



Harsha Engineers International Limited
Annual General Meeting
September 28, 2023

PANEL MEMBERS: MR. RAJENDRA SHAH – CHAIRMAN & WHOLE TIME DIRECTOR
MR. HARISH RANGWALA –MANAGING DIRECTOR
MR. VISHAL RANGWALA – CEO & WHOLETIME DIRECTOR
MR. PILAK SHAH – COO & WHOLE TIME DIRECTOR
MS. HETAL UKANI – WHOLE TIME DIRECTOR
MR. KUNAL SHAH – INDEPENDENT DIRECTOR
MR. AMBAR PATEL - INDEPENDENT DIRECTOR
PROF.(DR.) NEHARIKA VOHRA – INDEPENDENT DIRECTOR
DR. BHUSHAN PUNANI - INDEPENDENT DIRECTOR
MR. RAMAKRISHNAN KASINANTHAN – INDEPENDENT DIRECTOR
MR. MAULIK JASANI – VP FINANCE & GROUP CFO
MR. KIRAN MOHANTY – COMPANY SECRETARY AND CHIEF COMPLIANCE OFFICER
MR. CHINTAN SHAH – PARTNER OF M/s PANKAJ R ASSOCIATES, STATUTORY AUDITOR
MR. CHIRAG SHAH – PARTNER OF M/S CHIRAG SHAH & ASSOCIATES, SECRETARIAL AUDITOR AND SCRUTINIZER OF MEETING

Chairman

“Good Morning you all!! A warm welcome to this Annual General Meeting of Harsha Engineers International Limited being held through video-conferencing. This meeting is being conducted through video conference in pursuance of circular of Ministry of Corporate Affairs. This is our 1st virtual annual general meeting post listing. Accordingly, the Company had taken all requisite steps to enable members to participate and vote on the items being considered in the meeting. The basic instructions relating to e-Voting and Attending the meeting through video conferencing forms part of Notice of the Annual General Meeting.

I Rajendra Shah, Chairman & Whole-time Director of the Company and also the Chairman of Risk Management Committee and Corporate and Social Responsibility Committee of the Company attending this Annual General Meeting from my office at Ahmedabad.

As per the Attendance Record available through the module facilitated by Link Intime India Private Limited, 83 members are attending the meeting through Video Conferencing.

Further today, at this meeting requisite quorum being present.

The documents referred in the Notice and the other Statutory Registers are available for inspection in the electronic mode. Members seeking to inspect the documents can send an e-mail to the Company at sec@harshaengineers.com.

As the requisite quorum is present through video conferencing, I call the meeting to order.

I welcome my colleagues on the Board, Auditors and other Company officials who are present in this meeting from their respective location:

Mr Harish Rangwala, Managing Director of the Company,

Mr Vishal Rangwala, CEO & Whole time Director of the Company,

Mr Pilak Shah, COO & Whole time Director of the Company,

Ms Hetal Ukani, Whole time Director of the Company,

Mr Kunal Shah, Independent Director and Chairman of the Audit Committee,

Mr Ambar Patel, Independent Director and Chairman of the Nomination & Remuneration Committee and Chairman of the Stakeholder Relationship Committee,

Prof.(Dr) Neharika Vohra, Independent Director of the Company,

Dr Bhushan Punani, Independent Director of the Company,

Mr Ramakrishnan Kasinathan, Independent Director of the Company,

Mr Maulik Jasani, VP Finance & Group CFO of the Company,

Mr Kiran Mohanty, Company Secretary & Chief Compliance Officer of the Company,

Mr Chintan Shah, Partner of M/s. Pankaj R Associates, Statutory Auditors and

Mr Chirag Shah, Partner of M/s. Chirag Shah & Associates, Secretarial Auditor of the Company and Scrutinizer of this meeting.

Now, I request the Company Secretary of the company to start with the proceedings of the meeting.

C.S

Thank you, Sir. Good morning, dear members. Pursuant to the MCA and SEBI Circulars, the Annual Report for the Financial Year 2022-23 along with the Notice of 13th AGM has already been circulated to all the shareholders through electronic mode whose email addresses are registered with the Company or Depositories. The Notice and Annual Report have been uploaded on the website of the Company at www.harshaengineers.com. The Notice can also be accessed from the websites of BSE Limited and National Stock Exchange of India Limited and it is also available on the website of M/s Link Intime India Private Limited i.e. www.linkintime.co.in.

With your permission, the Notice of the 13th AGM and the Auditors Report is taken as read as the same have already been circulated to the members. As there are no qualifications in the Statutory Auditors Report and Secretarial Audit Report, the same are considered to be read.

Please note that all the members who have joined this meeting are by default placed on mute, to avoid any disturbance from background noise and ensure smooth and seamless conduct of the meeting.

Now, I request Chairman sir to deliver his Speech. Over to you Chairman sir.

Chairman

Thank you, Kiran.

Dear esteemed shareholders, board members, and colleagues,

I stand before you today with great privilege and honour to extend a warm welcome to each one of you at the AGM of Harsha Engineers International Limited. Your presence here holds tremendous significance, and I want to express my heartfelt gratitude for your engagement and investment in our company. Our venture began humbly, but what followed was nothing short of remarkable. Investors, initially cautious, carefully examined our past and future prospects. Their confidence in us grew steadily, even amidst a market downturn.

Today, I'm delighted to announce that our IPO was oversubscribed by a staggering 74.70 times. Your support and commitment mean the world to us, and we are truly grateful to have you on this remarkable journey with Harsha Engineers.

Economy

It is no secret that the world has been grappling with a series of unforeseen crises. From the COVID-19 pandemic to economic downturns, supply chain disruptions, and geopolitical tensions, the global landscape has indeed been daunting. However, amidst this turbulence, there emerges a bright spot - India. India has demonstrated a remarkable level of resilience with a growth rate of 7.2%, even in the most unprecedented circumstances. India's strong economic fundamentals have played a pivotal role. With a large and dynamic workforce, a rapidly growing middle class, and a diverse economy, India possesses the ingredients for sustained growth. Despite the challenges of the past year, our commitment to economic reform and development has remained unwavering.

Projections indicate that India is on a trajectory that will see it emerge as the world's third-largest economy by 2027. The marvel of human achievement, where we ventured beyond our planet to set foot

on the lunar surface serves as a deep commitment to our relentless pursuit of knowledge and exploration, pushing the boundaries of what's possible.

Additionally, the conclusion of G20 Leaders' Summit in India representing a significant portion of the world's population and economy, reminds us of the importance of international cooperation in addressing these complex challenges.

Industry

India's industrial sector holds a significant position, contributing around 30% to the nation's Gross Value Added (GVA). In FY 2022-23, this sector faced notable challenges, notably due to the Russia-Ukraine conflict. While there were substantial disruptions in the supply chain, they did not reach the severity initially anticipated. Nonetheless, the industry had to address the challenges of rising prices and scarcity of essential commodities.

Geopolitical tensions have left their mark on many regions, including Europe and India. India, however, has managed to mitigate these effects remarkably well, largely due to its flourishing manufacturing sector. India's manufacturing capabilities are steadily propelling the nation towards developed status. This progress is not only benefiting India but also fueling growth in related industries. One such example is the bearing cage market, which is experiencing significant expansion thanks to its growing and diverse applications.

Bearing cages are a vital component, finding applications in diverse sectors such as automotive, railways, windmills, heavy machinery, and aerospace. The landscape of India is rapidly evolving, with the construction of multiple expressways and highways, which has spurred the demand for commercial vehicles and heavy machinery.

One of the most pivotal initiatives in our country is the modernization of the Indian Railways. The introduction of the VandeBharat Express and the construction of a high-speed rail network for bullet trains are set to enhance connectivity and foster economic growth across the nation. This, in turn, will further increase the need for bearing cages, creating opportunities for companies like Harsha Engineers.

In the automotive sector, India has achieved a significant milestone in 2022, securing its position as the third-largest automotive market globally. This remarkable achievement can be attributed to the growing middle class and rising incomes, which have led to a surge in demand for private vehicles nationwide. As a result, the automobile sector and its ancillary industry have experienced substantial growth, presenting promising prospects for the future.

Operational Performance

In 2022-23, HEIL expanded its product portfolio by developing many new products. Furthermore, we successfully completed investments to enhance our capacity in bronze bushing, a critical component in our product range. This investment underscores our dedication to staying at the forefront of technology and ensuring that we can meet the growing demand for our products. In addition to product expansion and capacity enhancement, we are proud to report that we continued to strengthen our relationships with existing customers, gaining additional wallet share.

We have always been at the forefront of innovation, and this is reflected in our expertise in nonferrous foundry techniques and precision machining. Our venture into Precision Bronze Bushing has proven to be a significant milestone for us as it resulted in securing a substantial order from international companies. What is even more promising is the commitment from these international clients for year-on-year order escalation.

At Harsha, our foundation is firmly built upon the pillars of customer orientation, satisfaction, and loyalty. These values are not just words; they are the guiding principles of our ethos. Our commitment to excellence in everything we do is a testament to our dedication to our customers' needs and satisfaction.

Financial Performance

I am delighted to share with you the impressive financial results achieved by HEIL for the year 2022-23. Our revenue from operations reached an Rs.1,364 Crore, reflecting a growth of 3.22% compared to Rs.1,322 Crore in the previous year. Additionally, our Profit Before Tax (PBT) surged to Rs. 167 Crore, marking a remarkable growth of 31.98% from the previous fiscal year when it was Rs.127 Crore. Furthermore, our Profit After Tax (PAT) experienced significant growth, reaching Rs.123 Crore in 2022-23, compared to Rs.92 Crore in the preceding year. This represents an outstanding growth rate of 34.07%, underscoring our ability to not only generate revenue but also efficiently manage our expenses. These financial results are a reflection of the dedication and hard work of our entire team, the trust of our customers, and the support of our stakeholders.

Sustainability

In a world where environmental concerns are becoming increasingly pressing, it is our responsibility as individuals and organizations to take meaningful steps towards a more sustainable future. At Harsha Engineers, we recognize this responsibility, and we are taking concrete actions to fulfil it.

One of the most significant initiatives, we have undertaken is the installation of a hybrid power project, which combines innovative technologies to harness renewable energy sources. This project includes a wind turbine generator with a capacity of 2.7 MW, along with a 0.675 MW AC and 1.0125 MW DC solar power plant. By harnessing the power of the wind and the sun, we are not only reducing our reliance on fossil fuels but also significantly decreasing our carbon footprint.

But our commitment to sustainability goes beyond energy production. We actively engage in rainwater harvesting, recognizing the importance of preserving this precious resource. By collecting and utilizing rainwater, we contribute to water conservation and reduce the strain on local water supplies.

Furthermore, we are proud to utilize treated water from our Sewage Treatment Plant (STP) for various purposes within our operations. This not only minimizes water wastage but also ensures that we make the most of our resources while simultaneously reducing the environmental impact of our activities.

In all of these endeavours, we are guided by a deep sense of responsibility towards our planet and future generations. It is our moral duty to take concrete steps towards preserving the environment for ourselves and for those who will inherit this Earth from us.

Conclusion

In conclusion, I extend my sincerest gratitude to each and every individual who has played a role in our remarkable journey. To our loyal customers, thank you for your continued patronage and trust in Harsha Engineers. To our esteemed shareholders and esteemed board members, your guidance and stewardship are the pillars of our success. To our partners, agents, and employees, your dedication and support inspire us to reach new heights. I also think our bankers for their one tired support. With all of you standing beside us, I am confident that Harsha Engineers is poised to achieve even greater heights in the years that lie ahead. We remain committed to driving growth and prosperity that not only enriches our company but also contributes to the progress of our nation. Once again, I express my heartfelt appreciation for your trust in Harsha Engineers.

Thank you!

Jai Hind

The shareholders who have any queries and have not registered themselves with the Company as Speaker may send their queries to the Company at sec@harshaengineers.com. As per the record of our Registrar, some shareholders have registered themselves as speakers to speak during the meeting.

We shall allow the registered speakers to ask the questions one by one and thereafter I will give the answers to the questions of the speakers.

Please note that the registered speaker will be unmuted and is allowed to speak for 3 minutes only. Therefore, you are requested to complete your questions within the time allotted to you and thereafter you will be muted.

I request moderator to unmute the speakers one by one.

Moderator

Thank you, Sir. Our first speaker shareholder for this event Mr. Kaushik Sahukar. Mr. Kaushik, you may speak now.

Mr. Kaushik Sahukar

Yeah, I am audible, Sir?

Chairman

Yeah

Mr. Kaushik Sahukar

I am honoured to have the opportunity... Good morning to all. I am honoured to have the opportunity to address all you today. I would like to express my gratitude to board of directors for allowing me this chance once again. First of all, I salute the Board of directors for conducting VC model of meeting there was allowing parental participation. Sir request you to continue this trend. I'm satisfied shareholders of Company and I must combined the management for the remark efforts in creating wealth of the shareholders. However, I like to raise a couple of concerns.

Please continue, please continue Sir. Yes, Sir. My primary concern potential utilization of saving on account of virtual mode of meeting. I believe it will be prudent and fat to locate a person of this funds to the West of shareholders more particular among speakers' shareholders. So actually, participate in AGM speakers consulting the valuable contribution active involvement in the meeting it would be desktop recognition to distributors small momento on the festival Sir. Yeah. Can you provide the breakup expensive account of virtual meeting and on account of physical mode of meeting is possible.

Humbly request to board customer proposal explode the possibility of implementing the gesture gratitude but doing so family with that it will be imposed the positive Republic company and stock holders and contribute to overwhelming of a corporate family. My next concern is what the recent develop

operational achievements and challenges faced by the company. How is company and racing and operational issues or inefficiencies. For the company strategic plan, for next year for nutrition study plan for next year and beyond? Are there any new product line market expansion plans in pipeline?

My final concern is my company has been assistant in supporting individual in need including myself. I have shared my present past and fall of consult with the company. But my question not be considered. Should not acting different event person with part of sexual activity? Plus, why my request how will be ignored? Appeal for support in certification work, including Form 15 CB. Your assistant would mean a lot me if I can't get help from such an approval that you like Harsha Engineering then who can turn to, I am resending my credential of meeting the hopes of receiving justice approach to consideration for regard help and support.

I want to clarify that I am not seeking handout the free money nor sympathy our value more independence and tells I'm chartered accountant myself and I hope you can understand and respect my desire to maintain independence. Thank you for considering my request and if formula that with now support I can make significant Contribution to organizations and have a positive impact on society. I really await your response and sincerely appreciate your time, attention we were given today. Additionally, I would like to request your assistance introducing with your esteemed auditor as a fellow professional. Believe the expertise and guidance for me Instrumental in realising on mutual call. Thank you. Thank you so much, Sir.

Chairman

OK.

Moderator

Thank you, Mr. Kaushik, Chairman. Sir, no other speaker shareholder rightly available in the panel. So, you may proceed further.

Chairman

Kaushik. Thank you for your suggestions. You have given a very good suggestion. Definitely we will consider and whatsoever is applicable we will try to application apply it one more as you ask immediately any of development you are starting at the moment, we have no plan but once it is decided we will let you know. Thank you for your participation. We appreciate your suggestions. Thank you.

Moderator

Chairman Sir. With the new permission, which means Swaran Lata is available. May i?

Chairman

Yeah, please.

Moderator

Thank you

Ms. Swaran Lata

Hello. Am I audible?

Chairman

Yes.

Ms. Swaran Lata

Thank you and good morning to our Chairman, Sir, Board of Directors and the fellow shareholders joining this meeting. Sir, most of my queries have been covered in your speech and the other questions raised. So, I just want to say that our company is doing very well and our profits have been good in this year under review. So how do you plan to reward the shareholders like me? And also, I want to thank our secretarial team and Mr. Kiran Sir, for enabling me and allowing me to interact with the management and also for sending me a copy of annual report at 1 request. Thank you, Sir and all the best for future.

Chairman

Yeah, very good, we noted your point. We have already started rewarding by giving the dividend and so we have already started this process Hello. Hello. Can you hear me?

Moderator

Chairman Sir, she is already left.

Chairman

Okay, now next anyone?

Moderator

All speakers available you may have proceeded further Sir.

Chairman

So here we conclude the question and answer session and it is possible that some of the Members wish to ask questions but failed to register in advance. I would request such members to send their queries to us via e-mail after the meeting is over. We will ensure that all such questions will be answered via email within reasonable time.

Now I again request Company Secretary to brief members about the Resolutions to be passed at this AGM and about conducting e-voting process during the meeting:

C.S

Thank you Sir.

Ordinary Business to be transacted at this AGM are:

- 1) To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on March 31, 2023 together with the reports of Board of Directors and Auditors thereon;
- 2) To declare a dividend on equity shares Re 1 per equity share of Rs 10 each for the financial year ended March 31, 2023.
- 3) To appoint a director in place of Ms. Hetal Ukani, who retired by rotation, being eligible for re-appointment and offers herself for the same.
- 4) To appoint a director in place of Mr. Rajendra Shah, who retired by rotation, being eligible for re-appointment and offers himself for the same.

Special Business to be transacted at this AGM are:

- 5) To ratify remuneration of Cost Auditors of the Company to be paid for the financial year 2023-24;

In accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Members have been provided the facility to exercise their right to vote by electronic means, both through remote e-voting and e-voting at the Annual General Meeting. In this regard the Company had tied up with Link Intime India Private Limited to provide facility for voting through remote e-voting, e-voting during the meeting and participation in the meeting through video conference.

The remote e-voting period commenced on 9 a.m. on Monday, September 25, 2023, till 5 p.m. on Wednesday, September 27, 2023. Remote e-voting has been disabled on September 27, 2023 at 5 pm.

Members who have not cast their votes through remote e-voting facility and who are attending this meeting may cast their vote by electronic means on all or any of the resolutions. The members who have already casted their votes by remote e-voting shall not be entitled to vote again.

Members may follow the process of e-voting as provided in the Notice of Annual General Meeting. Members may cast their votes at any time during the course of the meeting and until 15 minutes after the close of the meeting.

The voting results will be declared upon receipt of scrutinizer's report and the same shall be posted on the Company's website as well as on the website of BSE & NSE and the respective agencies.

Now I request Chairman Sir to conclude the meeting. Over to you sir.



*Harsha Engineers International Limited
September 28, 2023*

Chairman

Thank you, Kiran. Ladies and Gentlemen, I declare the meeting to be concluded here. Thank you once again for being with us. As informed by the Company Secretary, the voting results will be declared in due course and communicated to the respective authorities.

Stay safe and healthy. Thank you!!!

Moderator

Thank you, Sir. Closing Banner have been put in for live Streaming you may exit from the Panels. Okay. Thank you, Sir. Thank you. Thank you for being present.

Chairman

Thank you, Thank you everyone. Thank you very much.