



Scan Steels Limited
27th Annual General Meeting
September 30, 2020
10.00 A.M IST to 10.45 A.M. IST

CORPORATE PARTICIPANTS

Ankur Madaan

Whole - Time Director

Praveen Patro

Executive Director

Punit Kedia

Independent Director

Vinay Goyal

Independent Director

Debjani Sahu

Independent Women Director

Prabir Kumar Das

President & Company Secretary

Gobinda Chandra Nayak

Chief Financial Officer

Khyati Desai

Asst. Company Secretary

Other consultants and Auditors and

Shareholders

Moderator: Yes, sir you can go ahead.

Welcome Address

Management: Good morning to all.

Management: Good morning sir.

Praveen Patro

Good Morning everyone, Myself, Praveen Patro, Mr. Rajesh Gadodia Chairman of the company is unable to attend the meeting, hence as per the mutual consent of all the Directors present. I will take the chair for the Meeting. I'm attending the annual general meeting from our office at Bhubaneswar, Odisha. Before we start the main proceedings of the Meeting, I have immense pleasure in welcoming my vibrant management team who are present in this virtual meeting through video conferencing from different locations in India. I would now request Management Team on the video Conference to introduce themselves.

Praveen Patro

Mr. Ankur Madaan

Ankur Madaan

Good Morning everyone. I am Ankur Madaan. I am the Whole-Time Director of Scan Steels Limited, I am attending this Meeting from our office in Rajgangpur, Odisha.

Praveen Patro

Mr. Punit Kedia

Punit Kedia

This is Punit, attending the AGM of Scan Steels from our office in Rajgangpur, Odisha. I am an Independent Director and Chair of the Nomination and Remuneration committee. Thank you

Praveen Patro

Mr. Vinay Goyal

Vinay Goyal

I'm Vinay Goyal, attending the AGM of Scan Steels from our office in Rajgangpur, Odisha. I am an Independent Director and Chair of the Audit and Stakeholder Relationship and CSR committee. Thank you

Praveen Patro

Mrs. Debjani Sahu

Debjani Sahu

Hello, good Morning. I am Debjani Sahu, Independent Director, attending the AGM from our office at Bhubaneswar, Odisha.

Praveen Patro

Prabir Das

Prabir Das

Good morning to all. I am the President and company secretary of your company. I'm attending the annual general meeting from our office at Bhubaneswar, Odisha.

Praveen Patro

Mr. Gobinda Chandra Nayak

Gobinda Chandra Nayak

Good Morning everyone. I am Gobinda Nayak, CFO, attending from our office at Bhubaneswar, Odisha.

Praveen Patro
Ms. Khyati Desai

Khyati Desai
Hello and Good Morning to everyone, I'm Ass. Company Secretary of Scan Steels and I'm attending this AGM from our Registered office in Mumbai.

Praveen Patro
Apart from them, we also have Statutory auditors, Bibek Mohanty, Secretarial Auditor, Amerandra Mohapatra, Scrutinizer, Abhijeet Jain who have also joined this meeting from their respective locations.

Thank you all, the Directors, Consultants to join us in our 27th AGM.

Moderator: Sir there are 25 participants logged in.

Praveen Patro
It is 10:00 AM and it's time to start the meeting. Participation of members through video conference is being reckoned for the purpose of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013. The requisite quorum being present now, I call this meeting to order.

I would now like to request Mr. Prabir Das to give general instruction to our Members to Participate in the Meeting.

Prabir Kumar Das: I welcome you all in this AGM. At the outset, I would like to thank everybody for their most delighted presence in the first ever digital AGM. This is very painful and a roller coaster year till now. Nature's intelligence has put business and life into the doldrums. All predictions, in all aspects are being collapsing like house cards. Not me, we all need to have perseverance and patience together to win over the ensuring time. I sincerely request to all to have unison in thoughts and approaches to keep us afloat in the present business scenarios.

First of all with the permission of Chairman I would like to inform you all regarding the participation in this meeting, that the facility for joining this meeting through video conference, or other audio visual means is made available for the members on first come first served basis. All members who have joined this meeting are by default placed on the mute mode by moderator to avoid any disturbance arising from the background noise and ensure smooth and seamless conduct of this meeting. Members are requested to refer the instructions provided in the notice for a seamless participation through video conference and for voting during the meeting. In case members face any difficulty, they may reach out to the helpline numbers mentioned in the notice. Over to Chairman.

Chairman's Speech

Praveen Patro: I have a great pleasure in welcoming you all to the 27th annual general meeting of Scan Steels Limited, which is being held through video conferencing. This meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI and in compliance with the provisions of Companies Act 2013 and SEBI (LODR) Regulations 2015. The company has made all feasible efforts under the current circumstances to enable the members to participate in the meeting through video conferencing facility and vote electronically.

Dear shareholders, I would have very much liked to meet and address you in person. But as you know we are holding this meeting over a virtual platform due to the prevailing unprecedented circumstances. I would like to thank you for sparing the time to join us today from wherever you are and for your continued faith in Scan Steels Limited and its management. I hope you and your family members are remaining healthy and staying safe. As you know the fiscal year 2020 started off as a promising year on all fronts, we were on the track in the terms of revenue growth, and profitability until January 2020. When the country began witnessing early signs of the pandemic, in a manner of speaking, financial year 20 ended abruptly and at the same time, it became clear that the summer season as well as the rest of financial year 21 would be challenging periods as well.

As I speak, the infection rate continues to rise in several parts of the country. But we are learning to live and work in a challenging circumstance. It is important for us to preserve our identity and leadership as trusted by our value chain partners, both in B2B and B2C sales segments, and to pursue profitable, growth with distinctly different and appropriate strategies that the business call for. Apart from big cities in Odisha, our presence is strong in rural packets too and SHRISHTII TMT brand is always a household name in Eastern India. I would also like to convey my appreciation to the employees of Scan Steels Limited as well as its dealers, business associates, and vendors and their families for their laudable efforts in pursuing business continuity and their ongoing and relentless efforts towards restoring normalcy. With courage and conviction and diligence and determination they continue to contribute placing the company's interest above their own. Their commitment and sacrifice will definitely be recorded in the history of our glorious company.

Members, I would also like to inform you all that the notice dated 27-08-2020 and a copy of annual report for the financial year ended March 31st, 2020 has already been circulated electronically to the members of the company. Further to note, that authorization from the 12 bodies corporate have been received appointing authorized representative to attend the AGM through videoconferencing on their behalf and to vote through remote e-voting, under the provision of Section 113 of Companies Act 2013 and recent MCA circular.

I would further like to inform our members that pursuant to MCA circular number 14/2020 dated April 8, 2020. SEBI circular dated May 12, 2020 read with MCA general circular number 17/2020 dated April 13, 2020 and 20/2020 dated May 5th, 2020 The facility to appoint proxy to attend and cast vote for members is not available for this 27th AGM. Register of Directors and key managerial personnel and their shareholding if any, and the register of contracts in which Directors are interested, that are required to be kept pursuant to the section 171 and 189 of the Companies Act 2013. And all other documents referred to in the notice and explanatory statement, annual report are available for the inspection throughout the meeting in electronic Mode and it can be accessed by sending a request via email to the company at secretarial@scansteels.com during the meeting hours. I would now request Mr. Gobinda Chandra Nayak our CFO to deliver the financial performance of the company. Thank You.

Gobinda Chandra Nayak: Okay, thank you Chairman sir. Good morning, all of you. Dear shareholders your company's conducting this 27th annual general meeting through video conferencing and other audio visual means, as per the notifications notified by the Ministry of Corporate Affairs due to this outbreak of COVID-19 pandemic. Your company is engaged in the steel manufacturing business since last 27 years due to its operations and hard work your company has maintained a strong brand image within the every household in the state of Odisha as well as it's allied states. I am now analyzing some snapshot of the financial performance of your company Your company had been robust and consistent in achieving remarkable manufacturing sales revenue during this last five years. The company has delivered an impressive performance in respect of manufacturing revenue for the tune of 665 crores in the year FY19-20.

That was, we have started out manufacturing revenues from 347 crores in the year 2015-16. Now, we have almost doubled our sales revenue during this last five years. Due to demand of the product, brand SHRISHTII TMT, company has also increased their TMT bar productions to a level of almost 1,25,000 tonnes per annum from 49,000 tonnes in the year 2015 and 16.

In the profitability front also, company is now generating positive net profit and came out from negative profitability territory which was in the year 2015 and 16.

Further, your company's book value is also improved to Rs.51 per share from Rs.30, Rs.32 in the year 2015 and 16 which is almost 30% incremental value per share. At last but not least, all the management teams are trying to deliver consistent growth in the future and unlock the greater value to the stakeholders. Thank you, over to Chairman sir.

Praveen Patro: Thank you. Gobinda. Now I request Mr. Prabir Kumar Das – President and Company Secretary to read the auditor's report. he will read the auditor's report more specifically first and last part of the report. Also, he will then read out the items agenda wise as mentioned in notice 27th AGM and provide general instructions and e-voting details to the members. He will also, lead the question answer session and call out the names of members who have registered themselves as speakers one-by-one. Over to Prabir Das.

Prabir Kumar Das: Thank you. I would like to take time to read the auditor report first and last paragraph of the report.

Opinion: We have audited the financial statements of Scan Steels Limited the Company, which comprise the Balance Sheet as at 31st March 2020 and the Statement of profit and Loss Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31 2020 and profit and loss changes in equity and its cash flows for the year ended on that date.

Opinion: In our opinion the Company has in all material respects have an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Members are informed that auditor report on the Standalone financial statement of the company for the year 31st March 2020 do not contain any qualifications, observation or comments on financial transaction or matters which have any adverse effect on the functioning of the Company, requiring to be read out at the meeting as per the provisions of the Companies Act, 2013

Now I would like to take you through the Agenda Items for our Ordinary and Special Business that requires Members approval.

Ordinary business,

First, To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.

Second, To appoint a Director in place of Mr. Praveen Kumar Patro (DIN: 02469361), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business,

Third Re- Appointment of Mr. Ankur Madaan (DIN 07002199) as a Whole-time Director.

Fourth Re- Appointment of Mr. Punit Kedia (DIN 07501851) as an Independent Director.

Fifth Approval of Related Party Transaction

sixth Ratification of Cost Auditors' Remuneration.

General instruction, members our Board of Directors had appointed Mr. Abhijeet Jain, practicing Company Secretary as the scrutinizer to scrutinize the voting process on all the resolutions proposed in a fair and transparent manner as stipulated under the Companies (Management & Administration) Rules, 2014. Since, the AGM is being held through the video conference and audio visual means and the resolution mentioned in the notice convening this AGM have already been put to vote for the remote e-voting, there will be no proposing and seconding of the resolution in terms of sub-clause 7.1 of the Secretarial Standards 2 issued by the Institute of Company Secretaries of India. Members are informed that in compliance with the provision of Section 108 of the compensate 2013 read with the MCA circulars and SEBI circular and the company's management and administration rules 2014 as amended and regulation 44 of the SEBI LODR regulation 2015.

All the shareholder as on the cut off date that is 23rd September 2020 were provided with the facility to cast their vote electronically through the e-voting services provided by CDSL. On all resolutions set forth in the notice of the Annual General Meeting.

The remote e-voting portal remained open for remote e-voting from Sunday 27th September 2020 at 9:00 AM to Tuesday, 29th September 2020 at 5:00 PM. And has been disabled by CDSL for voting thereafter. Facility for voting during the AGM, through e-voting system is now already open for members who are participating in this meeting, and who have not cast their votes by remote e-voting prior to the meeting may cast their votes during the meeting through the e-voting system. Members can cast their votes while at the same time watch the proceedings of the meeting. I would like to request the member who have already cast their votes by remote e-voting not to cast their votes again as their vote will be treated as invalid. Voting will be closed in 15 minutes after the close of all the business.

Lastly, I would like to inform the members that outcome of the meeting will be cumulative count of the valid votes cast electronically prior to the meeting and the e-voting during the meeting. Consolidated item wise result of the e-voting and the report of the scrutinizer will be placed by the company on the website www.scansteels.com and on the website of CDSL, www.evotingindia.com within 48 hours of the conclusion of the AGM and will be communicated to the stock exchange that is BSE. The resolutions, as set forth in the Notice, shall be deemed to be passed today subject to receipt of requisite number of votes Now, I request the shareholders who are present at the AGM through the VC, OAVM facility and have not casted their votes on the resolutions through the remote e-voting and are otherwise not barred from doing so, can now vote through e-voting system available during the AGM.

Question hour, members please be informed that no queries were received prior to the AGM to address in this meeting. Now, I invite those members who have registered themselves as speakers in the order of their registration to ask the questions or present their views on working of the company or raise queries on items of business laid out in the Notice of Annual General Meeting. I request Members to restrict their questions to the business of the Annual General Meeting and relating only to the Company and not to any other matter. I also request the shareholders to be brief in their queries and comments and they should restrict their speech to 3 minutes. To avoid repetition, the answers to all the questions raised will be provided towards the end of Question answer session.

Dear Speakers Kindly, unmute yourself one by one as we began to proceed with the Question answer session.

the speaker number one Dnyaneshwar K Bhagwat. Do you hear me Mr. Dnyaneshwar K Bhagwat. Please tell us if you have any question.

Speaker number two, Lekha Shah, please speak Lekha Shah, if you have any queries regarding AGM or regarding the performance of the company.

Speaker number three, Prakashini Ganesh Shenoy.

Speaker number four, Satish Shah.

Our speakers are either facing any technical problem, or they don't want to speak about any queries regarding working of the company. So, with this, I conclude the questions answer session. Over to Chairman.

Praveen Patro: Thank you Prabir. So, as we have reached to the end of the meeting, I would like to tender my goodwill and thankfulness for the shareholders, value chain partners and all the employees of Scan Steels Limited. The unstinted approach of all have put us in the right picture throughout the year. I would request Mr. Prabir Kumar Das, President and Company Secretary to conclude the meeting by giving vote of thanks. Over to Prabir.

Moderator: Mr. Das, you're not audible.

Prabir Kumar Das: Ladies and gentlemen, my job is pleasurable one of the just saying thanks and showing gratitude because we do know that all the things, in life are a result of some collaborative effort, whether directly or indirectly, intentional or not. Today, as we officially put a cap on 27 years of existence in the field of steels. I wish for your Chairman and Founder, all the wisdom you will need on our journey, to the management team for providing the support you need, as well as leadership required for the agency's staff in our efforts at fulfilling our mission, thanks to all. Thank you to all the shareholders past and present who have made this journey to 27th AGM. Our gratitude to the AGM committee led by Ms. Khyati Desai, Assistant Company Secretary and our team who drove everyone insane, in their yeoman efforts at getting the annual report ready. Thank you all for your continuing support of the work at Scan Steels. I must however, say a special thanks to our management team. You are always ready to support us when we call. Please accept our sincere gratitude. to our valuable staff who really makes things happens around here. I just want to say on behalf of the board and management. Thank you for your time, talent, patience. Thanks to everyone for being here. See you next year and bless you all.

Thank you all again for attending the meeting. There being no other business to transact, I hereby declare the meeting as closed. The meeting stands concluded with a vote of thanks to the Chair.

Moderator: Should we close the call sir?

Prabir Kumar Das: Yes.

Moderator: Okay. Thank you, sir. Have a nice day.

Prabir Kumar Das: Thank you. Thank you all participants.

Management: Thank you all and the board. Thank you.