



TRANSCRIPT OF THE 47th ANNUAL GENERAL MEETING

DAY : Wednesday
DATE : September 30, 2020
TIME : 11:00 a.m.
VENUE : Through Video Conferencing

Mr. Deepak Nagar, Company Secretary:

Good Morning Dear Shareholders. I welcome you all on behalf of your company Panchmahal Steel Limited to its 47th Annual General meeting which is being held today through video conferencing in accordance with the circulars issued by the Ministry of Corporate Affairs, applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Before I hand over the proceedings to the Chairman to declare the meeting open, I would like to highlight certain points here:

The Company has made all efforts feasible under the current circumstances to enable the members to participate at the meeting through the video conferencing facility and vote electronically. The Company has enabled the Members to participate at the 47th AGM through video conferencing facility provided by CDSL. The capacity of this VC meeting is 1,000 participants and members will be allowed to join on first come basis.

By default, all members joining this meeting are placed on mute mode to minimize any background noise and to ensure that the meeting can proceed smoothly and seamlessly.

The joining to this meeting opened 15 minutes before the scheduled time of the commencement of the meeting, which is 11:00 am and it will remain open for another 15 minutes after the end of the meeting.

The proceedings of this meeting are also being recorded for compliance purposes and that the proceedings of this AGM shall be deemed to have been conducted at the registered office of the company.

In accordance with the provisions of the Companies Act, 2013 and 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 AGM.

Remote e-voting facility was made available to all Members holding shares as on the cut-off date, during the period commencing from 9 AM IST on Sunday, September 27, 2020 till 5 PM IST on Tuesday, September 29, 2020. Remote e-voting has been blocked on September 29, 2020 at 5.00 pm.

Members joining the meeting through video conferencing, who have not already cast their vote by means of remote e-voting, may vote through E-voting facility provided on the portal by CDSL. Please note that the Members who have cast their vote by remote e-voting prior to the AGM shall not be entitled to cast their vote again.

The Board of Directors has appointed Mr. Niraj Trivedi, Practicing Company Secretary, as Scrutinizer for the e-voting process of this meeting. Based on the report of the Scrutinizer, the combined results of remote e-voting and the e-voting done at the meeting today will be announced and displayed on the website of the Company, and will also be submitted to the stock exchanges as per the requirements under the SEBI Listing Regulations.

Lastly, I would like to inform you that the Chairman & Managing Director of the Company Mr. Ashok Malhotra is unwell today and though present as attendee, he has expressed his sincere apology for not being able to chair the meeting today.

As per the provisions of the Companies Act, 2013 and the Secretarial Standards of General Meetings, the Directors present have elected Mr. Kalpesh Parmar, who is a Non-Executive & Non-Independent Director of the Company and a Member of the Audit Committee to be the Chairman to conduct the proceedings of this Annual General Meeting.

With this, I now hand over the proceedings to the Chairman. Thank you.

Mr. Kalpesh Parmar, Chairman of the Meeting:

Thank you, Deepak. Namaskar and a very good morning, dear shareholders, my fellow board members, ladies and gentlemen. A very warm welcome to you all at the 47th Annual General Meeting of our Company. I pray that you all, your families and all your loved ones are keeping safe and staying healthy.

On behalf of the Panchmahal Steel's Board of Directors, I want to thank you for taking the time out, to join us today.

The world is going through a difficult time due to the coronavirus pandemic. In order to ensure the safety of all stakeholders, this annual general meeting is being organized through video conferencing which is in compliance with the guidelines issued by the Ministry of Corporate Affairs, Government of India and the Securities and Exchange Board of India. The Company has made all efforts to enable the members to participate in the meeting through video conferencing and to vote electronically.

It is my pleasure now to introduce the board members and other officials present at the meeting to you all. I would request each member to acknowledge when I introduce him / her.

Mr. Ashok Malhotra Chairman & Managing Director is attending this meeting from his residence at Vadodara.

Ms. Suchita Shah is a Non-Executive Non-Independent of the Company and is also a Member of Nomination & Remuneration Committee and Stakeholders Relationship Committee. She is joining this meeting from the Corporate Office of the Company at Vadodara.

Mr. Amal Dhru is an Independent Director of the Company. He is also the Chairman of Audit Committee & Nomination and Remuneration Committee. He is joining this meeting from Ahmedabad.

Mr. Milan Shah is an Independent Director of the Company, Chairperson of Stakeholders Relationship Committee and Member of Audit Committee & Nomination and Remuneration Committee. He is joining this meeting from Mumbai.

Mr. Samir Parikh, an Independent Director of the Company and Member of Audit Committee has also expressed his inability to attend this Meeting due to pre-occupation.

Mr. Deepak Nagar, Company Secretary & Compliance Officer and Mr. Nilesh Shah, Chief Financial Officer are both present and have joined this meeting from the Corporate office of the Company.

The representatives of the Statutory Auditors, Mr. Alok Shah from M/s. CNK & Associates, LLP, Chartered Accountants and Mr. Niraj Trivedi, Practising Company Secretary, Secretarial Auditor and Scrutinizer, are joining us from their respective offices from Vadodara.

Deepak, can you please confirm the quorum for this meeting?

Mr. Deepak Nagar, Company Secretary:

Chairman Sir, requisite quorum is virtually present and participating through video conferencing and the meeting is duly constituted.

Mr. Kalpesh Parmar, Chairman of the Meeting:

Thank you, Deepak. Dear Members, as we have the requisite quorum present through video conferencing to conduct the proceedings of this meeting, I now call this meeting to order. The statutory registers are available at the website of the Company for inspection electronically till the conclusion of this meeting. As the notice of the 47th Annual General Meeting is already with you all, therefore, I take the same as read. There are no adverse qualifications, observations or comments in the auditors' report. Therefore, the same is not required to be read in this meeting and is being taken as read.

Before we take up the items as per the Notice, I would like to share with you the performance of the Company during the financial year 2019-20 and the general outlook for the Stainless-Steel Sector.

Dear Shareholders,

The FY 2019-20 has been a challenging year for most businesses across the globe. The stainless-steel industry faced a number of challenges due to slowdown in economic growth amidst global muted demand, geopolitical tensions and falling steel prices. These macroeconomic headwinds and operational challenges have adversely affected the contours of the business environment in which we operate. Further, the outbreak of COVID-19 pandemic created an unprecedented socio-economic disruption across the globe. Uncertainty continues to prevail in the COVID-19 environment.

As reported in the Financial Statements for the year ended 31st March, 2020, the total revenue (including other income) of the Company during the year was Rs.332.50 crores as compared to Rs.455.25 crores in the previous year. The Company has incurred Loss before Tax of Rs.15.19 crores for the year under review as against previous year Profit before Tax of Rs.3.80 crores.

The Company has incurred Total Comprehensive Loss of Rs.31.77 crores for the year under review, mainly due to Deferred Tax & MAT adjustment of Rs.17.01 crores (previous year Total Comprehensive Income of Rs.2.56 crores).

Despite various uncertainties and the challenging business environment, your Company is closely monitoring the overall business environment and optimizing operations to align with the market conditions.

As we look ahead, PSL is confident in its ability to navigate this adverse period through improvement in operational parameters and internal cost efficiencies.

With these words, I would like to take this opportunity to express my sincere appreciation for your continued trust, confidence and support to the Company.

Thank You very much.

Mr. Deepak Nagar, Company Secretary:

Thank you, Sir. I request you to continue with the proceedings of the meeting.

Mr. Kalpesh Parmar, Chairman of the Meeting:

I would now like to brief you about the resolutions which are required to be passed today. There are “Four Resolutions” in the notice to be approved by the members at this Annual General Meeting.

The first resolution is an Ordinary Resolution and is related to consideration and approval of the audited financial statements for the financial year ended March 31, 2020 together with Directors’ and Auditors’ Report thereon.

Second resolution is an Ordinary Resolution and is regarding re-appointment of Ms. Suchita Shah. She is a Non-Executive Non-Independent Director of the Company. Ms. Suchita Shah is retiring by rotation and being eligible, has offered herself for re-appointment.

Item No. 3 relates to my appointment as Non-Executive and Non-Independent Director of the Company. I being interested in this resolution, request Ms. Suchita Shah to conduct this business item.

Ms. Suchita Shah, Non-Executive Non-Independent Director:

The Third resolution is an ordinary Resolution for the appointment of Mr. Kalpesh Parmar as a Non-Executive and Non-Independent Director of the Company. Mr. Kalpesh Parmar was appointed by the Board of Directors as an Additional Director w.e.f. February 14, 2020, subject to shareholders approval.

Mr. Kalpesh Parmar, Chairman of the Meeting:

Thank you, Mam.

The fourth resolution is also an Ordinary Resolution regarding ratification of remuneration of Cost Auditors for the financial year 2020-21 and accordingly the same is put forth before you.

Since this meeting is held through VC facility and resolutions are put to vote only through e-voting, the practice of proposing and seconding of resolutions is not being followed.

We now move on to our discussions with shareholders who have registered themselves as speakers with the company for raising their queries or to share their views on any item of the AGM notice, or on the financial statements for the financial year 2019-20.

Mr. Deepak Nagar, Company Secretary:

Chairman Sir, the members who wish to speak at the meeting were requested to register themselves as a speaker by sending an e-mail to the Company within the stipulated time.

I would like to place on record that none of the members, have registered themselves as speaker to express their views or ask questions during the meeting nor any queries in writing have been received by the Company from members.

Mr. Kalpesh Parmar, Chairman of the Meeting:

Well, the Company always welcome your valuable comments and suggestions from all of you and will surely consider them.

This brings us to the end of this meeting. Before I announce conclusion of this meeting, few important points -

As informed by the Company Secretary earlier, members attending the AGM today who have not cast their vote by remote e-voting may cast their vote on the CDSL e-voting platform now. You are given 15 minutes time for e-voting.

On the receipt of the final report from the scrutinizer, the results of the voting along with remote e-voting will be announced within 48 hours from conclusion of the meeting. The results of voting will also be displayed on the website of the Company and on the website of CDSL and will also be submitted to the stock exchanges, once they are declared.

There being no other business, I now declare the meeting as closed.

On behalf of the Board of Directors and management of Panchmahal Steel, I convey our sincere thanks to all the Members for attending and participating at this meeting. Please stay healthy and stay safe and take care of yourselves.

Thank you very much, have a good day.

Mr. Deepak Nagar, Company Secretary:

Thank you, Sir for chairing the meeting at such a short notice. Last but not the least, I also thank all the participants for attending this AGM. Thank you very much.