



“S.J.S. Enterprises Limited
18th Annual General Meeting”

September 04, 2023

Transcript: AGM of S.J.S. Enterprises Limited.

Thabraz Hushain: Good afternoon, ladies and gentlemen. This is Thabraz Hushain, Company Secretary and Compliance Officer of S.J.S. Enterprises Limited. I welcome you all to the 18th Annual General Meeting of the Company, which is being held through video conferencing and other audio-visual means. Considering the prevailing conditions and in accordance with the framework issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India in their respective circulars. I wish to state that the proceeding of this meeting is being recorded for compliance purposes in accordance with the provisions of the Companies Act 2013 and the SEBI regulations. For smooth conduct of the meeting, all members are in mute mode. For members who have been registered and confirmed as speakers to speak at the meeting, their audio and video will be enabled during their turn. The moderator shall announce the name of the shareholder in sequence to speak and ask questions. We request that the speaker shareholders limit their speeches to 2-3 minutes. Since there is no physical attendance of the members, the requirement of appointing proxies is not applicable at this meeting. There are 5 resolutions which have to be placed for the approval of the shareholders. Members have been provided the facility to exercise their votes electronically through the remote e-voting facility and e-voting at the Annual General Meeting. Accordingly, the company has provided this facility to members to cast their votes through a remote e-voting system administrated by Link Intime India Private Limited. from 1st September 09:00 am to 3rd September 05:00 pm. Further, the facility to cast their votes at the AGM is also available for those members who have not cast their votes through remote e-voting and are participating in this meeting. The voting system will be available at the end of this meeting for 30 minutes. During the AGM, if any of you face any technical issues, I request you to contact the helpline at 022-49186175. This number is also mentioned in the AGM notice.

Now let me introduce you to the Chairman of our Company- Mr. Ramesh C. Jain. He is the Chairman and Independent Director of the Company, who is joining through VC from Gurgaon. He is also a member of the Audit and NRC Committee of the Company. Now I would request Mr. Ramesh C. Jain to take chair and commence the proceedings of this meeting. Over to you, Sir.

Ramesh C. Jain: Namaskar. Thank you Thabraz.

Dear shareowners, members of the Board, distinguished guests, ladies and gentlemen, a very warm afternoon to each and everyone of you. It gives me a great pleasure to address all of you on behalf of the Board of Directors of S.J.S., and I am delighted to welcome all to the 18th Annual General Meeting of your company for the Financial Year 23, being hosted through a digital platform. I am speaking to you with a great sense of pride because of two monumental achievements of our country- The soft landing of Chandrayaan-3 on the south lunar pole was quickly followed by a successful launch of Aditya L1, India's solar space observatory mission. On behalf of each one of us, I extend our heartfelt congratulations to the dedicated scientists and engineers at ISRO for boosting India's stature as a prominent global player in space exploration. Now, I would like to introduce you to the Board members who are present in this meeting. Mr. K. Joseph, our Co-Founder, Managing Director, and a member of the Stakeholder Relationship Committee and the CSR Committee. Mr. Sanjay Thapar, Chief Executive Officer and Executive Director, Chairman of the Risk Management Committee, and member of the Stakeholder Relationship Committee. Mr Kevin K. Joseph, Executive Director. Ms. Veni Thapar, Independent Director, Chairperson of the Audit Committee and NRC, and also a member of the CSR Committee and the Risk Management Committee. Mr Mattias Frenzel,

Independent Director and Chairman of the Stakeholders Relationship Committee. And Kazi Arif Uz Zaman, Non-Executive, Nominee Director. All of them are present virtually from their respective locations. Apart from them, representatives of the Statutory Auditor, Secretarial Auditor, Internal Auditor, and Cost Auditor of the Company are also participating in this meeting from their respective locations. We would also like to introduce the key executives and the senior management, including Mr. Mahendra Kumar Naredi, Chief Financial Officer, Mr. Thabraz Hushain, Company Secretary and Compliance Officer, Mr. Sadashiv Baligar, Chief Operating Officer, Mr. Raju R, Chief Marketing Officer, Mr Roy Mathew, Executive Director of our newly appointed Company Walter Pack having also joined by this meeting.

I have been informed by Thabraz that the requisite quorum is present through VC to conduct the meeting. Since the quorum is present, I now call this meeting to order. I wish to state that I am satisfied with the facilities provided to the members of the Company for participating in this meeting through video conferencing. The Company has taken all efforts feasible under the circumstances to enable members to participate and vote on the items being considered in the meeting. The statutory register, as required by the Companies Act 2013 have been made available electronically for the inspection of the members during the AGM. Members seeking to inspect such documents can send their requests to compliance@sjsindia.com. Since the notice of AGM, along with the financial statements and Board report, is already circulated to all the members, I take the notice convening the meeting as read. As there are no adverse qualifications, comments, or remarks in the statutory auditor report for the financial year 31st March 2023, I take the same as read.

Now, I would like to take a few minutes and update you about the year gone by. As you are aware, S.J.S. is an established market leader in a very attractive and niche business segment. We operate in a very high-value aesthetic market across multiple consumer-oriented industries. Our business model and diversification strategy are our biggest differentiators and have enabled us to outperform the underlying industries consistently. May I move to slide 2, please? Our journey of growth and value creation continued unabated during FY 23. Despite external challenges, in FY 23, we manufactured over 6700 + SKUs and supplied over 136 million parts to our customers across 22 countries and 175 customer locations. We owe all our success to our teams, whose relentless effort in pursuing opportunities and decisive actions brought us closer to achieving our ambitious goals. Over the past 3 years, the global economy has been navigating successive high-amplitude shocks. The COVID-19 pandemic protracted geopolitical hostilities, rapid inflation, monetary policy tightening, and the recent banking turmoil amidst those uncertainties. India outperformed and remained the world's fastest-growing economy, with gross domestic product having grown to 7.2% in the FY23 and 7-8% in the Q1 of FY24. Given all these challenges, S.J. S. has doubled the topline through organic and inorganic growth over the last 3 years. The Indian automotive industry has exhibited persistent strength and resistance during FY 23. Benefitting from domestic consumption, Government impetus on domestic manufacturing to promote Make in India, and the realignment of the global supply chain. In FY 23, yet again, S.J. S. delivered a resounding performance and surpassed the domestic automotive industry despite the slowdown in exports and the consumer durables industry. S.J. S. passenger vehicles saw a growth of 27.8% YoY compared to the industry production volume growth of 25.4% YoY and two-wheeler sales growth of 23.1% YoY compared to the industry production volume growth of 9.2% YoY. This growth is being driven by pent-up demand, improved semiconductor chip supply, new launches, and product upgrades from OEMs. However, challenges in the form of escalating input costs, increased costs of ownership due to regulatory headwinds, and high inflation may result in price hikes of vehicles and impact consumer demand in the near term. What is even

noteworthy is that our technology landscape in the automobile industry is fast evolving, requiring the adoption of modern and sophisticated technology at an extremely rapid pace. Being an established market leader, we have been at the forefront of developing technology for premium and aesthetically differentiated products. Our R&D teams consistently and constantly try to enhance product innovation, enabling us to meet all our customer needs and stay competitive. You will be delighted to know that we have achieved a remarkable milestone at S.J. S. in July 2023, when we completed our second acquisition of Walter Pack India to deliver on our inorganic strategy to take S.J. S. to the next level of growth. We acquired a 90.1% stake in Walter Pack Automotive Products India Private Limited. for a total cash consideration of Rs 2393 million. More details about our acquisition will be shared with you by Sanjay in his commentary. In a recent development pertaining to promoter category shareholding, the combined stake previously held by Evergraph and Mr K. Joseph was at 51.33% and has now been reduced to 21.8%. This adjustment stems from the imperative of Evergraph, a private equity fund, to liquidate its investment. Consequently, the shares sold by Evergraph have been successfully absorbed by prominent, top-notch institutional investors. This strategic shift serves as a testament to the resolute confidence in our company's core fundamentals and this growth trajectory. We extend a warm welcome to these new investors, aligning with our shared commitment to embark on an enduring journey of sustained expansion. Lastly, I would like to express my heartfelt gratitude to all the stakeholders for supporting and believing in us. These are exciting times for S.J. S., and we look forward to expanding the growth opportunities and reaching new summits. With this, I would like to hand over to Mr. Joseph, our Managing Director and promoter, to brief you all about the industry and business highlights. Thank you.

K.A. Joseph- Thank you, Mr. Jain, and good afternoon, everyone. We are on slide number 5. So we'd like to start with some of the highlights for the financial year 2023. Your company delivered a YoY growth of 17.1% to Rs 4,330.5 million, with an EBITDA margin of 26.4%. Consistent delivery of 15:31 margins has led to a strong cash flow generation of Rs 609 million for the year. S.J.S had maintained a cash and cash equivalent balance of Rs 1,648.2 million, which was later utilized for the acquisition of Walter Pack India in July 2023. We are glad to inform you that during the year, we have added some marquee customers and won several new businesses. On the CSR front, the company has spent over Rs12.9 million to support various initiatives under education, healthcare, rural development and sports. In July 2023, we completed a transformative acquisition of a 90.1 % stake in Walter Pack India for Rs 2,393 million. Now I would like to hand over to Mahendra, our CFO, to brief you all about our financial highlights.

Mahendra Naredi- Thank you, Mr. Joseph. Good afternoon, everyone. Moving ahead and slides 6-8. As Mr. Joseph indicated, our full-year revenue on a consolidated basis reached Rs 4,330 million, and this accomplishment was the result of securing new customers, advancing product development, expanding market share and maintaining a strong focus on quality and timely delivery. Our EBITDA reached Rs 1,167.8 million, with growth of 23.2%, accompanied by a solid margin of 26.4%. Profit after tax experienced a 22.2% YoY increase, reaching Rs 672.5 million with a margin of 15.5%, signifying a note-worthy improvement of 127 basis points. Our ROC, return on equity, was healthy at 15.7%, and a substantial 39% of our equity fund was held as cash and cash equivalent. Consequently, due to reduced capital deployment in the business, our ROC, return on capital employed, stood at an impressive 33.1% before tax. Moving to slide 9, our PV segment is winning new business and will continue this growth momentum going forward. Our diversification strategy and presence across multiple segments, along with a vast customer base, have consistently helped us to minimize the impact of industry

slowdown in a specific segment. The effort is to further diversify to high-growth segment products and the region, and we believe that our two acquisitions have a testimony of that. Our revenue contribution from the two-wheeler and passenger vehicle segment in FY 23 increased to 44.8% and 32.5%, respectively, while the consumer segment saw a declining share of revenue to 15.4%, and export was impacted due to macroeconomic headwinds. Rising inflation and geopolitical tensions led to subdued demand and production volume in Europe and North American markets. However, we are confident that despite near-term challenges, our medium-term growth target for the consumer segment and a strong focus on exports remain intact. With the acquisition of Walter Pack India, we believe that our share of the revenue from passenger vehicles and the consumer segment will increase considerably. Thank you all. Now handing it over back to Mr. Joseph to take it further.

K.A. Joseph- Thank you, Mahendra, and we are on slide number 10. We consistently focus on building mega-customer accounts. We also continue to expand our share of wallet with key customers and win new businesses. This year, we have secured prestigious wins from key customers like Mahindra and Mahindra, Tata Motors, Maruti Suzuki, TVS, Royal Enfield, Honda Motorcycles, Toyota, Whirlpool, Electrolux and Atomberg, among others. We successfully won our first export order for Exotech chrome-plated parts from Whirlpool in North America. We have also bagged orders from marquee EV OEMs like Ather, Altigreen, Hop, Ultraviolet, Hero Electric and Bajaj Auto, among the others. We expanded our footprint into new locations overseas in Argentina and the USA for our export businesses. Coming to slides number 11 and 12, the company is undertaking continuous efforts for the sustainable development of communities. We are committed to health, safety and environmental concerns while balancing a sustainable growth objective. Some of our initiatives include installing solar panels at our factories, a sewage waste treatment plan for waste reduction, recycling and conservation of water and a reduction in diesel usage, etc. Our investment in captive power purchase of 2 megawatts of solar power will further contribute towards the reduction of carbon emissions and enhance our ecological impact. On the CSR front, we have contributed to the tune of Rs12.9 million with the intent to create a positive impact on society with meaningful initiatives in the realms of education, skill development, health care and sanitation. Rural development and environmental protection are the key focus areas for S.J.S. and some of the initiatives are the adoption of seven villages in the surrounding areas near our factory and the initiation of a garbage pickup program through pickup vans and under the Swachh Bharat Abhiyan, so as to provide a clean environment for people to live in. Healthcare initiatives that have benefited nearly 2200+ children across more than 10 government schools with our free eye checkup camps, and we have also distributed spectacles to over 100+ visually impaired children. Redevelopment of 17 schools' infrastructure has been done, and the distribution of school bags to 800+ students in nearby government schools. Installation of RO water plants at nearby villages benefiting 1000+ families, some of the examples of other initiatives that your company supports. Coming to slide number 13, our company has been recognized and awarded by various organizations as well as our customers. Three times in a row S.J.S. has been certified as a Great Place to Work among mid-size organizations in February 2023. Visteon has awarded us twice for the extra mile support for the flawless launch of Scorpio and good quality and delivery performance. We have won six awards for quality at the Quality Circle Forum of India, and we also received the third prize in the regional Kaizen contest held by Atmos Southern Region 23:23, among the several awards that we have received. In the end, I would like to thank our employees, customers, business partners, shareholders and stakeholders for their unstinted faith and support in us. We have the right team and strategy in place to set new benchmarks and continue to deliver sustainable growth. With this, I would like to hand over to

Sanjay to discuss about our Walter Pack acquisition and our future outlook strategy. Thank you.

Sanjay Thapar- Thank you, Joe. We now come to slide 15. As we mentioned earlier, inorganic growth has been one of the core strategies at S.J.S. and we believe that this will help us in further reinforcing our market leadership in the decorative aesthetic space. Exotech Plastics, engaged in the manufacturing of chrome-plated and painted injection moulded parts, was the first acquisition in April 2021. Within two years of acquisition, we've been able to successfully integrate the business, which has resulted in the doubling of revenues at Exotech coupled with an improvement in EBITDA margins by 300 basis points to close to 15%. After the successful acquisition of Exotech, we became more confident in acquiring and integrating companies that could take S.J.S. to the next level of growth. S.J.S. acquired a 90.1% stake of Walter Pack India for INR 2,393 million, translating to an LTM EBITDA of close to 7x. Walter Pack India is a subsidiary of Walter Pack Spain and was founded in 2006 and is headquartered in Pune. It is a leader in the design and development of high-value-added functional decorative parts in India. Our primary driver for interest in Walter Pack was its better and complementary adjacent technologies of in-mould forming, in-mould decoration and in-mould electronics. In-mould Forming is Walter Pack's core business. This technology is complementary to the IML technology we already have at SJS. All these emerging technologies in India with high growth and high margin potential in the future augur well for the company. Our rationale for the acquisition was that Walter Pack is the leader in India for IML technology and proficient in IMD, IMF and IME technologies, which helps it command a rich EBITDA margin of about 30% that they demonstrated in FY 2023. This acquisition will help S.J.S. diversify and revenue split and increase our presence in the PV and the consumer segment. We have also, as a part of the deal, signed a three-year service and technology support agreement with Walter Pack Spain for the ongoing exchange of know-how for the company. Cross-selling opportunities, thereby providing a strong potential to acquire new customers as well as increased wallet share with our customers, is an added benefit. The Walter Pack acquisition is expected to be EPS accretive in the current year. We have also added the management bandwidths with Mr. Roy Matthew, the man behind Walter Pack India and instrumental in the growth of the India Business for Walter Pack continuing to be with us. As a part of this deal, he will continue to hold a 9.9% stake in Walter Pack India. This will help us in seamless continuity and running of the business for SJS. Talking of numbers, Walter Pack has revenues of 1,190 million and a healthy EBITDA margin of 30% with an attractive ROC of over 15% for FY 2023. This transaction was primarily funded by S.J.S. through internal accruals, along with some debt and preferential investment of Rs 300 million by our promoter, Joe.

Coming to slides 18 and 19, I now would like to talk about the future outlook for the company. We have been at the forefront of leveraging technology to develop premium and aesthetically differentiated products that are complex to manufacture and will enable us to significantly increase our addressable market. Our R&D teams bring about consistent breakthroughs in product innovation, enabling us to meet evolving customer needs and stay ahead of the technology curve. For passenger vehicles, I quote some examples here. For passenger vehicles, we are working on products like optical plastics, cover glass, in-mould decorated parts integrated with in-mould electronics, and illuminated logos, amongst others. This will help increase our kit value of passenger vehicle offerings by about 3-4 times from the current Rs 1200-Rs 1500 per vehicle. For two-wheelers, we target to increase our kit value by close to 1.5 to 2 times from the current Rs 300 to Rs 500 per vehicle by adding futuristic products like cover glass for two-wheeler instrument clusters with touch functionality, IMD moulded parts

that integrate multiple functions in a moulded decorative substrate, especially for the electric vehicles that the country will see more of. For consumer appliances, our target is to increase the kit value by about 3-4 times the current Rs 50- Rs 150 range that we currently have. With the addition of futuristic products like optical glass with this human-machine interface functionality for control panels, printed electronics and capacity of touch functions. There is an immense opportunity for growth, and we are confident of achieving this in the near future.

I will now come to slides 20 and 21 - Our organic and inorganic strategy over the medium term. S.J.S. will continue to deliver on this guidance of robust financial and operational performance. We are positive that going ahead as well, SJS will maintain high revenue growth and margin trajectory. In the near term, there could be minor challenges as the macroeconomic scenario has still not stabilized, especially in Europe. However, our medium-term story remains intact, with a 20% to 25% revenue growth over the next three years from FY24-26. Our strategic growth drivers would be winning new businesses, increasing wallet share with existing customers, addition of new customers, deeper penetration into new geographies and increasing content by adding new premium products to our portfolio. Hence, we believe that S.J.S. will continue to outperform the underlying industry. Recovery in the consumer sector, the export markets and tailwinds of a resurgent auto industry will add the requisite fuel to accelerate the momentum of our growth trajectory. On the Exotech capacity expansion front, we would like to update everyone that post the Walter Pack acquisition; we see many synergies between both companies, Exotech and Walter Pack India and both plants are in close proximity at Ranjangaon, Pune. Hence, the company has deferred its chrome plating capacity expansion by a year to calendar year 2024 while we explore synergies and lay out a plan that would prudently address the future needs of both these plants. This re-work aims to create a more conducive strategy that can adapt to changing needs and demands of both these companies. Coming to our inorganic growth strategy over the last two years, our company has demonstrated its ability to acquire, integrate and grow the Exotech business. Walter Pack acquisition is another gem added to our portfolio. This gives us the confidence that we are on the right path of growing our business through the inorganic strategy we have. We believe every acquisition will be a stepping stone for S.J.S. to achieve higher business growth. We will evaluate other acquisition proposals as well in the future, and we believe we will add to the value that S.J.S. will create for all our stakeholders. Thank you once again for all your support. I now request the chairman to continue the proceedings of the meeting.

Ramesh C. Jain- Now, I would like to go through the various resolutions.

Item number one of the notices is the adoption of audited financial statements, standalone and consolidated of the Company for the financial year ending 31st March 2023, together with a report to the Board of Directors and Auditors. Item number two of the notice, re-appointment of Mr. Vishal Sharma, DIN: 01599024, who retires by rotation and being eligible, offers himself for re-appointment. Item number three of the notice ratification of the remuneration payable to the cost auditors for the FY 2024. Item number four of the notice, to increase overall managerial remuneration payable from 11% to 15% of the net profit of the company. Item number five of the notice, to increase managerial remuneration payable to Mr. Sanjay Thapar, CEO and Executive Director, DIN: 01029851 in excess of 5% of the net profits of the company.

Item number 1 to 3 are ordinary resolutions, and items number 4 and 5 are special resolutions. And it is to be noted that item number four is to be read as a special resolution instead of ordinary resolution. Now, we will take questions from the shareholders. Shareholders who were

already registered to speak will be allowed to speak, and members are allowed are requested to keep their questions in brief. In order to avoid repetition, we will note down all the questions from the shareholders, and management will answer the question together with all the members in the end. Members may please also notice that the company reserves the right to limit the number of members asking questions depending on the availability of the time. Also, questions sent to the company by mail or chat facility will be read and answered towards the end. The shareholder is not able to join through video for any reason can speak to the audio mode. If there are connectivity problems at the speaker's end, then we would ask the next speaker to join in the interest of time. We would now like to request shareholders to kindly limit their speech to three minutes so that we can complete the meeting on time. Now, I would request our moderator to allow shareholders to ask questions one by one.

Moderator- Thank you, Sir. So now I would invite our first speaker for the event, Mr. Bharat Babu. Mr. Bharat, you are on the panel. Kindly enable your video, and you may speak now.

Bharat Babu- Good afternoon, all. My name is Bharat Babu. I'm from Mysore, Karnataka. First I thank this management team for giving me the opportunity to clarify my doubts. Also, I would like to congratulate on successfully completed acquisition of Walter Pack. Chairman Sir, I have a couple of questions. My first question is recently S.J.S. acquired Walter Pack at seven times higher than the current valuation. What is the reason behind this acquisition? My second and final question is there any plan for future acquisitions and will our company fund these future acquisitions? Thank you.

Moderator- Thank you so much. So now I am inviting our next speaker for the event. Mr. Ramesh Yadav, you are in the panel. Kindly enable your video, and you may speak now.

Ramesh Yadav- Hello, thanks for giving me the opportunity to ask the questions. My question is as per your previous investor calls, you were talking about the Exotech expansion plan. Could you please put some highlights on this? And my second question is, what is the expected turnover of S.J.S. standalone and Exotech in FY 2024? Thank you.

Moderator- Thank you, sir. Now, I invite our last speaker for the event, Mr. Maruti Dhok. Mr. Maruti, you are in the panel. Kindly enable your video, and you may speak now.

Maruti Dhok- Good afternoon, Sir. Thank you for giving me the opportunity. My question is, it has been two years since S.J.S. was listed, and the shareholders have not received any dividends. What is the reason for not giving dividends, and when can shareholders expect the same? And my second question is as far as the development in the Company, now Everstone has exited. I want to know who are the new shareholders who bought stake from Everstone who will run the company along with Joseph Sir, and what is Joseph sir's future plan.

Ramesh C. Jain- Yeah, so, I think the first question of Bharat reason for acquisition of Walter Pack and future plans may request Sanjay to please respond.

Sanjay Thapar- Yes, thank you, Mr. Jain and thank you, Bharat. So, as I clarified in my speech, the primary reason for acquiring Walter Pack has been that we have acquired a company with niche technology. In-mould forming is a very complicated technology and Walter Pack India since they were a subsidiary of the company Walter Pack Spain is a market leader in India, having great marquee customers in their portfolio. So, Tata Motors, Maruti Suzuki are their key customers, where they supply in-moulded formed panels. This technology

we did not have because this is a very complex technology which requires three-dimensional trimming and forming of these films. So, through this acquisition, S.J.S. is becoming a very important supplier in the passenger vehicle interior space. So that's one reason for technology we acquired Walter Pack. The second reason is that we have also acquired a consumer electrical business, which is further diversified the end portfolio of products that S.J.S. has to offer to the market. So that has given us a new runway for growth for the company. Another reason that we have is that through this acquisition, we have successfully retained the existing key shareholder of Water Pack India, Mr. Roy Matthew, on the board. He comes with a vast knowledge of cooling and that will be very beneficial for S.J.S. in terms of our further implementation of in-moulded electronic technologies into this business that we have. So, all in all, I think we've acquired a Company at a very reasonable valuation. This is a very high EBITDA margin business close to 30%, as I stated earlier. So this will help us improve the blended EBITDA margin for the consolidated entity. So that was the first part of your question. The second question you had was, do we have acquisitions and on radar for the future and how do we intend to fund that? So S.J.S., as you know, generates a lot of free cash, and we are a very profitable company. So, this acquisition was funded from our internal accruals in a large manner. So close to 80% of this acquisition was done through internal funds that we had on our books through internal accrual, and Mr. Joseph contributed another Rs 30 crores by means of a preferential allotment to him. So we just took a very small amount of loan to fund this. Our strategy for the future is that we will continue to accumulate the internal accrual that we have, and at the appropriate time, maybe 1-1.5 years down the line, we will look at acquisitions of targets that will add value to our Company, and enable us to either enter a new geography or add new customers or new technology to our portfolio. So, this is our view on moving forward. What will be the inorganic growth strategy for the Company? So, Chairman sir, maybe we could now move to question number two.

Ramesh C. Jain- Yes. Sanjay, if you may also like to answer Ramesh Yadav's question on the Exotech expansion plan.

Sanjay Thapar- Yes. So, as we declared in our last earnings call. So, while we had announced the acquisition, because Exotech, we have expanded sales very rapidly. So, it is two years since we acquired this company, and we have doubled the sales. We have increased the EBITDA margin by 300 basis points. So that's a very healthy outcome. And we see a very strong demand from our customers for Exotech. And that is why we had said that we would look at the expansion of capacity at Exotech. In the meanwhile, since we acquired Walter Pack, which is just in very close vicinity to the Exotech plant, we see that there are a lot of synergies in terms of plastic injection moulding capability that both these companies require. So, we are re-looking at the whole expansion in Pune. We have, for this purpose, already acquired a lot of land. We have about 7.5 acres of land already in the name of the Company, very close to the Exotech plant and the Walter Pack plant. But we have paused this expansion because we would like to make a more frugal investment in the design and layout plant so that it can serve the needs of both Walter Pack and Exotech because we see both these businesses growing at a very fast trajectory. So that is the reason why we have deferred the plan. We have not stopped that investment. In the short term, to make sure that our growth objectives for Exotech are met, we have embarked on a major program of debottlenecking within the company. We are also working with supplier partners to enrol capacity. So smaller companies which have chrome plating capability, we have signed strategic agreements with them that they are available to us, or the plants are available to us to meet our growth needs. So, we hope that we will be able to start work on this new plant somewhere in the calendar year 2024. In the meantime, we will use this outsourcing capacity and the benefits of debottlenecking the Exotech operations to

meet our growth objectives. Another area I would like to highlight at the same point is that Exotech does two businesses: one is chrome plating, and the other is painting on plastics. Now, while the chrome plating capacity was full, we had just one shift in the painting area. So, we have successfully won a very large business for painting in this Company. So that also will allow us to reach a growth target for this current year without compromising even if we defer the plan by two calendar years to 2025. So, this is merely a frugal investment, and we are very mindful that our ROC and our ROEs should be of a high order. That is the reason why we are relooking at this expansion, even though we declare to our shareholders that we will look at expanding capacity. So, this is, I think the more innovative way to create capacity in a more frugal manner, as I said earlier. So, that was that.

Ramesh C. Jain- So, Sanjay, you may also ask Maruti's first question: why no dividend?

Sanjay Thapar- There was another question on the expected turnover of Exotech and SJS in FY 2024.

Ramesh C. Jain- You would like to answer that you may. I thought that Mahendra would answer that. Anyway, you may go ahead and answer them.

Sanjay Thapar- Maybe it's just an extension of the Exotech question. We have, in our last earnings call, said that, with the acquisition of Walter Pack, we are looking at approximate 50% revenue growth for the consolidated S.J.S. entity for the next year. This would include Walter Pack's nine months of operations, plus it would include Exotech and S.J.S. expansion. So, while we will grow 50% overall, thanks to this acquisition of Walter Pack and our growth strategies of winning new businesses. On a standalone basis, if I talk only S.J.S. and Exotech, we expect our revenues to grow by about 20%-25% has been guided by the market earlier. So that is an outlook for the future.

Ramesh C. Jain- Question of dividend, would you like to answer?

Sanjay Thapar- Maybe Mahendra could answer that question.

Ramesh C. Jain- Mahendra could answer. Go ahead. Mahendra, could you please answer?

Mahendra Naredi- So, dividend is something as a Company, we are generating a good amount of free cash flow. And that money either utilize for expansion and generates better EPS for the shareholders or, if it's not possible, then declared as a dividend. So, we follow that to the benefit of all the stakeholders, you should go for expansion or going into the EPS and create the value for all the stakeholders and henceforth. So far, we have not declared a dividend. But in the future, we are generating a good amount of cash, and our strategy worked very well. We will make more returns to our stakeholders and giving dividends this is going to get benefited majorly bigger shareholders. And we believe that dividends generally return maybe 6% to 7% if they put the money into the bank account. Rather, we put into the expansion and generate better turns for the shareholders. So that's our approach.

Ramesh C. Jain- Thanks. Now, let me answer the question that who will run this company after Everstone's exit. Well, it has always been Mr. Joseph and Mr. Thapar who will be running S.J.S. business. Mrs. Joseph, being the M.D., looks after the operations and new product development part of the business. Mr Thapar looks after the marketing and finance part of the business. They work together towards business growth and expansion and report directly

to the Board. Mr. Joseph and Mr. Thapar's contributions have been pivotal in the company's expansion. With their continued involvement at S.J.S., our goal is to further leverage their guidance and expertise to drive growth that benefits the Company's shareholders. Now, may I ask the remaining part of the question by Mr. Joseph himself, what are your plans for the future Mr. Joseph? That's the question by Maruthi, I guess again, would you like to answer?

K.A Joseph- Maruti, I am 62 years old. I have been running this company for the last 36-odd years. I am also grooming My son Kevin, who is 31 years old. He has been in the company for nearly five years and has been looking after certain departments exclusively in the company. I and Sanjay would like to run the company for the next 5-6 years as long as it goes. And the reason I put in these funds also, as preferential shares for the acquisition, shows only my confidence in the company to grow further. I hope that answers your question.

Ramesh C. Jain- Thank you, Joseph. Thank you very much. We have answered all the queries raised by the shareholders. Shareholders can also write to us at compliance@sjsindia.com if they have any further queries, which will be answered within seven days. Members may note that the e-voting facility will remain open for the next 30 minutes to enable those shareholders who had not cast their votes earlier and would like to cast their votes now. The Board of Directors has appointed Mr. Ananth R. Deshpandey as a scrutinizer for the AGM, and the voting results will be declared within two working days. The scrutinizers' report will be uploaded on the Company's website and the website of Link in time India Private Limited. Results will be intimated to stock exchanges. In closing, I express my heartfelt gratitude to each one of you. With this, the meeting comes to an end. The E-voting platform is open for the next 30 minutes from now. Thank you for your participation and support.

Thabraz Hushain- Before we conclude the meeting, I would request you to introduce our Nominee Director, Mr. Vishal Sharma, Sir, which was missed earlier.

Ramesh C. Jain- My apologies if I missed that. May I introduce Mr Vishal Sharma, who is our Nominee Director My apologies, Vishal. I slipped it.

Mr. Vishal Sharma- No problem.

Ramesh C. Jain- Alright. With this, I thank everybody once again for their participation and support.

Thabraz Hushain - Thank you.

END OF MEETING