

METAL COATINGS (INDIA) LIMITED

PROCEEDINGS OF THE 29th ANNUAL GENERAL MEETING

Day	:	Friday
Date/Time	:	29 th September, 2023 / 12.30 P.M.
Venue	:	Through video-conferencing facility

Ramesh Chander Khandelwal (Chairman):

Good afternoon, ladies and gentlemen. First, let me introduce myself. My name is Ramesh Chander Khandelwal. I am deeply honoured to stand before you today as the Chairman & Whole Time Director of your Company and I will be chairing this meeting today. On behalf of your board and the company, it is my privilege to welcome you all to this 29th Annual General Meeting of Metal Coatings (India) Limited through video conferencing and other audio-video means. For the smooth conduct of the meeting, the members will be in the mute mode and audio and video will be opened when a member will speak at the meeting.

Presently sufficient numbers of members have already joined through INSTAMEET system as per the requirement of Section 103 of the Companies Act, 2013. Quorum is present and meeting is duly constituted. Now I call the meeting in order. On behalf of the Board of Directors, I want to thank you all for taking the time out to join us today and I extend a very warm welcome to each one of you present at this 29th Annual General Meeting of your Company. It gives me great pleasure to welcome you all.

Before we start the proceedings of the meeting, let me take this opportunity to introduce the members of the board and other officers attending the meeting. I would request the concerned person to acknowledge when I introduce.

1. Mr. Pramod Khandelwal, Managing Director of your Company, attending this meeting from Delhi.
2. Mr. Satish Kumar Gupta, Non-Executive and Independent Director and Chairperson of the Audit Committee, and Nomination and Remuneration Committee, attending this meeting from Faridabad.
3. Mrs. Rupali Aggarwal, Non-Executive and Independent Director and member of the Audit Committee and Nomination and Remuneration Committee and Chairperson of Stakeholder Relationship Committee attending this meeting from Gurugram.
4. Mr. Sachin Khurana, Non-Executive and Independent Director and member of the Audit Committee and Nomination and Remuneration Committee attending this meeting from Delhi.

We have also with us:

Mr. R. A. Sharma, Chief Financial Officer
Mr. Krishan Arora, Representative of M/s Mehra Goel and Associates, Statutory Auditor,
Mr. Chandraprakash, Internal Auditor
Ms. Samarth Goel, Representative of M/s CPA & Co., Secretarial Auditor
Ms. Prachi Bansal Practicing Company Secretary, scrutinizer of the Remote E-voting and E-voting during the AGM.

I request Mr. Pramod Khandelwal, Managing Director of the Company, to provide general instructions to the members regarding participation in the meeting.

Pramod Khandelwal :

Thank you, Chairman sir. Good afternoon, shareholders. It gives me immense pleasure to welcome all of you to the 29th Annual General Meeting of Metal Coatings (India) Limited. Now I will explain the flow of the meeting to you and also brief you on how to participate and vote in this meeting.

1. Mr. Ramesh Chander Khandelwal, Chairman of the Meeting will formally address you and will brief about your Company's performance for the financial year ended 31st March, 2023 and also about the current scenario of the industry.
2. Thereafter the facility to vote shall be provided to the members to exercise their right to vote on resolutions set forth in the Notice calling this Annual General Meeting through electronic voting services facilitated by the Company's RTA - Link Intime India Private Limited.
3. After that I will reply to the questions asked by the members present and who have registered themselves to speak in the meeting. We would also welcome your suggestions, inputs and comments. If you have further queries on business, even if we are not able to respond today, we will be happy to address them in due course.

Further I would like to inform you general instructions regarding participation and voting at this Meeting: -

1. The Company has made available the facility to participate in the AGM through video conference or other audio-visual means in terms of the relevant Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.
2. The Company has tied up with M/s Link Intime India Private Limited to provide the facility for voting through remote e-Voting, e-Voting during the AGM and participation in the AGM through video conference.
3. The register of members, register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested and other documents required to be kept open at the meeting and all the other documents referred to in the Notice have been made available for inspection in electronic mode to members who have sent a request (if any) for inspection. As the AGM is being held through Video Conference, the facility for appointment of proxies by the members is not applicable and hence the proxy register is not available for inspection. Statutory Registers as mentioned above are also available at Investors Section of the website of Company viz. www.mcil.net till the conclusion of the meeting.
4. During the AGM, if any shareholder faces any technical issues, they may contact the helpline number mentioned in the Notice of the AGM. Members may note that this AGM is recorded. Please do not disclose any sensitive personal information or personally identifiable information belonging to you.
5. For the smooth conduct of the meeting, all the members will be in mute mode. Audio and video facility will be enabled for those members who have registered themselves as speaker shareholders, once the Chairman announces to commence question and answer session. Please remember your speaking serial number which will be appearing in the "voting registration message" once you mark your attendance for the meeting. You are requested to speak only when you will be invited to speak as per the serial number. Members who would like to ask questions to the panelist, may

ask your queries via active chat-board during the meeting. It may be noted that the Company reserves the right to limit the number of shareholders asking questions depending on the availability of time at the AGM.

6. For better experience, we would request the speaker shareholders to use earphones, so that they are clearly audible, verify the network connectivity, ensure Wi-Fi is not connected to any other devices, no other applications are running in the background, and there is proper lighting for good video experience.
7. If the shareholder is unable to speak due to connectivity issues, Managing Director will ask the next speaker shareholder to ask the question or offer his/her comments / suggestions. Once the connectivity improves, the concerned speaker shareholder may be called up again to join; only after all the shareholders registered as speakers have completed their turn.
8. Members who have not exercised their vote through the remote e-voting may click the voting button "Cast your vote" which is appearing on the right hand side of your VC meeting screen. You may enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) during registration for InstaMeet and vote.

Please note that as per the requirements of the law, the proceedings of the annual general meeting will be recorded and transcript of the same will be available on the website of the company.

9. In Compliance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India, the Notice of AGM and Annual Report for the financial year 2022-23 have been sent on 06th September, 2023 only through electronic mode to all the Members whose e-mail IDs are available with the Registrar & Share Transfer Agent of Companies / Depository Participant(s). In the said notice, the Company had also provided the manner in which the members who have not registered their email address can register the same. A facility was provided to all the members whose email addresses were not registered to register the same for limited purpose of receiving the AGM notice, the annual report and login credentials for participating and voting at the AGM.
10. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended till date and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings, your Company had provided to its members to exercise their right to cast their vote on the resolutions set forth in the Notice convening this Annual General Meeting by means of remote e-voting services facilitated by the Company's RTA - Link Intime India Private Limited. The remote e-voting commenced on 25th September, 2023 at 9.00 am and closed on 28th September, 2023 at 5.00 pm.

The Board has appointed Prachi Bansal, Practicing Company Secretary as the Scrutinizer for conducting the E-voting process and voting at the AGM in a fair and transparent manner.

Thank you. I would now request Mr. Ramesh Chander Khandelwal, Chairman of the Company, to address the shareholders.

Over to you, sir

Mr. Ramesh Chander Khandelwal:

Dear shareholders,

Coming to the performance of your company for the year 2022-23, the Company registered a growth of over 19% in sales; however, there is marginal decline around 2% in PAT. The Company would like to emphasize that this decline in profit was primarily driven by certain external factors that impacted the profitability of the company. Factors such as the volatility in raw material prices, increasing operational costs, and ongoing macro-economic challenges contributed to this temporary setback. It is important to note that amidst these challenges, the Company remained steadfast in its commitment to optimizing operational efficiencies and cost management. We continued to invest in process improvements and streamlined our operations to mitigate the impact of rising costs. Additionally, the Company is cognizant of the evolving market dynamics and recognizes the need for continuous innovation and adaptability to secure sustainable long-term growth. Moving forward, the Company will implement robust risk management strategies and capitalize on emerging opportunities to enhance profitability and shareholder value.

The world witnessed a muted global GDP growth in 2022 at 3.4% mainly due to the continuing covid restrictions in China coupled with the ongoing Ukraine war. This is expected to further fall to 2.8% in 2023. The continuing Ukraine war is heavily weighing on economic activity. Russia, which cater to a tenth of global energy needs continued to be subjected to sanctions which affected countries across the world, especially the Eurozone. Besides, the contagion effect of drop-in economic activity and disruption in supply chain impacted the Eurozone which in effect is likely to grow at less than 1%. The US economy is likely to end up with around 1.5% GDP growth this year given the tightening fiscal & monetary policy. The hiking of interest rate to tame inflation has been another headwind in these economies. On the inflation front, the war has worsened these economies, already reeling under the covid-triggered inflation.

While US will avoid a recession contrary to fear of recession in 2022 due to declining energy prices and easing of supply chain disruptions, the same may not be true for Europe. Elevated gas prices are fueling inflation and reducing purchasing power of the consumers leading to fall in consumer spending. The impact has been exacerbated as wages have fallen too. Combined with tightening monetary policy of the ECB, the growth potential is likely to stay adversely impacted for some time now. China's economy which was adversely impacted due to stringent covid restrictions in 2022 does not seem to have stabilized yet. The precipitous contraction in real estate and construction industry which accounted for a fifth of the country's economic activity is providing a major headwind and as a result the Chinese economy is unlikely to grow above 5% this year. Most developing economies continue to reel under high inflation too.

Demand growth for steel in India is expected to be robust in 2023, supported by good overall economic growth forecast. India remains the bright spot in the global steel demand. Automotive and consumer durables industries are likely to register a healthy growth. Besides, the Government continues spending in infrastructure projects such as airport, Metrorail projects, highways which will drive steel demand in India. However, a large number of new capacities for CR Strips have been created or added especially in northern India which pose a challenge for this industry.

Now I would like to take this opportunity to express grateful appreciation to all employees for their hard work, dedication and commitment. Your directors also take this opportunity to thank all Shareholders, Business Partners, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

We will now look through the items of businesses to be transacted at this AGM.

The Notice convening the meeting setting out the ordinary and special businesses to be transacted, the explanatory statements thereto, the Annual Report which inter alia comprises Audited Accounts for the year ended 31st March, 2023 has been sent to you in advance. With your concurrence, I shall take them as read.

The Statutory Auditors' report on the Annual financial statements of the Company for the financial year ended 31st March 2023 and the secretarial audit report for the said period do not contain any qualification, observations or comments on financial transactions or matters which would otherwise have adverse effect on the functioning of the company hence the same are not required to be read out as provided in the Companies Act, 2013 and with your permission I shall take them as read.

Since this meeting is being held through Video Conferencing or other audio visual means the resolutions mentioned in the notice convening in this AGM have already been put to vote through remote e-voting hence there is no proposing and seconding of resolutions.

I would like to inform the members that the text of resolutions and the explanatory statement, wherever applicable have been provided in the notice convening this AGM and has been circulated to the members and also available on the website of the company. There are five agenda items. Let me brief all these.

- 1- Adoption of Audited Financial Statements and reports of the Boards of Directors and Auditors thereon for the Financial Year ended 31st March, 2023.
- 2- Appointment of Director in place of Mr. Pramod Khandelwal, who retires by rotation at this AGM and being eligible, offers himself for re-appointment.

Members may kindly note that we are now moving to special business. The objectives, implications and text of these resolutions are also given in the notice of the meeting.

3. Re-Appointment of Mrs. Rupali Aggarwal as Non - Executive Independent Director of the Company for a second term of 5 (Five) consecutive Years.

Ladies and gentlemen, since I and Mr. Pramod Khandelwal are interested in item No.4, with your consent, may I request Mrs. Rupali Aggarwal, Non-Executive –Independent Director to take up item 4.

RUPALI AGGARWAL:

Thank you, Chairman sir.

Let me Brief these agenda.

4. Approval of material related party transactions with M/s Khandelwal Busar Industries Private Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, in the ordinary course of business, for the financial year 2023-24 and for the next Financial year 2024-25 i.e., up to the date of the Annual General Meeting of the Company to be held during the calendar year 2024.

Now, I request Chairman sir, to continue with the proceedings of the meeting. Thank You.

RAMESH CHANDER KHANDELWAL:

Thank you, Mrs. Rupali Agarwal,

5. Ratification of the remuneration of Cost Auditors to conduct the audit of cost records of the Company for the Financial Year 2023-24.

Those were the business items on our agenda. Before beginning the question-and-answer session, I request the moderator to activate the e-voting window so as to enable the members attending the AGM who have not already cast their vote by remote e-voting to cast their vote electronically during this meeting through e-voting platform of Link Intime India Private Limited. The window for electronic voting shall remain open till 15 minutes from closure of the meeting. Thereafter the same shall be closed. Members may choose to vote now, please.

With this, I now hand over the proceedings to Mr. Pramod Khandelwal, Managing Director of the Company to take questions and comments from the esteemed members of the Company.

Mr. Pramod Khandelwal

Good afternoon, Everyone,

I now invite the members who have pre-registered as speaker shareholder to ask their questions or offer their comments. Members are requested to state their names, folio number, or DP ID and client ID and *location from where they are participating for record purpose. Members are requested to keep their questions brief and avoid repeating questions. In the interest of time, may I request members to kindly restrict their questions or comments to three minutes please? In case the shareholders who have not pre-registered as speakers, but wish to raise any queries during the meeting, they are requested to kindly pose their queries via active chat-board during the meeting.*

I will attempt to answer all of them once all the shareholders have spoken.

(Mr. Varun Garg, Mr. Lokesh Gupta, Mr. Amardeep Garg, Mrs. Shivani, Mr. Kishan Singh expressed their views on Company's performance and management and also sought clarifications on the Company's business operations & and future growth plans. These questions were duly answered by Mr. Pramod Khandelwal.)

I extend thanks to all registered speakers & Chat board users to ask such excellent set of questions. I will now attempt to answer the questions in a consolidated manner. Some of the questions which are specific in nature in terms of financial numbers, I will request my finance team to get in touch with whosoever has asked such questions after AGM in due course.

With this, I now hand over the proceedings to Mr. Ramesh Chander Khandelwal, Chairman of the meeting.

Mr. Ramesh Chander Khandelwal:

As all your questions/queries are answered, I request all the members who had not cast their vote on Remote e-voting, to participate in the voting through e-voting platform of Link Intime India Private Limited.

The consolidated report of remote e-voting and e-voting during the meeting submitted by the scrutiniser, will be announced within the stipulated time from the conclusion of this meeting, as per the applicable laws, and shall be made available on the websites of the Company, Link Intime India Private Limited and Stock Exchanges.

The electronic voting option will remain open for next 15 min. Members who have not exercised their vote may click the voting button “Cast your vote” which is appearing on the right-hand side of your VC meeting screen and vote.

I request Mrs. Prachi Bansal to supervise the e-voting process. I once again thank you all for participating in the meeting and I now declare the proceedings of the Annual General Meeting as completed. I convey our sincere thanks to all the Members for attending and participating in this meeting and now with this, the 29th Annual General Meeting of the Company is concluded.

Stay healthy and stay safe. Take care, be well. Thank you very much and see you next year.