



JBF Industries Limited

MINUTES OF FORTYTH (40TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF JBF INDUSTRIES LIMITED HELD ON TUESDAY 29TH SEPTEMBER, 2022, AT 11.30 A.M. (IST) VIA TWO-WAY VIDEO CONFERENCING ('VC') FACILITY OR OTHER AUDIO VISUAL MEANS ('OAVM')

PRESENT (VIDEO CONFERENCE)

MRS. UJJWALA APTE	DIRECTOR
MR. S N SHETTY	DIRECTOR
MR. YASH GUPTA	DIRECTOR
MR. RAVI DALMIA	DIRECTOR
MR. SATISH MATHUR	DIRECTOR

IN ATTENDANCE

MR. DON CRASTO	CGM
MR. PRAVIN PRAJAPATI	GM – FINANCE

Required quorum for the Annual General Meeting was present. In the absence of Chairman, Mrs. Apte requested the shareholders to elect the Chairman of the meeting.

Mr. S N Shetty, of the Company being a shareholder, proposed Mrs. Ujjwala Apte, as Chairman of the meeting and Mrs. Ujjwala Apte was elected as the Chairman of the meeting.

Chairman called the meeting to order.

She introduced colleagues on the Board.

Directors of the Company including Chairman of Audit Committee were present. Mr. Don Crasto, Chief General Manger and Mr. Pravin Prajapati, GM-Finance were also present.

She welcomed all shareholders & others to the Annual General Meeting of the Company.

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She explained that Notice dated 2nd June, 2022, convening the 40th Annual General Meeting, Directors' Report and the Annual Accounts had been despatched to all shareholders and with the consent of the Members present, was taken as read.

With the permission of the shareholders only qualifications in the Auditors Report were read.

Then she requested Mr. Pravin Prajapati, GM Finance to comment on the performance of the Company.

Performance for the year ended 31st March, 2022

The highlights of the performance of the Company for F.Y. 2021-22 were as under:

The Company's revenue for financial year 2021-22 has increased to Rs. 3,272.23 crores as against Rs. 2,205.45 crores for the previous year. There has been a 48% increase in total revenue from operations. This was primarily due to efficient management of cash flows, better margins and resurgent market conditions especially during the festive season in the last two Quarters of the financial year 2021-2022.

During the year, the production of polyester chips increased to 2,97,149 metric tons from 2,93,877 metric tons (last year) – nominal increase of 1.11 %

Production of Partially Oriented Yarn (POY) & Processed Yarn also increased to 215,811 metric tons from 1,93,587 metric tons – increase of 11.50 %

Then Mrs.Apte requested Mr. Shetty to explain the status of the Company.

Mr. Shetty explained the current status of the Company and Mangalore Plant

He said that the Board would like to bring to the attention of the shareholders certain important events that have occurred after the signing of the Balance Sheet –

The secured assets of JBF Industries Limited (including land, plant & machinery, movable assets, inventory, sundry debtors, investments and deposits) were sold by CFM ARC to Madelin Enterprises Pvt Ltd (MEPL) vide a private treaty on 6th June, 2022 as per the provisions of the SARFAESI Act, 2002. The information about the said sale was communicated to the Company on 19th July, 2022 by CFM ARC.

Consequent to the said sale, all assets including the accounting software (SAP) which had been repossessed by CFM ARC was in turn sold to MEPL.

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The Management is exploring all options out of the limited resources available, to finalise, and complete the limited review for the June 2022, quarter from the statutory auditors in the next few weeks.

The Board would also like to inform the shareholders that moving forward there is uncertainty about the preparation of financials on a “going concern basis”.

The fact is that only liabilities will appear in the Balance Sheet and the inability of the Company to generate any income, the Company will not be able to sustain itself and will eventually be liquidated.

Regarding JBF petrochemicals Ltd the Board would also like to bring to the attention of all stakeholders that, proceedings under the Insolvency Bankruptcy Code, 2016 (IBC) by the National Company Law Tribunal, Ahmadabad has commenced on 28th January, 2022. Subsequently, the Resolution Professional (RP) appointed by the Committee of Creditors (COC) has commenced Corporate Insolvency Resolution Process (CIRP) proceedings as required under the IBC procedure. The Resolution Professional has taken total control of the PTA plant in Mangalore and the Board of JPL has been suspended effective 28th January, 2022.

Mrs. Apte informed that there were some shareholders registered their names as speakers.

It was observed that there were no speakers present in the meeting.

Further it was also informed that 45 members were present for the meeting.

The remote e-voting commenced on 26th September, 2022 at 9.00 a.m and ended on 28th September, 2022 at 5.00 p.m. CS Jagdish Patel failing him CS Ashwini Inamdar of M/s Mehta & Mehta, Practicing Company Secretaries, Mumbai were appointed as the Scrutinizer by the Board for conducting the e-voting process.

Most of the shareholders had done e voting. But it was announced that if anyone has not done voting e voting would be kept open for 15 minutes after the closure of the meeting.

Item No 1 : Ordinary Resolution

Adoption of Financial Statements of the Company for the financial year ended on 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon)

“RESOLVED THAT the Financial Statements of the Company as at 31st March, 2022, together with the Reports of Directors and Auditors thereon, be and are hereby approved and adopted.”

The resolution was approved by the shareholders with 99.9907% in favour and 0.0093% in against the resolution.

Item No 2 : Ordinary Resolution

Re-Appointment of Mr. Yash Gupta , (DIN : 06843474)

“RESOLVED THAT Mr. Yash Gupta, retiring Director of the Company, who retired by rotation and being eligible, offered himself for re-appointment be and is hereby re-appointed as the Director of the Company retiring by rotation.”

The resolution was approved by the shareholders with 99.7139% in favour and 0.2861% in against the resolution.

Item No 3 : Ordinary Resolution

Declaration of dividend on Preference Shares to be carried forward to the next for payment

“RESOLVED THAT Dividend to be paid on Preference Shares to be carried forward to the next year for payment.”

The resolution was approved by the shareholders with 99.9447% in favour and 0.0553% in against the resolution.

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Item No 4 : Ordinary Resolution

Ratification of M/s. S C Ajmera & Co. Chartered Accountants (FRN: 002908C) as the Statutory Auditors.

“**RESOLVED THAT** pursuant to the provisions of section 139 of the Companies Act, 2013 and Rules made there under, appointment of M/s. S C Ajmera & Co., Chartered Accountants, (Registration No.002908C) the Chartered Accountants, Udaipur, be and are hereby ratified and they be re-appointed as Statutory Auditors of the Company to hold office until the conclusion of the Forty First Annual General Meeting of the Company at a remuneration as may be decided by the Board of Directors.”

The resolution was approved by the shareholders with 99.9757% in favour and 0.0243% in against the resolution.

Item No 5 : Ordinary Resolution

To Consider appointment & Remuneration payable to Mr. S N Shetty (Din : 07962778) as Additional Director-Legal & Admn, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the being in force) Mr. S N Shetty (Din : 07962778) who was appointed as an Additional Director on 2nd June 2022, pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as Director-Legal & Admn of the Company, to hold office from 2nd June 2022 to 1st June, 2025, and who will be liable to retire by rotation”.

And

“**FURTHER RESOLVED THAT** pursuant to the provisions of Section 196 & 197, read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the

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Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the being in force) and as recommended by the Nomination and Remuneration Committee and by the Board of Directors in their meeting held on 2nd June, 2022, Mr. S N Shetty (Din : 07962778) be paid a monthly salary at the rate of Rs.4,50,000 [Rupees Four Lacs Fifty Thousand Only] p.m. with effect from 2nd June, 2022, payable on the last working day of each calendar month subject to deduction of all the taxes which the Company is required to deduct.”

And that in addition to the above monthly salary he will be entitled for

1. Reimbursement of education expenses equivalent to Rs.9,500 [Rupees Nine Thousand Five Hundred Only] per month ;
2. Reimbursement of conveyance expenses equivalent to Rs.9,500 [Rupees Nine Thousand Five Hundred Only] per month ;
3. Reimbursement of medical expenses incurred for himself, wife and dependent children subject to a maximum of Rs.1,250 [Rupees One Thousand Two Hundred Fifty Only] per month. 4. Reimbursement of Telephone expenses upto a maximum of 9,500 [Rupees Nine Thousand Five Hundred Only] per month ;
- 4 He will be entitled for Special Allowance of Rs.7,917 [Rupees Seven Thousand Nine Hundred Seventeen Only] per month ;
- 5 Participation in the Provident Fund and any other schemes provided by the Company for the benefit of its Senior Executives;
6. He will be entitled to one month’s leave for every 11 months of service or such leave as the exigencies of the business shall permit and as may be mutually agreed. However, the total monetary value of encashed leave at the end of the Tenure will not be included in the Computation of ceiling of perquisites;

“RESOLVED FURTHER THAT the remuneration payable as aforesaid shall be paid to Mr. S N Shetty (Din : 07962778), Director Legal & Admn, as minimum remuneration in accordance with in the case of absence or inadequacy of profits in any financial year during the term of his office and that the Board of Directors be and is hereby authorised to vary or increase, or enhance the scope of the remuneration and perquisites including the monetary value thereof, as referred to hereinabove to the extent of 25% of the Gross amount of remuneration but the same may be enhanced, altered, or varied in accordance with any guidelines regarding payment of managerial remuneration under the Companies Act, 2013, from time to time in force and that the agreement between the Company and Mr. S. N. Shetty, Director Legal & Admn, be suitably amended to give effect to those amendments.”

: 7 :

“FURTHER RESOLVED THAT notwithstanding anything contained herein above, in any financial year, the remuneration payable to the appointee shall be within the limits stated in sub Section II (A) of the Part II of the Schedule V to the Companies Act, 2013”.

The resolution was approved by the shareholders with 99.9279% in favour and 0.0721% in against the resolution.

Item No 6 : Ordinary Resolution

To consider appointment and remuneration of Mrs. Ujjwala Apte (DIN: 00403378) Additional Director from 2nd June, 2022, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the being in force) Mrs. Ujjwala Apte (Din : 00403378) who was appointed as an Additional Director on 2nd June, 2022, pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company received a notice in writing under Section 160 of the Companies Act, 2013 proposing her candidature for the office of the Director, be and is hereby appointed as Director-Company Secretary of the Company, to hold office upto 1st June, 2025, and who will be liable to retire by rotation”.

And

“RESOLVED THAT Mrs. Ujjwala Apte (Din : 00403378) be paid a monthly salary at the rate of Rs.3,47,630 [Rupees Three Lacs Forty Seven Thousand Six Hundred Thirty Only] p.m with effect from 2nd June, 2022, payable on the last working day of each calendar month subject to deduction of all the taxes which the Company is required to deduct.”

And that in addition to the above monthly salary he will be entitled for

1. Reimbursement of entertainment expenses equivalent to Rs.5,283 [Rupees Five Thousand Two Hundred Eighty Three Only] per month ;
2. Reimbursement of medical expenses incurred for herself, husband and dependent children subject to a maximum of Rs.1,250 [Rupees One Thousand Two Hundred Fifty Only] per month.

3. Reimbursement of Motor car expenses upto a maximum of Rs.25,493 [Rupees Twenty Five Thousand Four Hundred Ninety Three Only] per month ;
4. She will be entitled for Special Allowance of Rs.21,818 [Rupees Twenty One Thousand Eight Hundred Eighteen Only] per month ;
5. Entitlement of Bonus payment of Rs.28,970 [Rupees Twenty Eight Thousand Nine Hundred Seventy only] per month ;
6. She will be entitled for Leave Travel Allowance upto Rs.28,970 [Rupees Twenty Eight Thousand Nine Hundred Seventy only] per month ;
7. Participation in the Provident Fund and any other schemes provided by the Company for the benefit of its Senior Executives;
8. She will be entitled to one month's leave for every 11 months of service or such leave as the exigencies of the business shall permit and as may be mutually agreed. However, the total monetary value of encashed leave at the end of the Tenure will not be included in the Computation of ceiling of perquisites;

“RESOLVED FURTHER THAT the remuneration payable as aforesaid shall be paid to Mrs. Ujjwala Apte (Din : 00403378), Director & Company Secretary, as minimum remuneration in accordance with in the case of absence or inadequacy of profits in any financial year during the term of her office and that the Board of Directors be and is hereby authorised to vary or increase, or enhance the scope of the remuneration and perquisites including the monetary value thereof, as referred to hereinabove to the extent of 25% of the Gross amount of remuneration but the same may be enhanced, altered, or varied in accordance with any guidelines regarding payment of managerial remuneration under the Companies Act, 2013, from time to time in force and that the agreement between the Company and Mrs. Ujjwala Apte, Director-Company Secretary, be suitably amended to give effect to those amendments.”

The resolution was approved by the shareholders with 99.9287% in favour and 0.0713% in against the resolution.

Item No 7 : Ordinary Resolution

Approval of the remuneration of the Cost Auditors for the financial year ending 31st March, 2023.

“RESOLVED THAT pursuant to the provisions of the Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force),

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Mr. Vijay Bhavchandbhai Patel the Cost Auditors of the Company as appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023, be paid remuneration of Rs.1,75,000 (Rupees One Lac Seventy Five Thousand) per annum inclusive of all expenses.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”


The resolution was approved by the shareholders with 99.9757% in favour and 0.0243% in against the resolution.

Acknowledgements

On behalf of the entire Board of Management, Mr. S N Shetty expressed his special thanks to all our employees, who have continued to provide excellent support with their hard work

He also thanked Directors for their valuable guidance from time to time. Their continued support and advice has been of great benefit to our organization.

Meeting was concluded at 11.41 hrs.



CHAIRMAN OF THE MEETING

Place : Silvassa

Date : 29th September, 2022