

EXTRA ORDINARY GENERAL MEETING
10th December, 2021 AT 2.00 P.M.
By Video conferencing (VC)

**Conduct at the Extra Ordinary General Meeting
INTRODUCTORY PROCEEDINGS**

Dr Ram Shroff:

Ya we can begin.

Anannya Godbole:

Good afternoon all the members and the Board of Directors.

I Anannya Godbole, Company Secretary welcome you all to the Extra Ordinary General Meeting of your Company. I am attending this meeting from Mumbai.

This meeting is being held through video conference in accordance with the circular issued by the Ministry of Corporate Affairs and SEBI from time to time.

In terms of Articles of Association and Clause 5.1 of the Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118 (10) of the Companies Act, 2013 "The Directors present at the meeting shall elect one of themselves to be the Chairman of the meeting."

Now I request one of the Directors to propose the Chairman of the meeting.

Mr. Rajesh Jaggi:

Ya good afternoon, I Rajesh Jaggi attending this meeting from Mumbai, propose Dr. Ram H. Shroff as a Chairman of the meeting.

Mr. Darius Khambatta:

I Darius Khambatta attending the meeting from Mumbai, the second proposal.

Anannya Godbole:

Now I request Dr. Ram H. Shroff to take the chair and preside over the meeting.

Dr. Ram H. Shroff:

Ya, thanks good afternoon, hello everyone, hope everyone is doing well.

I Dr. Ram Shroff, Chairman of the meeting and also the member of Stakeholders Relationship Committee welcome you all to the Extra Ordinary General Meeting of your Company. I am attending this meeting from Mumbai.

I have been informed that the requisite quorum is present and so I call the meeting to be in order.

Apart from Directors, Key Managerial Personnel of the Company Mr. Abhilash Sunny, Chief Financial Officer & CEO and Ms. Anannya Godbole, Company Secretary & Compliance Officer of the Company are also present in this meeting through video conferencing.

Mr. Mayur Shah of M/s M H S & Associates, Statutory Auditors of the Company and Mr. Ashish Jain of M/s. A. K. Jain & Co., Secretarial Auditor of the Company are present in this Meeting through video conferencing as well.

The Company has received authorization under Section 113 of the Companies Act, 2013, from 6 Companies and 1 LLP, consisting of 71.16% of the total Equity Paid up Capital of the Company.

Since there is no physical attendance of members in this meeting requirement of appointment of proxy is not applicable.

All the necessary documents as are required to be made available, under the provisions of the Companies Act or rules or regulations there under are available on website of the Company i.e. www.deltamagnets.com for inspection during the course of this meeting.

The Notice convening the Extra Ordinary General Meeting has already been circulated to the members of the Company by way of email on 16th November, 2021 to their registered email address as per the circulars issued by Ministry of Corporate Affairs & SEBI.

Since the Notice of the Extra Ordinary General Meeting is circulated to the members, I shall take the same as read.

The Company has provided the facility to cast the votes electronically, on resolution set forth in the Notice. Members who have not cast their votes yet electronically and who are participating in this meeting, will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL.

The Company has appointed, Mr. Ashish Jain of M/s. A. K. Jain & Co., Company Secretary in Practice, as Scrutinizer to scrutinize voting process conducted through remote e-voting in a fair and transparent manner. The Scrutinizer shall submit his report to the Company Secretary of the Company on behalf of myself.

The resolutions mentioned in the notice convening this EGM have already been put to vote through remote e-voting hence there will be no proposing and seconding of resolutions.

Now I think there are some questions and some speakers who are here so I hereby request the speakers to restrict their questions to the specific agenda items. We will try and answer the best of we can.

Mr. Sandeep Mankad (Host) if I can please request you to announce whoever the speaker is so we can answer their questions.

Mr. Sandeep Mankad:

Speaker no. 1 is Ms. Elizabeth Mascarenhas. Ms. Elizabeth you have now been placed in the meeting please unmute yourself start your video and ask your questions.

Ms. Elizabeth Mascarenhas:

Can you hear me.

Dr. Ram Shroff:

Ya we can hear you good afternoon.

Ms. Elizabeth Mascarenhas:

Respected chairman of the EGM other honourable directors attending this virtual meet my fellow shareholders who are in this meet. I am speaking from Mumbai. My name is Mrs. C.E. Mascarenhas. First of all, I thank the company secretary and his team for registering me as a speaker and also sending me this zoom link. I am very grateful thank you all so much. Now as this is only an EGM but as it is as usual, I am always interested to because in AGM there were so many other meetings so it became very difficult to be part of it, because now you are Delta Manufacturing and not Delta Magnets. So, I would like to know from that angle also little further than what is the matter today the future road map, the capex for the next 3 years, and keeping in mind the Covid protocol and the lessons we have learned from Covid

1 and 2 this is what and remaining I support all the resolutions. I wish the company best and the coming year ensuing year 2022 will be free of this Covid and we will become in strength. Thank you so much for giving me this opportunity and patient hearing. Thank you once again.

Dr. Ram Shroff: Sure, thank you and thanks for attending and thank you for these questions. So if I have got them right you know one is of course what is the capex for the future would be planned as you said. The second question is what is the further plan for the company income of moving forward and the last one is you asked related to Covid protocol etc. what are the steps we are taking right. So of course, I will try to answer these questions quickly. From capex point of view, you know I think what we have tried and planned for the current end and next financial year is approximately in the range of about 7 – 8 crores most of this will be towards getting our machinery towards I would say 75% - 80% of these would be towards our textile and label manufacturing segment of the business the other 25% - 20% parts will be towards magnets side of the business. So that's the answer to the first question. In terms of what is the future course of business its again related to textile side you know plans are to get into new kind of label which called heat transfer label there is a huge scope and limited competition so that is where we are looking at one of the equipment from the capex point of view where we identified this and that's the one which is been ordered and will be soon coming in may be by March or so. From the magnet side of things, we are looking at again may be going little above the value chain and looking at certain other extrusion magnets kind of projects that we are working on so that's in R & D that we are trying to work on and develop the powder grade. From the Covid protocol. I mean let's keep all fingers crossed because I think that is something that you know none of us can really predict, we can only hope. I would only say that all of our people in the factory are vaccinated there are may be just about handful who have not done the second vaccine and that is because historically they had covid. So you know that timing on little delayed but we have pushed and ensuring and keeping a track on vaccination so that is number one and number two is masks are there everywhere and it is very compulsory to the people to wear in addition to all other hygiene requirements of sanitization and social distancing to the extent is possible and currently of course as know that the numbers are not very high so we keep our fingers crossed that what says and just with basic protocol ease of above things that are mentioned. We can contain it and that's far as factories are concerned on a broader market prospective, I think all of us are consumers and life is new to normal so we keep our crossed. So, I hope I am able to answer your queries.

Anyone else who's there.

Mr. Sandeep Mankad:

Yes, sir next speaker is Mr. Dnyaneshwar Bhagwat I am putting him in Panel list.

Dr. Ram Shroff:

Yeah sure.

Mr. Sandeep Mankad:

Mr. Bhagwat you have been placed in the meeting please unmute yourself start your video and ask your questions.

Mr. Dyaneshwar Bhagwat: Hello, can you hear me.

Dr. Ram Shroff: Yes, we can hear you.

Mr. Dyaneshwar Bhagwat: first of all, thank you very much sir for giving, calling my name for second speaker. Now first all I thank our company secretary who has sent me the soft copy well in advance which is full of knowledge and easy to understand. Secondly, I support all the resolutions. Thirdly whatever information actually I required it is there so on need of asking more questions.

Dr. Ram Shroff:
Okay

Mr. Dyaneshwar Bhagwat:

Thank you very much. Happy new year for 2022 to our company as well as to our employee and thank you very much sir.

Dr. Ram Shroff:

Thank you very much for your support, Sir and your wishes and we wish you the same. Thank you.

Mr. Dyaneshwar Bhagwat:

Thank you sir. Thank you.

Dr. Ram Shroff:

Yeah, anyone else.

Mr. Sandeep Mankad:

Next speaker is Mr. Kirti Shah. He has not attended. Kirti Shah are you there. Shall we go to another speaker.

Dr. Ram Shroff:

Yes of course if Mr Shah is not there.

Mr. Sandeep Mankad:

Next is Mrs Lekha Shah.

Dr. Ram Shroff:

Yeah.

Mr. Sandeep Mankad:

I think she is also not there in the panel list.

Dr. Ram Shroff:

Okay.

Mr. Sandeep Mankad:

Sir shall I go to another one.

Dr. Ram Shroff:

Yes please.

Mr. Sandeep Mankad:

Next is Mr. Rajesh Joseph he is there.

Dr. Ram Shroff:

Yeah.

Mr. Sandeep Mankad:

Mr. Rajesh Joseph you have now been placed in the meeting please unmute yourself start your video and ask your questions.

Mr. Rajesh Joseph:

Hello am I audible.

Dr. Ram Shroff:

Yes.

Mr. Rajesh Joseph:

Sir thanks for the opportunity. Sir I have already sent the questions to the secretarial department should I repeat the same.

Dr. Ram Shroff:

Yeah, for the benefit of may whoever else is on this so.

Mr. Rajesh Joseph:

Okay Sir what I am trying to understand is, what is the gameplan of our company because many companies operating in the hard and soft of its sector mentioned the future is very bright but at that time, we are divesting our many assets in this segment. So, what is our company's gameplan whether we are planning to concentrate only on textile division going forward or what is our plan while we are planning to diverse one by one in this segments that is my question sir. How we are planning to utilise the proceeds recently received from the divesting assets that's my question.

Dr. Ram Shroff:

Sure, so yeah firstly thank you for attending and thanks for those questions. I think both of them are valid. The first question is why we are divesting form one by one to everything. I don't think we are divesting into everything we are only divesting into where we feel there is no value proposition left for the company. So, if you actually look in it from the Magdef which is the company for kind of business we have sold that is only because it has been and it continues to be trading arm and when it comes to trading the margins are getting you know smaller and smaller because of the way the world is working everyone is going to source to the direct manufacturers and we found that from the prospective it had more value and getting that money back and using that money for both reduction of debt and buying some other

equipment and that is the reason why we have moved ahead and divested in that seal of business. So, I mean I would just say that's where it ends for the future short term. We are not looking at divesting any other business as things stands of course the circumstances change. I guess you would be the first to know being a shareholder but as things stands that's the only thing the reason be what I just expressed that what it is.

Again, what are we going to do with the funds as I explained to the speaker earlier as well. One is in utilising the capex. Some of it is going towards the magnetic for the magnetic part of the company and some of it will go towards getting some equipment for our textile so it is combination of all these three things. So, I hope I am able to answer your questions.

Mr. Rajesh Joseph:

Hello

Dr. Ram Shroff:

Yes, we can hear you.

Mr. Rajesh Joseph:

Sir can you give some idea about the proportion of income we are expecting from both these divisions in the next 3 years down the line.

Dr. Ram Shroff:

So Mr. Joseph I mean while I can give you a very broad picture of that the agenda of today is not specifically related to that but since you are online, I will quickly speak just giving you, broadly speaking it will be you know 65:35 in favour of the magnets as of now in terms of topline but as we are moving ahead, we are seeing that the textile business is giving better margins. So, we may start focusing in their whether issue may go to 50:50 moving forward so specific numbers 3 years from now I mean I won't be getting into this forum. May be some other time and that's a little dynamic number which is changing basis a lot of changes in the market scenario etc also. So that is a kind of broad you know percentages towards both the divisions.

Mr. Rajesh Joseph:

Okay Sir, thanks a lot.

Dr. Ram Shroff:

Thank you for your timing questions. Yeah, Sandeep anyone else.

Mr. Sandeep Mankad:

No sir, there no other speakers.

Dr. Ram H. Shroff:

Okay so then thank you all. The results of remote e-voting shall be announced today, i.e Friday, 10th December, 2021, by intimation to the Stock Exchanges and will be placed on the website of the Company and also on the website of NSDL.

I thank all the members for your continued support to the Company and look forward to your support in future, as well.

The e-voting will continue for the next 15 minutes post which the meeting will be deemed as concluded.

Thank you everyone and All the best for the New Year and hope to see you all soon.