

TRANSCRIPT

OF

34TH ANNUAL GENERAL MEETING

OF

**NATIONAL STEEL AND AGRO
INDUSTRIES LIMITED**

HELD ON

WEDNESDAY, 30TH SEPTEMBER, 2020

AT 5:00 PM

Anurag Gangrade (Company Secretary): Good Evening Ladies & Gentlemen!

On behalf of National Steel and Agro Industries Limited, I, Anurag Gangrade, Company Secretary extend a warm welcome to all of you at the 34th Annual General Meeting of your Company.

In view of the Covid-19 pandemic and social distancing norms and in accordance with the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India this meeting is being held through Video Conferencing without the physical presence of the members, at a common venue.

I thank you all for joining us virtually.

Before we proceed further, I would like to introduce the Board Members, Key Managerial Personnel and Auditors of the Company joined through the video conferencing:

1. **Mr. Santosh Shahra**- Whole Time Promoter Director and designated as Executive Chairman of the Company. He is also the Chairman of Corporate Social Responsibility and Risk Management Committee of the Company.
2. **Mr. Manoj Khetan**- Whole Time Professional Director & Chief Financial Officer of the Company.
3. **Mr. Rajesh Nema**- Independent Director of the Company. He is also Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee of the Company.
4. **Mr. Ashutosh Upadhyay**- Independent Director of the Company.
5. **Mrs. Ankita Sethi**- Woman Independent Director of the Company.
6. **M/s. Fadnis & Gupte**- Statutory Auditors of the Company through Mr. Vikram Gupte and Mr. Yash Nagar.
7. **Mr. Ashish Garg** - Secretarial Auditor of the Company and Scrutinizer of this General Meeting.

All the directors of the Company are present at this Annual General Meeting through video Conferencing.

At the outset, I would like to mention certain points regarding the participation and voting at this meeting:

- All the members who have joined this meeting are by default placed on mute by the host, to avoid any disturbance from background noise and ensure smooth and seamless conduct of the meeting.
- Once the name of Speaker shareholder is called, the person will be unmuted by the host to enable him/her to speak. Before speaking the shareholder is requested to click on the video as well as the audio icon appearing on the screen to switch it on and if for some reason the shareholder is not able to join through video mode, he/she can still speak by using the audio mode.
- While speaking, we request shareholders to use earphones so that they are clearly audible. If there is any connectivity problem at speakers end the host will mute such speaker and the next speaker will be invited to speak.

The Company has received requests from a few members to register them as speakers at the meeting. Accordingly, the floor will be open for these members to ask questions or express their views or questions.

It may be noted that the Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM.

I now request Mr. Santosh Shahra- Executive Chairman of the Company to begin the proceedings of the meeting.

Santosh Shahra (Chairman) – Thankyou.

Dear Shareholders,

It is indeed an honor to address 34th Annual General Meeting of your Company. I am glad to extend a warm welcome to all of you on behalf of the Board of Directors, the Management and the Employees of the Company. I hope all of you are safe & in good health. In view of the Covid-19 pandemic and social distancing norms and in accordance with circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India this meeting is being held through Video Conferencing.

- I am told by the Company Secretary that the required quorum is present through video conferencing and therefore, I call the meeting to order. In pursuance to the Circulars issued, the Company has e-mailed the Annual Report for the Financial Year 2019-20 along with Notice of Annual General Meeting to only those Shareholders, whose e-mail address were registered with the Company or Sarthak Global Limited, the Registrar and Share Transfer Agent or the depository.
- The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements required to be kept at the Annual General Meeting have been made available electronically for inspection by the members during the AGM.
- Since this AGM is being held through video conferencing, the facility for appointment of proxies by the members was not applicable and hence the proxy register for inspection is not available.
- Qualifications, reservation, adverse remark or disclaimer in the Auditor's Report and Secretarial Audit Report read along with Notes to Accounts and Board's Report are self explanatory.
- I would like to give you brief about the business of the Company in the Financial Year 2019-20 and also brief about the first quarter of current Financial Year 2020-21.

Your Company is engaged in the business of manufacturing of Cold Rolled Steel Sheets / Coil, Galvanized Sheets / Coils / Corrugated Sheets, Colour Coated (Pre-printed) Sheets / Coil / Profile Sheets.

As per the World Steel Association, India gained second position in the Calendar Year 2019 among the major steel producing countries in the world. However, the outbreak of COVID-19 pandemic has led to an unprecedented disruption in the economic activities across the globe. Consequently, the steel demand is expected to be lower in 2020.

During the year under review, the revenue from operations is 1309.32 Crores against 1081.72 Crores for the previous year and Loss After tax is 290.83 Crores against 240.44 Lakhs in the previous year.

Further, I would like to bring to the notice of the shareholders the significant events/orders took place during the period under review and till the date of Annual General Meeting of your Company:

- The Company is negotiating One Time Settlement (OTS) with the lenders. Presently, 70% in value of the lenders have sanctioned the OTS. Further, the Company is in discussion with remaining lenders for OTS.
- On request of the Company, the holders of 4% Cumulative Redeemable Unlisted Non- Convertible Preference Shares have agreed to waive their accrued and unpaid dividends in the Company and further agreed to modify the terms of the issue of Preference Shares regarding the dividend and redemption.
- Few parties including Bank of India have filed Applications/Petitions before the National Company Law Tribunal/Supreme Court under the Insolvency and Bankruptcy Code, 2016.
- The lender banks of the Company have filed case before Debt Recovery Tribunal (DRT), Jabalpur Bench under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

PERFORMANCE OF THE COMPANY IN THE FIRST QUARTER OF 2020-21

Due to the outbreak of novel coronavirus followed by the nationwide lockdown in the entire nation, the operations of the Company were temporarily shut. The Company has resumed its operations in a phase manner adhering to the safety norms.

Accordingly, the operations of the Company were severely affected and the revenues of the Company in the first quarter of current financial year 2020-21 has been reduced comparatively from the corresponding quarter of previous year. The Company expects a gradual recovery, especially from second half of Financial Year 2020- 2021. Also, with the business tie-ups and Job work, the Company is hopeful that it would recover from the financial crunch.

Further, from the last few months, I am not keeping in good health. However, we are putting our best efforts towards the betterment of our Company.

Before we proceed further to consider the business of this meeting, I would like to mention that I am satisfied with the efforts made by the Company to enable the members to participate and vote on the items being considered in the meeting, under the challenging circumstances created due to spread of COVID-19 disease. In particular, the Company has adhered to the applicable provisions and requirements of General Circular issued by Ministry of Corporate Affairs and SEBI.

Now, I handover the further proceedings to Mr. Anurag Gangrade -Company Secretary of the Company to continue on my behalf.

Anurag Gangrade (Company Secretary): Thankyou, Sir.

BUSINESS AT THE 34TH AGM

As the Notice is already circulated to all the members, I take the Notice convening the meeting as read. There are three Ordinary resolutions and Two Special Resolutions under Ordinary and Special Business on the agenda for this meeting.

The Company has provided the facility to cast the votes electronically, on all resolutions set forth in the Notice. Members who have not cast their votes through remote e-voting and who are participating in this meeting are having an opportunity to cast their votes during the meeting through the e-voting system provided by Central Depository Services Limited (CDSL).

The remote e-voting period for the 34th AGM commenced on Sunday, 27th September, 2020 from 10.00 A.M. and ended on Tuesday, 29th September, 2020 at 5.00 P.M.

We now take up the resolutions as set forth in the Notice:

Item No. 1: To Receive, Consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2020 including Audited Balance Sheet as at 31st March, 2020, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the Reports of Board and Auditors thereon.

Item No. 2: To Appoint Mr. Santosh Shahra (DIN: 00305846), who retires by rotation.

Item No. 3: To ratify and confirm for payment of remuneration to M. Goyal & Co., Cost Accountants.

Item No. 4: To Re-appoint Mr. Santosh Shahra (DIN:00305846) as Whole- Time Director (designated as Executive Chairman).

Item No. 5: Appointment of and remuneration to be paid to Mr. Manoj Khetan (DIN: 06395265) as Whole-Time Director (designated as Whole Time Director & CFO).

The text of the resolutions along with explanatory statement is provided in the Notice circulated to the members.

Mr. Ashish Garg, Practicing Company Secretary ('PCS'), who is Secretarial Auditor of your Company, is appointed as Scrutiniser for scrutinising the e-voting process as well as voting system at this meeting. The results of the e-voting/voting at AGM will be declared on receipt of Scrutiniser's Report and placed on Company's website and on the website of Central Depository Services (India) Limited within 48 Hours of conclusion of the Annual General Meeting.

Pursuant to the provisions of Section 107 read with Section 108 of the Companies Act, 2013, there will be no voting by show of hands at this Annual General Meeting.

I now, call upon the first speaker member. I request all the speakers to announce their names before asking any questions or expressing their views.

Moderator: First speaker is Mr. Satish Shah.

Satish Shah: Hello. Can you hear me sir?

Moderator: Yes

Satish Shah: Apne abhi Chairman Speech me company k bare me bahut acchi tarah se smjha diya hai. Sir, Mai Mr. Anurag Sir ka bahut abhari hu unhone hume bolne k liye direct link diya. Is hisab se hum thoda bol sakta hai. Apne jo bhi resolution rakha hai usme mera full support hai. Wish you all the best. Thankyou.

Moderator: Now, the Next Speaker is Mrs. Lekha Satish Shah

Anurag Gangrade (Company Secretary): Mrs. Lekha Satish Shah.

Moderator: Madam, you can speak now.

Lekha Satish Shah: Respected Chairman Sir, Board of Directors and my fellow members. Good evening to all of you. Myself Lekha Shah from Mumbai. I am very much thankful to our Company Secretary Mr. Anurag ji for ascending very good investor services and also sending me the annual report by email well in time in such a difficult situation which is full of knowledge fact and figures in place. Due to pandemic Covid -19 we all are facing crisis and how to stay home. Chairman Sir, I pray to God that he always shower his blessings upon you. Sir, this is the first time we are joining the Video conferencing for giving speech. Before one week and today also our Company Secretary Anurag Ji has given telephonic guidance and proper intimation for attending video conferencing. I am very very grateful to our Company Secretary Mr. Anurag Ji. Sir, I would like to ask few questions. How is the Company preparing itself in the post Covid world? My second question is: What are the learnings from the lockdown and how is the Company implementing those learning? My third question is: How are we engaging our employees? Sir, I would like to say that I support all the resolutions and I wish good luck for the bright future. Thankyou, Sir.

Anurag Gangrade (Company secretary): Thankyou, Madam. The Next Speaker is Mr. Rohit R. Somani.

Moderator: Mr. Rohit R. Somani has not yet joined.

Moderator: Now the next speaker is Mr. Dhyaneswar Bhagwat. He also has not yet joined.

Moderator: Now the next speaker is Mr. Anil Parekh. Sir, you can speak now.

Anil Parekh: Hello. Hello Am I audible? Anurag Ji. Am I Audible?

Anurag Gangrade (Company Secretary): Yes you are audible Anil Ji.

Anil Parekh: Chairman Shahra Ji, Apko bahut saalo k baad dekha hai mene. Halaki wo face to face hum mil nahi pate is saal kyuki Covid -19 pandemic ki wajah se magar video conferencing ke madhyam se hum mil rahe hai to bahut acchi baat hai aur hum ye chahenge ki agle saal hum one to one mil sake. Dusri baat Anurag and his entire team has done excellent job for providing us the assistance as far as joining this video conferencing is concerned. Sir, I would like to ask few questions. What is now resolution plan for the Company and have we finalised any kind of new businesses or anything? I would like to understand where we are now heading and how much of our debts are remaining. So these are few questions from my side and I would like to support all the resolutions put forth today and I am very pleased the way your secretarial team, executives and everybody is assisting us. Thankyou for present hearing. Thankyou.

Anurag Gangrade (Company Secretary): Thankyou Anil Ji.

Moderator: Next Speaker is Mr. Yusuf Rangwala. Mr. Yusuf you can speak now.

Yusuf Rangwala: Respected Chairman, Good Evening Sir, can you hear my voice? You hearing my voice sir?

Moderator: Yes, Sir.

Yusuf Rangwala: Good evening sir, I am very thankful to Mr. Anurag Gangrade, Company Secretary for giving me a chance. Sir, Today, there are ample of meetings but first I will good luck I am seeing our chairman who is very dynamic sir. Chairman Sir, aapne opening speech me bataya tha ki apna plant Indore me hai. Right Sir? So last time jab aap Indore lekar gye the Sir, aap humko bhul gye sir. Abhi sir, after covid-19 ho jaye, ya to January ya to February ek chota sa get together rakhiye aur visit rakhiye. Bus mujhe aur kuch nhi kehna to apne sab accha vyavashthit kar rhes sab. Apke guidance me sab accha ho rha hai. Anurag Sir, Aap bhi acche rahe aur aap surakshit rahe and please apna take care and humare chairman sir b bahut bahut acche hai sir and unko dekhkar hume bht khushi hoti hai sir. Bus mujhe aur kuch nhi puchna hai sir. Jai Hind! Jai Maharashtra! aur Vande Matram! Bharat Mata ki Jai!

Moderator: Next Speaker is Mr. Asif Yunus Moody. Sir you can speak now.

Asif Yunus Moody: What is the road map of three company and what will happen if the Company is taken by other Company like Bhushan Steel or Electro Steel. Any chance of company to be taken over by other company please let me know.

Moderator: The next speaker is Mrs. Homayun Beruz Pouredahi who has not yet joined sir and the next and last speaker is Mr. Beruz Feramroz Pouredahi who has also not yet joined. Since, there is no speaker shareholder, Sir, you can proceed further.

Anurag Gangrade (Company Secretary): Few shareholders have asked queries relating to the revival of the Company. I would like to submit that the Company has already submitted its One Time Settlement plan to all the lender Banks, out of which 5 lender banks have accepted the proposal and the same has been disclosed to the shareholders and stock exchanges within time frame. Further, through ramping up the unutilised manufacturing facilities of the Company, we are trying to come out of this financial crunch currently company is suffering. Further, as this is a virtual meeting so we tried to connect all the

shareholders. But due to time gap and technology gap, few of the shareholders have not been provided opportunity. However, the request received from shareholders within time frame has been accounted for. We have tried to give answer of the questions raised by the members. It may be noted that the members, who are yet to cast their vote, may cast their votes within next fifteen minutes, after which the voting facility at AGM will be disabled by CDSL to allow scrutinizer to process his report.

All items of the Notice have been duly transacted and there is no other business outstanding. Hence, I conclude the meeting. I thank you all for participating in the meeting through video conferencing.

I also place thank on behalf of Chairman of the Company and Board of Directors.

Thank you very much.