

Fiem Industries Limited

31st Annual General Meeting,
held on 21st September, 2020 at 10.00 am
through Video Conference (VC) / Other Audio Visual Means (OAVM).
Transcript / summary of proceedings pursuant to Circular No. 14/2020 dated 08/04/2020 issued by
Ministry of Corporate Affairs, Govt. of India.

Arvind K. Chauhan Company Secretary	<p>Good Morning to all, This is Arvind Chauhan, Company Secretary. Before starting the proceedings by Chairman, I would like to share some essential information for smooth conduct of the Meeting.</p> <p>In order to ensure the safety of all stakeholders, this AGM is being organized through Video Conference which is in compliance with the applicable Circulars issued by the Ministry of Corporate Affairs and the SEBI.</p> <p>The company has made all efforts to enable the members to participate in the meeting through Video Conference and to vote electronically.</p> <p>The proceedings of this AGM shall be deemed to be conducted at the Registered office of the Company. Company has arranged for electronic inspection of applicable registers.</p> <p>I confirm that Mr. S.K. Jain, Independent Director and the Chairman of the Audit Committee and Chairman of Nomination & Remuneration Committee is present.</p> <p>I also confirm that Mr. V.K. Malhotra, Independent Director and the Chairman of the Stakeholder Relationship Committee is also present.</p> <p>Before the Questions & Answers session, the members will be in the mute mode only. Audio and video will be switched on when they will speak at the AGM.</p> <p>From the shareholders login data available on dash board, I confirm that the Quorum is present.</p> <p>I now hand over the proceedings to the Chairman. Over to you Sir.</p>
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Mr. J.K. Jain, Chairman	<p>Thanks Arvind</p> <p>Good Morning to all of you, Dear shareholders, my fellow board members, ladies and gentlemen, A very warm welcome at the 31st AGM of Your Company.</p> <p>I pray that you all are keeping safe and staying healthy.</p>
	<p>It is my pleasure now to introduce the Board members and other officials present, in the meeting.</p> <p>Please note that following Directors are joining from their residence</p> <p>Mr. Mohan Bir Sahni, Mr. S.K. Jain Mr. V.K. Malhotra, Mr. Iqbal Singh, Mr. Jawahar Thakur, Mr. A.K. Sharma, Ms. Shobha Khatri, Mrs. Seema Jain, Ms. Aanchal Jain.</p> <p>The Directors joined from Office are:</p> <p>Mr. Rahul Jain, Mr. Rajesh Sharma and Mr. Kashi Ram Yadav, Mr. O.P. Gupta, Our CFO and Mr. Arvind Chauhan, our present Company Secretary, have also joined from Office.</p> <p>Our Statutory Auditors, Mr. Varun Sachdeva from V. Sachdeva & Associates and Secretarial Auditor, Mrs. Ranjana Gupta have also joined the Meeting from their offices.</p>
	<p>Dear Members,</p> <p>As we have the sufficient quorum present, so now I call this meeting to order.</p> <p>As the Notice of the 31st Annual General Meeting is already with you, therefore, I take the same as read.</p> <p>There is no adverse qualification, observation or comment in the Auditors' Report. Hence, the same is not required to be read.</p> <p>Annual Report and Notice are available at the Insta Vote platform as well as at the website of the Company.</p>



**Chairman
Speech**

Dear Shareholders,

The COVID-19 pandemic is the most disruptive event in recent times. It has changed the life of people across the globe.

We are fighting this pandemic and it has severely affected the economies across the globe.

Coming to our Industry, Financial Year 2019-20 proved to be another difficult year for the Automotive Industry and two-wheeler segment was also not spared. In the end of the financial year, COVID-19 has further compounded the pain.

To ensure the health and the safety of our employees, and in compliance of directions of the govt. authorities, we had also suspended our operations in all the factories from 23rd March onwards till 3rd May, 2020.

In May First Week, the operations started resuming in a phased manner. and after ensuring all measures of social distancing, sanitisation and other safety norms etc.

During Financial Year 2019-20, two-wheeler industry registered a negative growth of 14% against the growth of 6% during the Last Financial year i.e. 2018-19.

With this background and in these difficult times, your Company has been able to perform much better than industry and achieved a sale of Rs.1366 Crores during Financial Year 2019-20 in comparison to Rs.1434 Crores during the previous Financial year with a decline of 4.75%.

The Profit After Tax of the company has significantly increased by 42% to Rs. 79 Crores during the Financial Year 2019-20 in comparison to Rs.55.5 Crores during the last year. This significant increase is due to the fact that Company has exercised the option permitted under the Income Tax Act, wherein domestic companies can have the option to pay income tax at a lower rate of 25%, subject to compliance of certain conditions.

Over the years, your Company has shown strong performance even during the difficult times and continued its growth journey despite of all disruptions and challenges.

I believe that when the situation improves, the recovery will be faster in two-wheeler segment, because of the pent-up demand and preference of the people to travel alone rather than public transport.

In fact, August month has given good indication of strong recovery in two wheeler segment.



	<p>We remain focussed on strengthening our in-house design and development capabilities and going ahead with the new projects as per the customer plan.</p> <p>We continue to be one of the most preferred supplier to the OEMs and successfully getting new business from them because of their confidence in our R&D and our production capabilities.</p> <p>I extend my deep gratitude to our valued OEM customers for their trust and confidence on us.</p> <p>Under the C S R, Your Company is extending helping hand to poor and needy patients at AllMS, New Delhi and also conducting several other welfare activities.</p> <p>Since listing, Company has been paying Dividend. For the Financial Year 2019-20, Company has already paid Interim Dividend of Rs. 10 per share and the Board has recommended a Final Dividend of Rs. 3 per share for your approval, making a Total Dividend of Rs. 13 per Share for the Financial Year.</p> <p>I am thankful to all our Investors and other stakeholders for their co-operation and trust during all these years.</p> <p>Though these are very difficult times, but we are hopeful for a faster recovery.</p> <p>I wish and pray for an early solution to get rid of COVID-19 pandemic.</p> <p>Thank you all of you for joining us today and giving me an opportunity to share my thoughts with you.</p> <p>Now I am moving to next proceedings. Company Secretary please proceed.</p>
Company Secretary	<p>Thank you Sir.</p>
	<p>There are Ten Resolutions in the Notice to be approved by the members at this AGM. Except Item No. 6, all are Ordinary Resolutions. Item No. 6 is proposed as Special Resolution.</p> <p>Item No. 1 is:</p> <p>To consider and adopt:</p> <ol style="list-style-type: none"> The audited financial statements of the Company for the Financial Year ended March 31, 2020, the reports of the Board of Directors and Auditors thereon; and The audited consolidated financial statements of the Company for the Financial Year ended March 31, 2020 and the report of Auditors thereon.



	<p>Item No. 2 is: To confirm the payment of Interim Dividend of Rs. 10/- per equity share and declare a Final Dividend of Rs. 3/- per equity share for the Financial Year 2019-20.</p> <p>Item No. 3 is: To appoint a Director in place of Mrs. Seema Jain, who retires by rotation at this Annual General Meeting and being eligible, has offered herself for re-appointment.</p> <p>Item No. 4 is: To appoint a Director in place of Ms. Aanchal Jain, who retires by rotation at this Annual General Meeting and being eligible, has offered herself for re-appointment.</p> <p>Item No. 5 is: Ratification of remuneration of the Cost Auditors for the Financial Year 2020-21.</p> <p>Item No. 6: This is proposed as Special Resolution: Approval of re-appointment and remuneration of Mr. J.K. Jain as Chairman & Managing Director of the Company.</p> <p>Item No. 7 is: Approval of re-appointment and remuneration of Mr. Rahul Jain as Whole-time Director of the Company.</p> <p>Item No. 8 is: Approval of re-appointment and remuneration of Mr. Kashi Ram Yadav as Whole-time Director of the Company.</p> <p>Item No. 9 is: Regularization of Mr. Rajesh Sharma as Director of the Company and approval of his appointment and remuneration as Whole-time Director of the Company</p> <p>Item No. 10 is: Regularization and appointment of Ms. Shobha Khatri as an Independent Director of the Company.</p>
	<p>We now move on to our discussions with shareholders who have registered themselves as Speakers.</p> <p>Before we commence the session, I would like to share a few guidelines for the Question & Answer Session. The Q&A session will be anchored by the Moderator once, I call the pre-registered speakers to speak one-by-one.</p> <ul style="list-style-type: none"> • Members are requested to unmute their microphone before speaking and also enable their webcam if they wish to appear on the video. • Answers to the Financial Queries raised by the shareholders, if any, will be provided once all the speaker shareholders have spoken.



	<p>I now invite the speaker shareholders one by one. So, if any speaker has not joined the meeting, moderator will inform.</p>
<p>Summary of Speaker Shareholders' questions and reply by Chairman</p>	<p>In total, 6 requests came from shareholders for registration as speaker shareholders. The names are as under: Speaker No. 1: Mr. Ajay Kumar Jain (Client & DP ID: 1203230004049043) Speaker No. 2: Mr. Ashok Kumar Gupta (Client & DP ID: IN30114311142981) Speaker No. 3: Mr. Chetan Chaudha (Client & DP ID: 'IN30011810826627) Speaker No. 4: Mr. Manjit Singh (Client & DP ID: 'IN30020610907641) Speaker No. 5: Mr. Yash Pal Chopra (Client & DP ID: 'IN30070810592558) Speaker No. 6: Mr. Ashok Kumar Jain (Client & DP ID: IN30011810242590)</p> <p>Company Secretary called the name of registered speaker shareholders one by one, as per their turn. Moderator facilitated them to speak by audio or video. Out of 6 speaker shareholders, only 3 came to speak at AGM.</p> <p>They commented on COVID-19 situation, Company's performance, readiness of the Company to fight COVID-19. They also asked few general questions, praised the Company's management and also gave few general suggestions like to go for roof-top solar power, print the message of social distancing on packaging of products etc.</p> <p>Chairman appreciated the shareholders for their suggestions and expressed gratitude towards them for the words of praise for the Company. He also replied to all their questions.</p>
<p>Company Secretary</p>	<p>All the Registered Speakers have been spoken. I take this opportunity to inform that we had already sent 3 reminders in the month of June, July and August to those shareholders, whose Dividend is pending for 7 Years and hence shares of these shareholders are liable to be transferred to Investor Education & Protection Fund.</p> <p>All Shareholders are requested to claim their unpaid Dividend at earliest. The details are given in Notice of AGM as well as a list of these shareholders are also uploaded on the website of the Company. So, we still have 15 days or 1 month time. They can respond to us and we will take swift action to transfer their unpaid dividend to their accounts.</p> <p>One more thing I want to share that we have taken the facility of our Registrar, Link Intime, where you can online update your mobile number, your email ID and your Bank details. Now a days, it is very important that your complete bank records/ bank details should be in the records of your depository or with the registrar, so that all dividend can immediately be transferred on the same date to your bank account. If the bank details are incomplete, then we have to go for physical instrument like warrant or demand draft and that takes time. It is loss for you, it is also problem for bank as well as for the registrar. So, I request all shareholders to update their</p>



	<p>details online either through depository or through RTA. This facility, we have still kept open for the benefit of shareholders. All details are given in the Notice.</p> <p>Now, I think all questions has been replied. I request Chairman to please move to the next Item.</p>
Chairman	<p>I believe that all the queries has been replied with.</p> <p>I will now inform about the e-voting. The company had provided remote e-voting facility to the members to Vote between 10 A.M. of 18th September till 5 P.M. of 20th September, 2020. The cut-off date was 14th September.</p> <p>On this Insta Meet platform, the Company has also provided e-voting facility for those shareholders, who attended the meeting and could not vote through remote e-voting.</p> <p>Mrs. Ranjana Gupta, P.C.S., is appointed as a scrutinizer for voting by the shareholders. Her decision will be final with regard to validity and results of the voting. On the receipt of the final report from the scrutinizer, the results of the voting will be announced within 48 hours from the conclusion of the meeting.</p> <p>I hereby authorise the Company Secretary to announce the results of the Voting and place on the website of the Company and the website of agency providing the e-voting facility. The results will also be submitted to NSE and BSE.</p> <p>The e-voting is now open and will close after 15 minutes. After 15 minutes from now, the AGM shall stand concluded.</p> <p>Thank you once again to all of you for joining us today. I wish you all a safe and healthy future. Thank you very much.</p>
Conclusion	<p>After that, e-voting window remained open for 15 Minutes and some shareholders, who attended the AGM, but couldn't vote through remote e-voting, voted through e-voting window.</p> <p>The Annual General Meeting concluded at 10.57 am.</p>

