



Scan Steels Limited
31st Annual General Meeting
September 27, 2024
10.30 A.M. IST

CORPORATE PARTICIPANTS

Praveen Patro

Executive Director (Chairman of the Meeting)

Ankur Madaan

Whole - Time Director

Punit Kedia

Independent Director

Konika Poddar

Independent Woman Director

Gagan Jalan

Independent Director

Prabir Kumar Das

President & Company Secretary

Gobinda Chandra Nayak

Chief Financial Officer

Khyati Desai

Asst. Company Secretary

Other Key Executives, Scrutinizer, Auditors, and

Shareholders

Moderator: Yes, sir, you can go ahead.

Prabir Kumar Das: Welcome address by company Secretary

Good morning, ladies and Gentlemen,

It gives me great pleasure to welcome you all to the 31st Annual General Meeting of Scan Steels Limited. We are honored to have our valued shareholders, board members, and esteemed guests with us today. Your continued faith in the company and your presence here signifies your commitment to Scan Steels Limited, and we deeply appreciate your support.

As the President & Company Secretary, it is my responsibility to ensure that this meeting is conducted in accordance with the rules and regulations laid down by the Securities and Exchange Board of India (SEBI) and the Companies Act, 2013. Today, we gather not only to fulfill statutory obligations but also to reflect on the journey that Scan Steels Limited has undertaken over the past year and discuss the way forward.

I would like to begin by highlighting the significant milestones we have achieved this year. Despite the challenges in the global and domestic markets, particularly in the steel industry, Scan Steels Limited has demonstrated resilience and innovation. Under the able guidance of our Board of Directors and leadership team, we have strengthened our market position, focused on sustainable growth, and ensured value creation for our shareholders.

During today's meeting, we will present to you the financial Data for the fiscal year 2024, the performance report, and the strategic initiatives that have been taken by the company. Our chairman will address the gathering and provide an in-depth review of the company's performance and future outlook.

I would also like to take this opportunity to express our gratitude to the employees of Scan Steels Limited. Their dedication, hard work, and commitment have been instrumental in driving the company forward. In an ever-changing and competitive landscape, their unwavering efforts have enabled us to stay ahead.

As we move forward in this AGM, I encourage all shareholders, specifically all registered speakers, to actively participate, ask questions, and share their views. This forum is a testament to the democratic principles on which this company operates, and we value the input of every shareholder.

In conclusion, let me once again extend my heartfelt thanks to all of you for your continued trust and support in Scan Steels Limited. I look forward to a fruitful and engaging meeting today.

Prabir Kumar Das: Hi Moderator, how many members are there when counting?

Moderator: Sir, there are More than 30 participants logged in.

Prabir Kumar Das: We have the requisite quorum present through video conference to conduct the proceedings of this meeting.

With that, I now hand over the proceedings to our chairman, Shri Praveen Kumar Patro, who will present his address and call this meeting to order.

Thank you.

Praveen Patro:

Good morning to everyone,

I, Praveen Patro, Executive Director of Scan Steels Ltd. I am attending the annual general meeting from our office in Bhubaneswar, Odisha.

I have great pleasure in welcoming you all to the 31st Annual General Meeting of Scan Steels Ltd., which is being held through video conferencing facility provided by Central Depository Services (India) Limited. In terms of clause 15.6 of the existing Articles of Association of the Company, and with the mutual consent of all the directors present. I will take the chair for the meeting. 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 the Companies Act, 2013, and SEBI (LODR) Regulations, 2015. The company has made all feasible efforts to enable the members to participate in the meeting through a video conferencing facility and vote electronically.

The 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 company had received authorizations from 11 bodies corporate (including promoter companies) holding in aggregate 25096598 equity shares, constituting 47.94 % of the paid-up equity share capital of the company. Since requisite quorum is present, I declare that the meeting is in order and commence the proceedings of the meeting

I have immense pleasure in introducing my vibrant management team, who are present in this virtual meeting through video conferencing from different locations in India.

I would now like to request that management team members unmute themselves and give their introductions as I call their names one by one.

Moderator: yes sir, go ahead.

Praveen Patro
Mr. Ankur Madaan

Ankur Madaan
Good morning, everyone. I am Ankur Madaan. I am the whole-time director of Scan Steels Limited, and 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
Ms. Konika Poddar

Konika Poddar
I'm Konika Poddar, attending the AGM of Scan Steels from our office in Rourkela, Odisha. I am an independent director and chair of the audit, stakeholder relations, and CSR committees. Thank you

Praveen Patro
Mr. Gagan Jalan

Gagan Jalan
Hello and good morning, everyone. I am Gagan Jalan, Independent Director of Scan Steels, attending the AGM from our office in Rourkela, Odisha. I hope everyone is safe and fine.

Praveen Patro
Prabir Kumar Das

Prabir Kumar Das

Again, good morning to all. I am the president and company secretary of your company. I'm attending the annual general meeting from our office in Bhubaneswar, Odisha.

Praveen Patro
Mr. Gobinda Chandra Nayak

Gobinda Chandra Nayak

Good morning, everyone. I am Gobinda Nayak, CFO, attending from our office in Bhubaneswar, Odisha.

Praveen Patro
Ms. Khyati Desai

Khyati Desai

Good morning, everyone. I am Khyati Desai, Ass. CS, attending this meeting from our registered office in Mumbai.

Apart from them, we also have statutory auditors- Bibekanand Mohanty, Secretarial Auditor- Amerandra Mohapatra, and Scrutinizer-Abhijeet Jain, with other Key Executive(s) who have also joined this meeting from their respective locations.

Thank you all, the directors and consultants, for joining us in our 31st AGM.

Mr. Rajesh Gadodia, Non-executive Director and chairman of the company unable to join us today due to prior commitments but have conveyed his good wishes to all members and stakeholders.

I will now request Prabir Kumar Das, President and Company Secretary, to provide general instructions to the members regarding participation in this meeting and brief the members regarding the arrangements made for the meeting.

Prabir Kumar Das:

Now, with the permission of the chairman, I would like to inform you all regarding your participation in this meeting.

Members may note that this annual general meeting is being held through video conference in accordance with the Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. A facility for joining this meeting through video conference or other audio-visual means is made available for the members on a first-come, first-served basis. According to the information in the Notice of Annual General Meeting, all of our shareholders will be able to watch the proceedings of this meeting live. The proceedings of this Annual General Meeting shall be deemed to have been conducted at the registered office of the Company. The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements, and all other documents referred to in the notice, explanatory statement, and annual report are available for electronic inspection by the members during the AGM. Members seeking to inspect such documents can send their requests to the company at secretarial@scansteels.com. As the AGM is being held through video conference, the facility for the appointment of proxies by the members is not applicable, and hence the proxy register for inspection is not available.

All members who have joined this meeting are by default placed on mute mode by the moderator to avoid any disturbance arising from the background noise and ensure smooth and seamless conduct of this meeting. 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. The moderator will facilitate this session once the chairman opens the floor for questions and answers. 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.

We had requested members who do not wish to register as speakers but have some questions or queries regarding any agenda items or the workings of the company to send in their queries via email to the company at secretarial@scansteels.com well in advance of the meeting date in order to address them in the meeting if they have not replied via email. Then those questions, if any, will be taken during the question-and-answer sessions.

Also, members having any queries during the meeting hours can send in their queries to us via the email address at secretarial@scansteels.com; they will be suitably replied to via email within due course of time.

The company had provided the facility to cast votes electronically on all resolutions set forth in the notice. Members who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by CDSL.

Members are requested to refer to the instructions provided in the notice for voting and seamless participation through video conference. In case members face any difficulty, they may reach out on the given helpline numbers.

The Members may note that the proceedings are also being recorded for compliance purposes. Please do not disclose any personal information or personally identifiable information belonging to you or any other person that has no bearing on this meeting.

Thank you.

I now request Mr. Praveen Patro, Chairman, to continue with the proceedings of the meeting.

Chairman's Speech

Praveen Patro:

Thank you Prabir

I again thank and welcome all the members, colleagues on the board, auditors, and the management team to the 31st Annual General Meeting of Scan Steels Limited on this September 27, 2024, through two-way video conferencing ("VC") or other audio-visual means ("OAVM"). It is a privilege to stand before you today as we mark the close of another remarkable year, 2024. On behalf of the Board of Directors and the entire management team, I extend a warm welcome to all our shareholders and stakeholders who have joined us today. As we reflect on the financial year 2023-2024, I am proud to announce that Scan Steels Limited has continued to strengthen its position as a leading player in the steel manufacturing sector. Despite the challenges presented by fluctuating market conditions, rising energy costs, and global economic uncertainties, we have demonstrated resilience and adaptability. This year has been marked by strong operational performance, continued innovation, and an unwavering focus on sustainability and growth.

1. Reflections on the Past Year

The past year has been marked by both challenges and opportunities. As a steel manufacturing company, we have witnessed a dynamic economic landscape characterized by fluctuations in raw material prices, shifting demand patterns, and the ongoing pressure for sustainable practices. Despite these challenges, I am pleased to report that Scan Steels Limited has demonstrated remarkable resilience and adaptability.

Our operational performance remained strong, with production levels sustained and strategic investments continuing to show promising returns. We were able to strengthen our market presence in key regions and expand our product portfolio to meet evolving customer needs. Our financial results, which you will hear more about shortly, reflect our continued focus on operational efficiency and value creation.

2. Financial Performance

Our financial year 2023-24 witnessed steady growth despite external headwinds. We achieved a total revenue of ₹ 967.43 crore. Our net profit after tax stood at ₹ 17.73 crore, a testament to our focused execution, cost discipline, and prudent capital allocation.

Our financial performance this year reflects our operational achievements. These figures underscore our commitment to delivering value to our shareholders and maintaining a strong balance sheet.

3. Operational Performance

I am pleased to report that our production levels have increased with a significant enhancement in our product quality and output efficiency. We achieved this through strategic investments in modernizing our facilities and adopting state-of-the-art technologies. Our plants are now more energy-efficient, and our processes have been streamlined, allowing us to deliver products with greater precision and reliability to our valued customers across diverse sectors.

Moreover, our efforts towards cost optimization have yielded positive results, contributing to a healthy profit margin of 1.83%, despite the economic headwinds. This success would not have been possible without the dedication of our employees, whose hard work and innovative spirit continue to drive our progress.

4. Strategic Initiatives

In alignment with our long-term strategy, we have taken steps to future-proof our business. We are increasingly incorporating advanced technologies into our production processes to enhance efficiency, reduce waste, and improve product quality. Automation, New-Age Technology, Culture of Innovation, and responsible practices have enabled us to not only boost productivity but also ensure safer working environments for our employees.

Additionally, we have continued to invest in sustainability initiatives. We are committed to reducing our carbon footprint, and significant progress has been made in our efforts to transition towards greener technologies. Our initiatives to increase the use of recycled materials are just a few examples of how we are paving the way for a more sustainable future.

5. Sustainability and Corporate Social Responsibility

Sustainability has become a cornerstone of our strategic vision. The steel industry is a key contributor to emissions, and as responsible corporate citizens, we understand the need to embrace sustainable practices. In the last year, we have made significant strides in reducing our energy consumption and increasing our use of renewable energy sources. I am confident that the steps we are taking today will position us as an industry leader in sustainability.

Innovation remains a key pillar of our growth. We are thriving to expand our research and development initiatives, focusing on creating more durable, lightweight, and sustainable steel products that cater to the evolving demands of our customers. We are exploring advanced manufacturing processes, which will further enhance our operational capabilities.

Corporate social responsibility (CSR) remains a priority for us. Our CSR initiatives have made a positive impact on the communities we serve. From supporting education and healthcare initiatives to contributing to environmental conservation, Scan Steels Limited continues to play an active role in driving social progress.

6. Future Outlook

Looking ahead, the steel industry is poised for transformation, driven by emerging technologies, a renewed focus on sustainability, and evolving market demands. With increasing global demand driven by infrastructure development, green energy initiatives, and advancements in various industrial sectors, the need for high-quality, sustainable steel products will continue. At Scan Steels Limited, we are well-positioned to capitalize on these opportunities. Our strategy is centered on driving innovation, expanding our market presence, and continuing to invest in sustainable production methods.

Conclusion

In conclusion, I would like to express my heartfelt thanks to our shareholders, whose trust and support have been instrumental in our success. I also extend my deepest appreciation to our Board of Directors for their guidance, our management team for their leadership, and our employees for their tireless efforts in driving Scan Steels Limited forward.

As we embark on the next phase of our journey, I am confident that together we will continue to achieve new heights and create lasting value for all our stakeholders.

Thank you once again for your trust and partnership. I look forward to our continued success.

I would now request Mr. Gobinda Chandra Nayak our CFO to deliver the financial performance of the company.

Thank You.

Gobinda Chandra Nayak:

thank you, Chairman sir.

Esteemed shareholders, board members, and guests. It is my honor to address you all today at our 31st Annual General Meeting.

Your company has achieved a total revenue of ₹ 967 crores as compared to ₹ 1097 crore, which is a decline of almost 12% year-over-year performance. This decline in sales is due to your company leasing out one of the units, which is located in Bellary, Karnataka, for strengthening the bottom-line figures. As regards the leasing out, the turnover related to that unit has not been included for the year.

Further, your company has achieved a better operational profit of ₹ 47.53 crore as compared to ₹ 48.60 crore in last year, irrespective of leasing out of the Bellary unit. The company generates a 5% operational margin as compared to almost 4.50% y-o-y, which is 50bps more than the last year. Your company has achieved a net profit of ₹ 17.73 crore as compared to ₹ 15.32 crore, which is almost 16% higher than last year. Your company's earnings per share have improved, and the interest coverage ratio is also in a comfortable position.

Your company has invested in two associate companies where the company's investment stood at ₹ 8.43 crore as equity investment. As of the opinion that, by this investment, the company shall benefit towards uninterrupted logistic support of materials to the extent and real estate price appreciation in the near future.

in the capital structure front, the company has issued 62.50 lakhs of OCRPS (optional convertible redeemable preference shares) at a face value of Rs. 10/- each with a premium of ₹ 60.53 per share to the existing NCRPS (non-convertible redeemable preference shares) shareholders towards redemption of 100.18 lakhs at a face value of ₹10/- with a premium amount of ₹ 34/- each.

Dear shareholders, thank you very much for your support and confidence in the company's business and in the dedicated work force and management team of those who are giving their effort and time for the success of the company.

Thank you...over to Mr. Praveen Patro

Praveen Patro:

Thank you. Gobinda.

The Notice of the 31st Annual General Meeting and the Annual Report, containing the Audited Financial Statements, including the consolidated financial statements for the year ended March 31, 2024, and the Board's and Auditors' Reports thereon, have been sent by electronic mode to those Members whose e-mail addresses are registered with the Company or Depositories. The same has also been sent by electronic mode to the directors, and auditors of the company. These documents have also been made available on the company's website.

Now I request Mr. Prabir Kumar Das, President and Company Secretary, to read out the Notice and the item's agenda-wise as mentioned in the notice of the 31st AGM and the auditor's report. He will specifically read the first and last parts of the Auditors report. He will then read out and provide e-voting instructions and other required details to the members. He will also lead the question-and-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.

As the Notice and Directors Report have already been circulated to the Members electronically, May I therefore, with the permission of the Chairman and Shareholders take the Notice convening the meeting and the Directors Report as received, read and understood.

Pursuant to the provisions of the Companies Act, 2013, as the auditor report on the standalone and consolidated financial statement of the company for the year 31st March 2024 and Secretarial Audit Report for the year 31st March 2024 does not contain any qualifications, observations, or comments on financial transactions or matters that have any adverse effect on the functioning of the company and is therefore not required to be read out at the meeting. With the permission of the chairman and shareholders, I take it as read. I still would like to take time to read the both auditor's report, especially the first and last paragraphs.

FOR Standalone Financial Statements

Opinion: We have audited the accompanying standalone financial statements of **Scan Steels Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date and summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015, as amended, (Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Opinion: In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria internal control over financial reporting 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 ICAI.

FOR Consolidated Financial Statements

Opinion: We have audited the accompanying consolidated financial statements of **Scan Steels Limited** (“the Company”) and its Associates, which comprise of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements including, a summary of the material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, based on the other financial information of the associates, as referred to in the “Other Matter” Paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its Associates as at March 31, 2024, and its consolidated profit including other comprehensive income, consolidated changes in equity and its cash flows for the year ended on that date.

Opinion: In our opinion, to the best of our information and according to the explanations given to us, the Company and its associates have, in all material respects, an adequate internal financial controls system over financial reporting, and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria internal control over financial reporting 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 ICAI.

Other Matter: Our aforesaid reports under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to financial statements insofar as it relates to 3 associates, is based on the corresponding standalone reports of the auditors, as applicable, of such companies incorporated in India. Our opinion is not modified in respect of this matter.

The statutory auditor reports on the Standalone and Consolidated financial statements, respectively, are available on page numbers 180 and 238 of the Annual Report.

The Secretarial Auditors Report is enclosed as Annexure ‘E’ to the Board's report on page number 84 of the Annual Report.

Before we proceed with the agenda items, I am pleased to bring to your notice again that, as required under the Companies Act, 2013, the company has provided you, all the shareholders, on the cut-off date, which is September 20, 2024, with the facility to cast your vote electronically on all resolutions set forth in the notice. Members who have not yet cast their votes electronically and who are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by CDSL. Members may please note that there will be no voting by show of hands. Also, since the AGM is being held through video conference and audio-visual means and the resolution mentioned in the notice convening this AGM has already been put to vote for the remote e-voting, there will be no proposing or seconding of the resolution.

The remote e-voting portal remained open for remote e-voting from Tuesday, September 24th, 2024, at 9:00 a.m. to Thursday, September 26th, 2024, at 5:00 p.m. And has been disabled by CDSL for voting thereafter. The facility for voting during the AGM through the e-voting system is now open to members who are participating in this meeting and who have not cast their votes by remote e-voting prior to the meeting. They may cast their votes during the meeting through the e-voting system. Members can cast their votes while at the same time watching the proceedings of the meeting. I would like to request that the members who have already cast their votes by remote e-voting not cast their votes again, as their vote will be treated as invalid. Voting will be closed in 15 minutes after the close of all business.

I would also like to inform the members that our Board of Directors has appointed Mr. Abhijeet Jain, practicing Company Secretary, as the scrutiniser to scrutinise the voting process on all the resolutions proposed in a fair and transparent manner, as stipulated under the Companies (Management & Administration) Rules, 2014. The outcome of the meeting will be a cumulative count of the valid votes cast electronically prior to the meeting and the e-voting during the meeting. The 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, BSE. and shall also be displayed on the Notice Board at the Registered office and at the corporate office of the Company. The resolutions, as set forth in the notice, shall be deemed to be passed today, subject to the receipt of the requisite number of votes. The transcript of the AGM will also be uploaded on the website of the Company.

Now I would like to take you through the agenda items for our ordinary and special business that require members' approval. The text of the resolutions along with explanatory statement is provided in the Notice circulated to the members. Also, I would again like to request that the shareholders who are present at the AGM through the VC, OAVM facility and have not cast their votes on the resolutions through remote e-voting and are otherwise not barred from doing so, can now vote through the e-voting system available during the AGM on the said agenda items.

We now take up resolutions as set forth in the notice. We will open the floor for any questions by members after all the resolutions have been tabled. And accordingly, I will now read out the resolutions

Ordinary business.

First, to receive, consider and adopt (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and the Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 together with the report of the Auditors thereon.

Second, to appoint Mr. Rajesh Gadodia (DIN: 00574465), who retires by rotation as a director and being eligible, offers himself for re-appointment.

Third, to appoint M/s Das Pattnaik & Co., Chartered Accountants (FRN: 321097E), as Statutory Auditors of the Company for a term of five consecutive years, and fix their remuneration.

Special Business.

Fourth, to appoint Mr. Gagan Jalan (DIN: 09523622) as an Independent Director (Non-Executive) of the Company to hold office for a first term of five consecutive years up to August 23rd, 2029.

Fifth, Ratification of Remuneration Payable to M/s. Ray, Nayak & Associates, Cost Auditors of the Company for the financial year ending March 31, 2025

Question hour,

We now open the floor for questions and discussions. Thank you,

Now, I invite those members who have registered themselves as speakers in the order of their registration to ask the questions, present their views on the workings of the company, or raise queries on items of business laid out in the Notice of Annual General Meeting. I request that members restrict their questions to the business of the annual general meeting and relate only to the company and not to any other matter. I also request that the shareholders be brief in their queries and comments and that they restrict their speech to 3 minutes. in order to give opportunity to all other pre-registered speaker shareholders.

I would now like to request that the Moderator unmute our speakers, as I call their names one by one.

Moderator, can we go ahead?

Moderator: sure sir, go ahead.

Prabir Kumar Das:

Dear Speakers, you are requested to introduce yourself before raising your question by mentioning your name/Folio No., location of joining, and may also enable your webcam, if you wish to appear on the video. Once you have asked your questions or shared your views you can continue to watch the proceedings of this annual general meeting.

Speaker – 1 - SMITA BHARAT SHAH

Moderator: Not Joined Sir.

Speaker – 2 – BHARAT MULCHAND SHAH

Bharat Mulchand Shah – Sir, can you hear me?

Prabir Kumar Das: yes, go ahead.

Bharat Mulchand Shah – Sir, I'm Bharat Shah, Smita Shah is attending another meeting, so please give her a chance to speak afterwards, respected chairman sir, and other directors. I'm Bharat Shah, I don't have any queries as such. I'm happy with the progress and systematic workings of the company and would like to thank you for this. I have one request, sir. Today is the last day of meetings, and you gave a 40-minute speech. We have many meetings to attend, so please keep the annual general meeting somewhere in August or September so that we can connect in a better way. Other than that, we are happy with the hard work with which the company is working and wish you all the best for more success. Also, it's been five years since we met in person, so, if possible, next year conduct a physical AGM. Lastly, your company secretary team in Mumbai is very cooperative and prompt. We have received the speaker link and annual report on time. They help us solve the queries as well, hoping to meet them in person soon. Other than that, I wish good luck and support for all the resolutions. jai hind. Thank you, sir.

Prabir Kumar Das: Thank you Mr. Bharat and we will surely try to meet in person and keep Physical AGM next year.

Speaker – 3 – PARAG KISHOR KACHALIA

Moderator: Not Joined Sir.

Speaker – 4 – RAJENDRA SHETH

Rajendra Sheth - Sir, can you hear me?

Prabir Kumar Das: yes, Please Speak Mr. Rajendra

Rajendra Sheth - Sir, you have very nicely explained the present and future scenarios of the company. company is working fine, and congratulations to you for that. The secretarial team is doing a good job, especially CS Khyati Mam, who is very supportive, and I would like to thank them for that. I wish that company reaches new heights under your leadership, and I support all the resolutions. Good wishes, and thank you for letting me speak. Thank you, sir.

Prabir Kumar Das: Thank You Mr. Rajendra.

Speaker – 5 – LEKHA SATISH SHAH

Lekha Satish Shah – Sir, I am Lekha Shah, Respected chairman, sir, Board of Directors, and my fellow members, good morning to all. Myself, Lekha Shah, from Mumbai. First of all, I'm very thankful to the company secretarial team for giving me this opportunity and for the smooth process that allowed me to talk in front of you all in the AGM. Thank you, chairman, sir, for explaining the performance of the company. Chairman, sir, I pray to God that he showers his blessing upon you. Please continue the VC meeting in the future. From my side, no question. I strongly and wholeheartedly support all the resolutions for today's meeting. Thank you so much, sir.

Prabir Kumar Das: Thank You Lekha ji.

Speaker – 6 – ANIL PAREKH

Moderator: Not Joined Sir.

Speaker – 7 – SHLOK DAVE

Prabir Kumar Das: You there?

Shlok Dave - Yes, wait, company secretary, sir. Wait. First of all, the annual report has been distributed. Why do you have to read out everything, sir? You are conducting the AGM as the first speaker said towards the end of the month, and there are multiple AGM's today, and in that 40 minute. have been wasted in this. Also, you are giving opportunities to people who don't have any questions, and when my turn came, you were moving on to the next speaker. Sir, kindly give the opportunity. First of all, thank you, chairman, sir, for answering all the questions that I had sent. I had sent a list of ten questions, and everything has been answered very nicely. I really appreciate it, sir. Sir, one question for which I did not get the answer, as in I did not understand the answer properly, is question no. 8, I believe. The question was on the margins. So, in the first quarter of the current financial year, FY 24-25, we have seen substantial improvements in the operations of the company, and in the opening remarks, you have mentioned that one of the units in Karnataka is given out on lease, so my question is, was that the reason why the profitability improved? And if I look at Q1 numbers, you have reported 30.5% gross margins, and your EBITDA margins have jumped to 10.3% and 24 cr. of EBITDA and a PAT of 14 cr., which is almost comparable to what you did in the entire year last year. Sir, should we see this as something that is repeatable in the current financial year for every quarter, or what I mean to ask is, can we expect 15 crores. of profit every quarter, if that is the reason what exactly led to improvement in this performance? Because improvement is really, really nice and substantial, sir. If you can give some comments on that, it will be very useful, sir. Also, I have two suggestions. First, it is impossible to attend all the AGM's. India is a very large country, and travel expenses are huge, and physically, we cannot attend all the AGM's. So, VC is the good practice, so please continue doing the online AGM's. This is the first time I am able to attend because I am a shareholder at this time and because you are doing it online. And the second request is, sir, kindly keep the AGM not towards the end of the season. Do it in the beginning of the season or in August or the early part of September. Toward the end, it becomes very difficult to attend all the AGM's. Thank you very much, sir. I'm done with the questions, so if you can answer the question, I really appreciate it, sir. thank you.

Gobinda Chandra Nayak: Mr. Dave, You have asked really good questions, and I want to tell you something regarding the first quarter results. The company is engaged in the steel manufacturing industry, and the steel industry is a volatile market, but in the first quarter itself, the pricing of these raw materials has gone down drastically. Also, in energy costs there is a 20% reduction, and in iron ore prices, you may say, there is a 10-15% reduction, so the contribution or margin of this product has gone up, and we are trying our level best to maintain this profitability throughout the year, but because of the fluctuating economy, it is difficult, but we will surely try to maintain this level throughout the year. thank you.

Speaker – 8 – BIMAL KUMAR AGARWAL

Moderator: Not Joined Sir.

Speaker – 9 – SATISH JAYANTILAL SHAH

Moderator: Not Joined Sir.

Speaker – 10 – JEHANGIR ROHINTON BATIWALA

Moderator: Not Joined Sir.

Speaker – 11 – ANIL BABUBHAI MEHTA

Moderator: Not Joined Sir.

Speaker – 12 - PRAKASHINI G SHENOY

Prakashini G Shenoy – am I audible?

Prabir Kumar Das: yes, Please Speak.

Prakashini G Shenoy – I am Prakashini G Shenoy from Mumbai. Respected Ho. Chairman, other dignitaries on the Board, and my fellow shareholder's, good morning to all of you. I received the AGM report well in time, which is informative, transparent, and contains all the information as per the corporate governance. I thank the company secretary and her team for the same. The chairman and other members have given a beautiful presentation regarding the company and its working in all parameters. Thank you, chairman, sir, and other members who have explained to us regarding the company. Sir, I just have one question: what is the future plan of the company? Chairman, sir, last but not least, my personal request to you is to please continue with the VC so that people all over will have an opportunity to express their views. I wish the company good luck for the bright future and shall pray to God that the profit of the company reaches its peak in due course. Sir, I strongly and wholeheartedly support all the resolutions put forth in today's meeting. Thank you, chairman, sir.

Prabir Kumar Das: Thank You Prakashini Ji. the company has earmarked ₹190 crore for capex for expansion. aimed at bolstering our manufacturing capabilities and expanding our footprint in Odisha. This strategic investment will enable us to maintain our competitive edge and cater to increasing market demands. The investment includes Installation of a 20-ton Three Induction Furnace with Concast Technology, Development of a 132 kV Electric Line, Establishment of a 1 Lac Ton per Annum Pipe Mill.

With that, I believe we have covered all the questions that were asked. In case any question is left and not answered, please email us on secretarial@scansteels.com and we shall respond to you at the earliest.

Members, be informed that questions or queries received in advance before the AGM were replied to via email to members, and other than that, we have not received any questions that need to be addressed in the meeting. Any further questions received will be addressed appropriately via email to members.

So, with this, I conclude the question-answer session. Over to the chairman.

Praveen Patro:

Thank you Prabir.

So, all the items of business as per the Notice of the 31st Annual General Meeting have been taken up. I now declare the proceedings of the Annual General Meeting as completed. I would like to express my goodwill and thankfulness to the shareholders, value chain partners, and all the employees of Scan Steels Limited. All of these people's unwavering approach has helped us stay on the correct direction this year. I would request that Mr. Prabir Kumar Das, President and Company Secretary, conclude the meeting. Over to Prabir.

Prabir Kumar Das:

Ladies and gentlemen,

It is my great privilege to deliver the vote of thanks at the conclusion of the 31st Annual General Meeting of Scan Steels Ltd.

First and foremost, I would like to extend our deepest gratitude to all our shareholders for their unwavering trust and continued support. Your faith in the vision and leadership of this company is the cornerstone of our achievements and progress. Without your confidence in our strategies and our ability to navigate the challenges of the steel industry, we would not be where we are today.

To our board members, thank you for your invaluable guidance, governance, and strategic direction over the past year. Your collective wisdom has enabled us to thrive in a highly competitive and rapidly evolving market. We look forward to another year of fruitful collaboration and strong leadership.

I would also like to express our appreciation to the leadership team and employees of Scan Steels Limited. The dedication and hard work you put in each day are the true forces behind our operational success. Your commitment to excellence has allowed us to achieve our milestones, increase efficiencies, and innovate within the steel industry. And special thanks to Ms. Khyati P. Desai, company secretary, and her team for ensuring the smooth execution of this AGM. You're behind the scene efforts have not gone unnoticed, and we deeply appreciate your dedication.

Special thanks go to our customers, partners, and suppliers. Your partnerships are vital to our business, and we value the trust and collaboration that have been instrumental in delivering high-quality products to the market.

Finally, to everyone present here today as virtually, thank you for your time, participation, and contributions. Your presence is a reminder that this company is not just about steel production but about the people who make it possible.

As we look ahead to the future, let us continue to work together with the same level of enthusiasm, commitment, and collaboration that has brought us this far. Together, we are shaping a stronger, more resilient, and sustainable future for our company.

Thank you all once again. Wishing you continued success and good health in the year ahead.

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.