 22. The consolidated A beta for 523 at ₹467 crores is 43% higher in comparison to ₹325 crores for FY 22. The overall demand trends continue to be encouraging. Many new orders have been booked from sectors such as power, with orders being placed for boilers, air pollution control equipment and waste to energy units. Process, industry construction, fertiliser, cement, refinery, steel, copper, sugar, ethanol, chemicals, food, oil and gas, renewables, automotive, refractory mining, soda ash, keeper and tool and dye industry. We have successfully increased your order bookings for operation and maintenance of power plants and distilleries.

Order booking during the financial year 22-23 and the quarter and the first quarter of 22-23-24 has been very good. Standalone orders as an as on hand on 30th June 2023 were ₹754, 9 crores against ₹6690 crores on the same date in the previous year. These are equal to about 18 months billing. The consolidated orders in hand on 30th June 2023 were ₹841, 1 crores against ₹773, 6 crores on the same date in the previous year. We recently transitioned our ERP system to SAP S for HANA, which enables eject efficiency, Sorry, which enhances eject efficiency by providing us robust control features and facilitating more data driven decisions across organization levels.

Additionally to Booster long term profitability, your company has identified key opportunities without taking on significant risk. We are investing to increase capacity in certain existing manufacturing sectors and to climb up the value chain in identified product lines and diversify into high synergy products to hedge against industry specific fluctuations. Recording a step down subsidiary company Cavity Biofuel Producers Inc. in the Philippines. There is good progress on construction despite unusually high rate fall in the last few months happening answering the speed of work.





The plant would be completed and is expected to have a test run for production of ethanol from molasses in November in in September 2023. Thereafter, the plant is expected to start commercial production in November 2023. We think that it is a profitable business, although we will keep our options open to sell the Philippines plant if we get a suitable offer. Saraswati Sugar Mills Limited, a wholly owned subsidiary, completed the expansion of capacity of its ethanol plant from 1 00 KLPD to 160 KLPD and the additional capacity came into operation from 18th June 2023.

The enhanced capacity will enable the plant to produce more ethanol during the sugar season and therefore save fuel costs incurred during the offseason. We are converting the factory from the present double sulfation process to refined sugar process which will come into operation from the season starting in November 2023. Eagle Press and Equipment Company Canada, a wholly owned subsidiary, passed through some difficult times, particularly during covered, but has booked good orders in recent months. All other joint venture companies and subsidiary companies are working satisfactorily.

Overall, the market for capital goods is buoyant and we continue to be confident about Ajax position in the market. Without exceptional engineering skills. A portfolio that is truly diverse, our strategic technology partnerships, extensive experience owned over decades and a rich talent pool of people, We believe that we we are well positioned to continue strengthening our financial metrics and serving the community and people at large. I thank you once again for your continued faith and is Jack and its management. Wishing you and your families all the best. Thanks. Over to you, Sachin.

Mr. Sachin Saluja, Company Secretary

Thank you Sir. Before conclusion, I would like to confirm that Mr. Pramod Kothari scrutiner is present in the meeting. He will scrutinise the votes cast through remote e-voting facility available till yesterday evening and e-voting at this AGM being provided thereafter, he will issue us his synchroniser report.

The voting result and scrutiner report will be placed on the website of the company as well as website of stock exchanges within a period of 2 working days. On behalf of the management, I sincerely express my gratitude to all the participants attending this AGM who extended cooperation to us for making this event successful by their presence.

We also thank Chairman sir, Directors and Auditors for dear presence and sport at all the times. As Chairman Sir already informed, e-voting window is again opened for 15 minutes only. For those who those shareholders who could not cast vote during last 3 days, link for voting is available at the same place from where you have joined this AGM.

Now we are at the end of this AGM. Please be informed that e-voting will be remain open for next 15 minutes. Request to please cast your vote if you could not earlier. Thank you very much. A very nice day. Stay safe and healthy. Thank you.

Mr. Ranjit Puri, Chairman

Thank you everybody. -----

