

TRANSCRIPT OF THE 48th ANNUAL GENERAL MEETING

DAY : **Monday**
DATE : **September 27, 2021**
TIME : **11:00 a.m.**
VENUE : **Through Video Conferencing**

Mr. Deepak Nagar, Company Secretary:

Dear Shareholders, Good Morning!

I am Deepak Nagar, Company Secretary of the Company joining this meeting from Corporate Office of the Company at Vadodara. I welcome you all on behalf of your Company “Panchmahal Steel Limited” to its 48th Annual General Meeting which is being held through video conferencing.

I hope, all of you are safe and in good health and stay that way. In view of the continuing restriction on the movement of persons and to maintain the social distancing, this meeting is being held 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.

We have with us, Shri Ashok Malhotra, Chairman & Managing Director of the Company. He is also a Member of Stakeholders Relationship Committee,

Before I hand over the proceedings to the Chairman to declare the meeting open, I take you through certain points regarding the participation and e-voting at this meeting.

The joining to the meeting opened 30 minutes before the scheduled time of the commencement of the meeting and the shareholders were encouraged to join in at least 15 minutes before it and the meeting will remain open for another 15 minutes after the end of the meeting.

The Company has made all feasible effort to ensure that shareholders are provided an opportunity to participate in this AGM and vote electronically.

The registered office of the Company shall be deemed to be the venue of this AGM and the proceedings of the AGM shall be deemed to be made thereat to transact the businesses as mentioned in the Notice.

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.

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 through the system provided by CDSL.

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 Friday, September 24, 2021 till 5 PM IST on Sunday, September 26, 2021. Remote e-voting has been blocked on September 26, 2021 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.

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

Mr. Ashok Malhotra, 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 48th Annual General Meeting of our Company. I pray that you all, your families and all your loved ones are keeping safe and staying healthy during these tough times.

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

I would like to mention that in view of the massive outbreak of Covid-19 pandemic, social distancing is a norm to be followed and therefore, this AGM today has been convened 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.

Before I commence with my formal address, I would like to ask all my colleagues on the Board to introduce themselves.

Mr. Amal Dhru please.

Mr. Amal Dhru:

Good Morning, I am Amal Dhru, an Independent Director of the Company. I am also the Chairman of Audit Committee & of Nomination and Remuneration Committee. I am attending this AGM from Ahmedabad today. Thank you.

Mr. Ashok Malhotra, Chairman of the Meeting:

Mr. Milan Shah please..

Mr. Deepak Nagar, Company Secretary:

Chairman Sir, Mr. Milan Shah, an Independent Director of the Company has regretfully just informed me that due to technical and connectivity issues he currently is not able to join us from Jammu & Kashmir.

Mr. Ashok Malhotra, Chairman of the Meeting:

Noted, Deepak.

Ms. Suchita Shah Please..

Ms. Suchita Shah

Good Morning. I am Suchita Shah, Non-Executive & Non-Independent Director of the Company. I am also a Member of Nomination & Remuneration Committee and Stakeholders Relationship of the Company. I am joining this meeting from Vadodara. Thank you!

Mr. Ashok Malhotra, Chairman of the Meeting:

Mr. Kalpesh Parmar Please..

Mr. Kalpesh Parmar

Good Morning. I am Kalpesh Parmar, Non-Executive & Non- Independent Director of the Company. I am also a Member of the Audit Committee.

I am joining this meeting from the corporate office of the Company at Vadodara. Thank you!

Mr. Ashok Malhotra, Chairman of the Meeting:

Mr. Samir Parikh Please..

Mr. Samir Parikh

Namaskar, I am Samir Parikh, an Independent Director and Member of Audit Committee of the Company and I am joining this meeting from USA.

Mr. Ashok Malhotra, Chairman of the Meeting:

I would also like to recognize the attendance of Mr. Deepak Nagar, Company Secretary and Mr. Nilesh Shah, Chief Financial Officer joining this meeting from the corporate office of the Company at Vadodara.

In addition, we also have with us Mr. Pareen Shah, Partner, CNK & Associates, LLP, Statutory Auditors and Mr. Niraj Trivedi, Secretarial Auditor and Scrutinizer for e-voting, and both are joining us from their respective offices from Vadodara.

Deepak, is there a quorum for this meeting?

Mr. Deepak Nagar, Company Secretary:

Yes Sir, requisite quorum is virtually present and can commence the proceedings.

Mr. Ashok Malhotra, Chairman of the Meeting:

Thank you, Deepak. Dear Members, as we have the requisite quorum present to conduct the proceedings of this meeting, I now call this meeting to order.

The statutory registers are available for inspection to the members at the website of the Company till the conclusion of this meeting.

As the notice of the 48th Annual General Meeting is already circulated in advance, it is proposed to take the same as read.

There are no adverse qualifications, observations or comments in the auditors' report. Accordingly, with the permission of the shareholders, I take it 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 2020-21 and the general outlook for the Stainless Steel Sector.

Ladies and Gentlemen,

Today, as we convene the 48th Annual General Meeting of Panchmahal Steel, I once again welcome each one of you. It is always a pleasure to connect with you all and although virtual, it is a privilege to host you today. I sincerely hope and trust that our next AGM will be in person where we can have the warmth of face-to-face interaction.

The Covid-19 pandemic is once in a lifetime occurrence that is brought with it unimaginable suffering to people and to almost all sections of the economy. It has been a challenging year and though the second wave of Covid pandemic seems to be subsiding, we still need to keep up the guard.

I wish that all members of Panchmahal Steel family and country at large stay safe and follow Covid safety protocols.

Let me now highlight the key performance of your Company during the financial year 2020-21. Your Company achieved a total revenue of Rs.343.32 crores and profit before tax of Rs.9.81 crores during the year under review despite the pandemic induced challenges and complexities, as against revenue of Rs.332.50 crores and a loss of Rs.15.19 crores in the previous year.

During the year, the Government had imposed stringent lockdowns on account of COVID-19, which severely impacted manufacturing and business activities of the Company.

The Company's strong performance in the last financial year underscores the resilience of our business model and the continued commitment of the management.

The global economy has begun to recover after the severe negative impact on account of the Covid-19 situation. The steel industry in particular is witnessing an up-cycle after stagnating for the past several years. Your Company is well poised to benefit from the changing business environment and your directors are confident of improved performance and profitability in the coming years.

Before I close, I would like to express my sincere appreciation to the Banks, Customers, Suppliers and all stakeholders for their co-operation and support to the Company. I also greatly appreciate the dedicated and devoted services rendered by all employees of the Company.

Wishing you all good health.

Dhanyawaad!!

Mr. Deepak Nagar, Company Secretary:

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

Mr. Ashok Malhotra, Chairman of the Meeting:

In terms of the Notice of the 48th Annual General Meeting, following 6 items are to be considered at this meeting:

Item No. 1 - Adoption of Audited Financial Statement of the Company for the financial year ended March 31, 2021 together with Directors' and Auditors' Report thereon.

It is proposed to be passed as an Ordinary Resolution.

Item No. 2 - relates to my appointment and I, being interested in this resolution, now vacate the chair and request Mr. Kalpesh Parmar, Non-Independent Director to take the chair and proceed with the AGM Notice.

Mr. Kalpesh Parmar

Item No. 2 is an Ordinary Resolution and relates to the appointment of Shri Ashok Malhotra, (DIN: 00120198) as director, liable to retire by rotation and he being eligible, offered himself for re-appointment.

I now vacate the chair and request Mr. Malhotra, Chairman of the Company, to chair the meeting once again and proceed with the AGM.

Mr. Ashok Malhotra, Chairman of the Meeting:

Thank you Kalpeshbhai.

Item No. 3 is a special resolution to approve the alteration of Articles of Association of the Company.

Item No. 4 is an ordinary resolution proposed to be passed to approve the cancellation of 10,700 equity shares forfeited by the Company.

Again, I, being interested in Item No. 5 of the Notice, I vacate the chair and once again request Mr. Kalpesh Parmar, to take the chair and proceed with the AGM Notice.

Mr. Kalpesh Parmar

Item No. 5 is a Special Resolution and relates to the re-appointment of Mr. Ashok Malhotra, (DIN: 00120198) as Managing Director of the Company for a further period of 3 years w.e.f. 1st April, 2021.

I again vacate the chair and request Mr. Malhotra to chair the meeting.

Mr. Ashok Malhotra, Chairman of the Meeting:

Thanks Kalpesh.

Item No. 6 is also an Ordinary Resolution regarding ratification of remuneration of Cost Auditors for the financial year 2021-22 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.

For special business items, the text of the resolutions along with explanatory statement are provided in the notice.

We now move on to our discussions with shareholders who had 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 2020-21.

Mr. Deepak Nagar, Company Secretary:

Chairman Sir, few members had asked queries in advance and have already been replied accordingly. One of the shareholders has registered himself as speaker for the AGM. I shall now invite him to express his views and ask questions.

I request the Moderator to unmute the speaker and ask Mr. Vaibhav Badjatya to come onto the screen and ask his question.

Yes, Mr. Badjatya please proceed with your question.

Mr. Badjatya, are you there?

Mr. Deepak Nagar, Company Secretary:

Chairman Sir, we are unable to get Mr. Vaibhav Badjatya online and therefore we can move on.

Mr. Ashok Malhotra, Chairman of the Meeting:

Well, those members, who have any queries are welcome to get in touch with the CFO or Company Secretary and we will be glad to provide the information to you. Your Company always welcome your valuable comments and suggestions from all of you.

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, those members who have logged-in to attend the AGM today and who have not cast their vote by remote e-voting may cast their vote on the CDSL e-voting platform now. E-voting is already open and would be allowed only up to 15 minutes after the meeting.

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 at the registered office and will be placed on the website of the company once they are declared.

With this the 48th Annual General Meeting comes to an end. I would like to thank my colleagues on the Board as well as invitees. I would also like to thank all the shareholders. I am grateful to you for your time and involvement. I further hereby authorize, Company Secretary to announce the voting results within forty-eight hours of the conclusion of Annual General Meeting and intimate to the BSE & NSE and declare the meeting as concluded. 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. I now formally propose a vote of thanks to the Chairman. And as I close, I and the Board pray for good health and safety to you and your family.

Thank you everyone. Thank you!!
