



Transcript of 21st Annual General Meeting of Shyam Metalics And Energy Limited held through video conferencing mode & other audio-visual facility on Thursday, September 21, 2023 at 03:00 P.M. (IST)

Management:	Mrs. Brij Bhushan Agarwal, Vice Chairman and Managing Director Mr. Mahabir Prasad Agarwal, Non-Executive Chairman Mr. Sanjay Agarwal, Joint Managing Director Mr. Deepak Agarwal, Director of Finance and Chief Financial Officer, also a member of Risk Management Committee Mr. Malay Kumar De, Independent Director Mr. N. G. Khaitan, Independent Director Mr. Kishan Gopal Baldwa, Independent Director, also Chairman of the Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee Mr. Yudhvir Singh Jain, Independent Director, also Chairman of the Stakeholders Initiative Committee, a member of the Audit Committee, NRC, Risk Management Committee Mr. Dev Kumar Tiwari, Whole Time Director M/s. MSKA and Associates, Statutory Auditors, M/s. MKB and Associates, Chartered Accountants and Secretarial Auditors Mr. Raj Kumar Banthia, partner MKB and Associates, Scrutinizers Mr. Birendra Kumar Jain, Company Secretary
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Moderator: Dear Shareholders, afternoon and a very warm welcome to the 21st Annual General Meeting of Shyam Metalics And Energy Limited through video conferencing or other audio-visual facility. As a reminder, for the smooth conduct of the Meeting, the Members will be in the mute mode, and audio and video will be opened when they will speak at the AGM as per the pre-registration. I now hand over the proceedings of this 21st Annual General Meeting to Mr. Brij Bhushan Agarwal, Vice Chairman and Managing Director of the Company. Over to you Sir

Brij Bhushan Agarwal: Dear Shareholders. A very good afternoon. I am delighted to welcome all of you to the 21st Annual General Meeting for your Company. I take this opportunity to thank you wholeheartedly for the continued faith and trust you have shown on our Company and Shyam Metalics Family. We would have loved to meet you in person but considering the Success of AGM through Virtual mode and mass participation

possibility, it is being held through video conferencing. This is in compliance of the Circulars of the Regulators.

I have been informed by the Company Secretary that the necessary quorum is present, therefore I now call this meeting to order. Leave of absence has been granted to Ms. Rajni Mishra, Independent Director of the company, who especially requested for the same due to unavoidable circumstances.

At the outset, I would like to introduce Mr. Mahabir Prasad ji Agarwal, Non-Executive Chairman of the Board. He is Director in the Company since April, 2018 and is an accomplished business leader and a first-generation entrepreneur having more than five decades of experience in metal steel, Ferro alloys industries. He has the foresight to lead the company in particular on a transformational journey and contributing significantly in growth path of the company. He is the Chairman of the CSR Committee, Member of Nomination and Remuneration Committee. He is attending this meeting from his Calcutta office.

I am the Vice Chairman and Managing Director of the Company. I have been Director of the Company since its inception in December, 2002. I am also Member of the Corporate Social Responsibility Committee and Risk Management Committee. I am primarily responsible for strategic planning, future expansion, business development, marketing, human resources and corporate affairs of the Company. I am joining the 21st AGM of the Company from my office in Calcutta.

Now I'm requesting the board member to introduce themselves and starting with Sanjay Agarwal, Joint Managing Director of the company to kindly introduce himself.

Sanjay Agarwal: Hello everyone and good afternoon. I am Sanjay Agarwal. I am the Joint Managing Director of the company since inception. Thank you.

Moderator: Thank you, sir. I now request Mr. Deepak Agarwal, our Director to introduce himself.

Deepak Agarwal: Hi, good afternoon, everyone. Myself, Deepak Agarwal. I currently serve as the Director of Finance and Chief Financial Officer of the company. I have been the Director of the company since July 14, 2014. I hold a Bachelor Degree in Commerce with honors from the Calcutta University and also the member of the Institute of Company Secretary of India. In my capacity, I oversee a broad spectrum of functions within the company, including Finance, Accounts, Risk Management, Legal, Corporate Affairs. Additionally, I am honored to be a member of the Risk Management Committee, where I contribute to strategic decision making. I am

pleased to be participating in the 21st Annual Development Meeting of the company from my office in Calcutta. Thank you.

Moderator: Thank you, sir. I now request Mr. Malay Kumar De to introduce himself. I am sorry sir, you are on mute. Mr. De, could you unmute your microphone?

Malay Kumar De: Hello, good afternoon everybody. I am Malay Kumar De, Independent Director on the Board of Shyam Metalics and Energy Limited. I have been Director since July 27, 2023. I am an MSc in Organic Chemistry and also I am a retired IAS Officer. I am joining the 21st AGM of the company from my office in Kolkata. Thank you.

Moderator: Thank you. I now request Mr. Nand Gopal Khaitan to introduce himself.

N. G. Khaitan: Yeah, good morning. I am N. G. Khaitan. I am Independent Director of the company. I was appointed as a Director in the month of February 2023. I'm an attorney at law. I've been awarded Best Chamber Gold Medal standing first in all the law exhibitions. I have been practicing a lawyer for last over 50 years. I'm a senior partner of Khaitan and Company and I have a good news to share that only yesterday I received an information from one of the large international organization whose name I cannot disclose because it has to be kept confidential that I have been nominated as one of the most notable lawyer in the whole of Southeastern Asia amongst 1,000 lawyers. So that is the news which I wanted to share with the board. Thank you.

Management: Congratulations. Congratulations.

Moderator: Thank you and congratulations. I now request Mr. Kishan Gopal Baldwa to introduce himself.

Kishan Baldwa: Good afternoon. I, Kishan Gopal Baldwa, Independent Director of Shyam Metalics and also Chairman of the Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee. I have been Director since 15th May, 2018. I am joining the 21st AGM from my office in Calcutta.

Moderator: Thank you. I now request Mr. Yudhvir Singh Jain to introduce himself.

Yudhvir Jain: I am Yudhvir Singh Jain I am an Independent Director of the Board of Shyam Metalics and Energy Limited. I am also honored to be the Chairman of the Stakeholders Initiative Committee. I am a member of the Audit Committee, NRC, Risk Management Committee. I have been directing the Board of the company since January 16, 2018. I am joining to be first AGM of the company from my office in New Delhi. Thank you so much.

Moderator: Thank you sir. I now request Mr. Dev Kumar Tiwari to introduce himself. Sir, you are on mute. Mr. Tiwari could you unmute your microphone?

Dev Kumar Tiwari: Okay, thank you. Myself, Dev Kumar Tiwari, Whole Time Director of the company. I have been Director of the company since last April 2009. Prior to my appointment as a director, I was a Mechanical Engineer in our Subsidiary SSPL for 8 years. I have been over 25 years of experience in the steel and ferro alloys industry. I am responsible for project implementation and operation of the Sambalpur manufacturing unit. I am joining the 21st AGM of the company from Delhi.

Moderator: Thank you. The representatives of our Statutory Auditors, MSKA and Associates, Chartered Accountants and Secretarial Auditors, MKB and Associates are also present in this meeting. The scrutinizers to the e-voting process of the 21st AGM, Mr. Raj Kumar Banthia, partner MKB and Associates is also present in this meeting. Company Secretary, Mr. Birendra Kumar Jain is also present in this meeting. Now I request Mr. Brij Bhushan Agarwal to address the shareholders. Over to you, sir.

Brij Bhushan Agarwal: Good afternoon again, everybody. It is a pleasure to welcome you to the annual general meeting of Shyam Metalics and Energy Limited. I would like to use this as an opportunity to express my gratitude to our valued shareholders. I thank all of you of your trust, encouragement and unequivocal support to the company and its management. Dear shareholders, it gives me immense pleasure to report that your company has delivered a strong performance in its first full year as a listed company. We achieved outstanding performance, consistently delivering the significant double digit growth across, crucial performance indicator.

Our commitment to push our limit and establishing new standard has been a constant driving force in our journey. The global landscape is currently categorized by significant uncertainty. Many countries are facing the specter of decision with central bank across the globe, implementing tighter monetary policies. Some nations are grabbing the financial instability while ongoing Russia-Ukraine conflict is causing a shadow over global sentiments.

Additionally, the evolving relationship between the USA and China is impacting international trade flow. In 2022, the global economy exited modern signs of recovery after enduring the setback caused by the pandemic in the previous year. India for instance recorded a growth rate of 7.2% in financial year 2022-23. Although the performance of the last two quarters each with a growth of less than 4.5% resist concern. Inflation and extent of interest rate remain significant area of apprehension.

Despite these short term challenges, there is prevailing sense of optimism regarding India prospect. India is increasingly seen as the key driver of the global economic

growth alongside China. As the world fifth largest economy, India is poised to ascend to the position of third largest economy by the end of the decade. India's steel sector faced a serious challenge, including the geopolitical crisis that resulted in elevated energy costs.

Despite these significant hurdles, the company performance admirably, it is not only reported a profit in the every quarter, but also achieved the growth in the revenue. In FY 22-23, the company achieved an EBITDA of INR1,486 crores with an interest cover of 10.98. These features significantly the company managed to achieve a profitable growth at best. A challenging year marked by volatile market condition and fluctuating demand.

Our business demonstrated commendable capital efficiency with strength and return on capital employed at 15.63% and appealing EBITDA margin of 11.78%. The company exceptionally performed, stood out even in the face of these challenging circumstances and as the fiscal year came to close, we affirmed our unique position in the market. The company held a net cash balance of INR562 crores and we announced a capital expenditure totaling of INR3,915 crores in the last board meeting in the face banner.

I am delighted to convey that the proposed investment is to be entirely financed through the shareholders fund and noteworthy reputation in the capital intensive steel industry. This strategic move not only signifies our historic growth through internal accruals, but also establish a very solid foundation for sustainable internal accruals driven growth in the foreseen future.

In this regard, we believe our journey serves a compelling case study within India's expensive and well-established sector steel industry. I would like to spend two minutes on our transformation journey. Our growth has been based upon dual growth of volume and value addition in terms of product and the product profile. In FY '18, we were selling total 1.7 million ton and the total volume has crossed 3.3 million ton in FY '23 and is expected to be around 5.5 million ton in FY '25.

Second dimension is improving product mix, the volume of product steel, finished steel, ferrochrome which is higher in the value addition was 0.32 million ton, this was increased to 1.3 million tons. And FY '23 is expected to grow more than in FY '25. Our long product we are facing focusing on the brand building and improving the distribution network. A prominent brand will improve our price premium and customer recall. We are a company identified four areas of focus of our company presently, steel, stainless steel, specialty alloy and aluminium.

This is high confidence in each business in terms of our experience, understanding the risk ability. We are commissioning finishing line on the carbon steel long product side and we are growing the value addition product like speciality low carbon, aluminium foil and upcoming stainless steel rebars and colour coated continued with a ductile iron pipe.

While we grow from strength to strength, we maintain focus on keeping the balance sheet very strong and debt free. In line with our corporate philosophy, we have acquired Ramsarup Industries at INR380 crores and Mittal Corp at INR351 crores through the IBC process at a very attractive valuation. Mittal Corp will facilitate in for a stainless steel business. It does require a separate distribution network for which we are already building a very capable team.

We shall also be producing stainless steel through the primary route removing the dependency on the scrap and the availability to decrease in the future. In our plan we have decided to majorly focus on 400 and 200 where nickel requirement is very small quantity. Ramsarup gives us a very large parcel of more than 315 acres of land in Kharagpur with the complete world class infrastructure of railway siding.

We are in the process of revamping the unit with a capex outlay of INR1,350 crores. The plant will become an independent DI plant for us going forward post of implementation of the blast furnace and recently announced DI pipe at the Kharagpur plant. We shall also kick start the Durgapur Steel Wire unit of 0.8 million tons in the near future. We are commissioning the PPGA line of around 0.4 million ton in the phase manner with a capex of around INR600 crores. This will mark our entry into the flat product business.

The company has maintained a very strong commitment to invest in the distribution business. This is evidence of the expansion of our distribution network. Over the past four years, we have grown from 400 outlet to more than 1000 outlet and we anticipate further growth to reach 2000 outlet in the coming year.

The existing distribution network in the east shall have more than one product for the distribution in the rural market for the roofing sheet. This will not only enhance the product profile but also attract good margin for our dealers and distributors. Our aluminium foil business now established and we are generating almost 60% of the aluminium foil revenue through export to United States and Europe.

We are operating at more than 70% capacity utilization presently and should reach 90% utilization on the monthly basis by end of this year. We have also been able to get the approval to supply, again I am repeating, we have also been able to get approval for the supply of EV battery-grade of aluminium foil. This shall enhance

our product rate in the aluminium foil business to be the supplier of choice for food packaging companies, pharma, defense related companies and now in entering into the EV battery space once we see that the plants in India is going to be commissioned of the batteries.

As a result of this volume growth and better product profile, the steady state revenue and profitability is continuously improving. Revenue has increased from INR3,800 crores in FY '18 to INR12,600 crores in FY '23. EBITDA has increased from INR700 crores in FY '18 close to INR1,500 crores in FY '23. As we move forward, revenue contributions from the finished yield, niche product in FY '25 could be 75% compared to the above 45% in FY '18.

In terms of the shareholder return, we have well articulated the policy of 10% dividend payout. While the current growth plan is already known are in the various stages of implementation, consistent with our past growth history, we shall be looking for an opportunity to implement beyond FY '26.

Our company has appointed KPMG as an internal auditor and BDO, Global Top six as a statutory auditor. We are working with McKinsey on the various projects to improve the efficiency and identify the areas for betterment. Our dedication of being a reliable steel and metal producer export remains unwavering. In the previous financial year, we generated 9.83% of our revenue from export, serving the customer in 17 countries.

Looking forward, we have ambitious goal to achieve to derive 20% of our revenue from the export, reflecting our continued commitment to expanding our global presence. Our commitment to reasonable growth extends beyond financial investment, we have made a substantial investment in infrastructure equipment, processes, sustainable practice to minimize the environment footprint.

In our capex, we have added 220 megawatt of CPP with WHRB base being more than 50%. We are setting up 100 megawatt of solar capacity. Our facility undergo regular audit to ensure the compliance with prevailing statutory standard and our presence in this regard consistently surpassing Indian benchmark.

In the environmental mark by the uncertain short-term market conditions and the series of unexpected global events, our strategy for the long-term sustainability remains unwavering. We believe in growing reasonably and ascending to the next level within our industry. The next phase of the growth will not solely be measured by the operational scale, it will be influenced by the breadth of our product portfolio, our extensive integration and infrastructure project and also our commitment of remaining a network driven metal company.

Moving forward, we will continue to execute our tried and true approach. And forward, we will be even greater focused, urgency and enthusiasm. We hold the convention that not only will we stand strong in challenging time, but we also be the forefront of the leadership as soon as the demand improves.

We are confident that, this approach will create value to our valued shareholders, associates in our company, making us a positive outlier in the landscape where peers have reported loss. Shyam Metalics took 18 years to become a 2 million tons finish steel company and the company will take a fraction of that times to enhance that aggregate manufacturing capacity of the finish steel to 4.41 million. I am optimistic that the expansion will enhance attractive value in the hands of all those stakeholders and associates within our company.

As for the progress, I hold a strong belief that, we will persist in upholding our unwavering commitment to robust governance practice, setting the performance benchmark consistently and instilling confidence among all of our stakeholders. Your support goes a long way in inspiring us to deliver the business excellence and the support financial performance.

Thanks to all the shareholders of Shyam Metalics, family of their heartwarming encouragement and support, we are fully geared for a broader vision and transformation into the realities of the year to come. Thank you. Now, I would request Mr. Deepak Agarwal, Director Finance and CFO to take the proceedings further and take the formal business of the meeting. Thank you.

Deepak Agarwal:

Thank you, MD sir. Once again, good afternoon to all our valued shareholder. I would like to inform our esteemed member that the Register of Directors, key managerial personnel along with their respective shareholdings and the register of contracts and arrangements in which the Directors hold an interest are now accessible on the NSDL portal. Members are encouraged to utilize this electronic platform for inspection as needed.

On July 27, 2023, a notice regarding the annual general meeting was dispatched via email to all the shareholders, whose email address were registered with us. In the aforesaid email, a link to the annual report for the fiscal year ending 31, March 2023 was also provided. With your kind permission, I will assume that you have had opportunities to review this material and self-treat them as read.

Additionally, I am pleased to report that, the auditor's report contains no qualifications pertaining to financial transactions or matters that could adversely impact the company's operations. Members are reminded that, they have granted the ability to cast their vote on the resolution outlined in the July 27, 2023 AGM notice

via e-remote e-voting process. The remote e-voting process commenced on September 18, 2023 at 9 a.m. and concluded on September 20, '23 at 5 p.m.

For those members who were unable to cast their vote during the specified timeline, remote e-voting process will remain open from the start of today's AGM until 15 minutes before the conclusion of each AGM procedure. It is minutes before the conclusion. It is important to note that the remote e-voting is exclusively available to the members who were unable to vote, within the available original specified time frame, you will find the icon and option for remote e-voting on your screen and clicking on it, it will direct you to the email pages.

The scrutinizer responsible for overseeing the e-voting process will submit their report within the prescribed two working days. And the result for the e-voting will be published on the company's website and communicated with the stock exchange. Now, coming to the agenda of the today's AGM, there are six ordinary resolutions and six special resolutions which require the shareholder approval in the AGM. Now I will share the ordinary business.

First item of the ordinary business to receive, consider and adopt the audited financial statement, both standalone consolidated of the company for the financial year ended 31, March, 2023, together with the Director's report and auditor's report there. Second, to confirm the interim dividend at the rate of 18% of INR1.8 per share, equity share of INR10 each, which was declared on 2, August, 2022 during the financial year 2022- '23.

Third agenda is to appoint a Director in place of Mr. Sanjay Kumar Agarwal, who retired by rotation in terms of section 152, subsection six of the Companies Act, 2013, and make eligible offer himself for reappointment. Fourth, the appointment of statutory auditor to fill the casual vacancy. The fifth agenda, the appointment of statutory auditor of the company for a period of five consecutive years.

Now coming to the special business, the ratification of remuneration of a cost auditor of the company as an ordinary resolutions, appointment of Mr. Malay Kumar De as an Independent Director of the company as an special resolution. Appointment of Shashi Kumar as an Independent Director of the company as a special resolution. Amendment and modification in SME or Employee Stock Incentive Plan 2023 as a special resolution. Authorizing under Section 185 of the Companies Act 2013 as a special resolution. To consider and obtain a fresh approval for raising of funds as a special resolution.

Now we will open forum for speaker shareholder, who have pre-registered themselves to express their view, provide comments and seek clarification if

necessary on the content of our annual report, which includes the annual accounts. To facilitate the productive and efficient discussions, we kindly request all participant member to introduce themselves by stating their names and to keep their remarks brief and focused.

I now request the moderator to proceed with the calling out the name of the registered speaker one by one. Thank you for your participation and we look forward to a meaningful exchange of insight and information. Thank you.

Moderator:

Thank you very much, sir. Ladies and gentlemen, we'll now begin the question and answer session. We have in all the speakers who have pre-registered themselves, and I'm requesting the speaker member to stick to the agenda of the meeting and limit their time of speaking to two to three minutes. We would appreciate that these restrictions have been suggested to provide all speakers their requisite opportunity. The management will answer to the questions raised by the speaker after the conclusions of queries raised by the speaker and also after conclusion of the e-voting process.

I will now invite our first speaker member, Mr. Manas Banerjee to accept the prompt on your screen, unmute your audio and video and you may proceed with your question. As there is no response from Mr. Banerjee, we will move to our next speaker member. Mr. Sujan Modak, please accept the prompt on your screen, unmute your audio and video and you may proceed with your question.

Sujan Modak:

Respected chairman, other Board of Directors, I am Sujan Modak. Sir, I am attending this meeting from my residence in Kolkata. Sir, if you see the performance of our company, sir, you have given a very good set of numbers. And for that, I really thank our management. Company is running good and well progressing, All over places, advertisement is seen. It look good and we are happy.

Sir, I have a few questions to ask you. What is the capex plan? If you can tell us, sir. And the growth guidance, particularly for this year. And sir, what are the key challenges to keep this growth momentum sustainable? These are the three questions, I have got. And before I finish, I'd like to definitely thank our company secretary, Mr. B K Jain. Jain sir, Greeting, sir. How are you?

Birendra Jain:

Greeting and fine.

Sujan Modak:

Greetings, sir. Chairman sir, our company's secretary, Mr. Jain and his whole team are doing a very good investor services, sir. For that, I really thank our company's secretary. Sir, one thing is that the shareholders are happy because of the company's performance. They are happy for the company's share price. And one more thing is

that, the management of the company, the company's secretary and his team, the services we get from them are very good. Sir, we like these three things very much. Every shareholder of the company will be very happy for this. Nothing to add more, sir. Over to you for further proceedings. Thank you.

Moderator: Thank you. We now invite our next speaker member, Mr. Manoj Kumar Gupta. Please accept the prompt on your screen, unmute your audio and video and you may proceed with the question.

Manoj Gupta: Good afternoon respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I have joined from Calcutta. First of all, I thanks to finance and the entire team of management and the employees for the excellent result of the company for the year '22- '23 and I thanks to the Company Secretary and his team for the excellent services to the investors and I thanks that you are paying the dividend.

And sir, I wish to God to give more success to fulfill your vision and dreams in coming time. Sir, now I have two or three questions. Sir, what is the benefit to keep Salman Khan as brand ambassador? Why are you not taking a brand ambassador of those who have got the medal in the wrestling and others in the Olympic in Asia and other tournaments?

And CSR, you are doing wonderful services to the community and society under the CSR trying to spend some money in City of Joy under the CSR project. And I warm welcome to Mr. N.G. Khaitan in our board. Board will get his benefit from his vast experience.

Sir, what is the future expansion plan of the company and what is the debt position of the company and future prospect of the same?

And last but least, happy Puja and Deepavali to all of you. And I wish to God to give you more success in coming time to take the company on new heights with the help of entire team of management with the Director Finance Mr. Deepak Agarwal and all team. Thank you, sir.

Moderator: Thank you. We now invite our next speaker member Mr. Tarak Chakraborty. Please accept the prompt on your screen, unmute your audio and video, and you may proceed with your question. We'll wait for a moment while Mr. Chakraborty unmutes his audio and video connection. Mr. Chakraborty please unmute your microphone and ask your question.

Tarak Chakraborty: Good afternoon Mr. Chairman, Board of Director line is clear?

Moderator: Yes, sir it is clear.

Tarak Chakraborty: Good afternoon, our old is gold person Chairman, Mr. Brij Bhushan Agarwal and Joint Managing Director, Director and CFO and all other members and our very sincerely ability efficient and good manners persons our Company Secretary Mr. B.K. Jain and newcomer associated madam Mrs. Sneha Tantia are very, very good proper time are there all our messages website and then I joining the company VC meeting and not only that company every shareholder you are connecting before AGM we are joining the meeting.

Any kind of problem, it is a really exceptional line of monumental players and Secretarial department and really very good coordinators of the all member at present with BK Jain and newcomer Mrs. Sneha Tantia and other solar member assistant secretary.

But sir my point is that 21st Annual General Meeting is Shyam Metalics, really one of the wonderful and one of the best ambassador of Shyam Metalics company and our company this year turnover last year INR4,753 to come turnaround is INR6,053 is a not a matter of joy over INR1,300 crores is over turnaround is this year.

But sir, parallel your profit margin is really exceptional, deep this year. In fact, the reason, maximum person there is no idea, but I am involvement in this lining. But 21 after that long 18 months to 22 months the material price come down to INR140.

Now TMT bar once upon a time INR1022 is January INR109 to come down is INR56. It has come down is INR45 Channel, Joy, all are distinct person. It has come down below INR50 not only that, our in-board, once upon a time the price value is INR77 this come very recent come down is a INR32 whereas I don't know, I can't expect it, our management team keep the this company I proud, I pray to God our Chairman and all other members, all other teams in person, how can manage this company and not only that sir, many companies too much troubles as scenario present, but our company not only business expenses, parallel company whole in the year is turnaround is expansion is modernization and various type of company you have purchased and developed.

Ramsarup very recent is opening is a big investment I don't know what I can manage to this funding. Sir, Chairman sir I know briefly discussion many speaker are present here, Sir, only two questions is my pointing main thing. Sir, your Annual Report is exceptional, line of monumental pillar full of beam, mission, vision, printing, color matching, accounting standard, our company accounting standard exhibit the Annual Report 22-23 is a 100% benchmark point. There will be keep follow up the cost control and cost reduce.

This is the one of the part of account is a big signing the cost control then our company is turnaround the too much in future is monumental top position. And parallel is no regrouping, no printing mistake, account standard standing is a really exceptional line of monumental pillar. I appreciate our financial department and Director Finance, all of them person, not only that.

Our company stability, the proper time paid our Chairman is dividend, not only that our share market is very decent, 290 to come up is over 500 and my one question, Mr. Chairman, how can manage your funding the expense of various type of company and there will be collected the money.

And sir, you have no accounting standard, there will be issue of mention, the bank loan, loan burden, nothing to more. Sir, accounting is very sharp and queries. Sir, how can manage your funding?

And number two question, sir, your 11.6% holding, very recent you have hold 6% and another 5%, your planning what is the position is, they have sold out this race of part your holding of 11.6% I no more did briefly discuss on our speed I pray the God our Chairman all MD all body member and our with valuable Senior Secretary Mr. BK Jain with associated all member, inside, outside and all side of staff. We are pray the God keep safe health. After that you enjoy your working.

And I thanks to our company old is gold Chairman and I microphone over to our company Chairman further proceeding Taraknath Chakraborty speak to Calcutta senior shareholder. Thank you. Thank you. Thank you, sir.

Moderator: We now invite our next speaker member, Mr. Tapas Kumar Dutta. Please accept the prompt on your screen. Unmute your audio and video and you may proceed with your question. We will wait for a moment while Mr. Dutta unmutes his audio and video connection.

Tapas Kumar Dutta: The shareholder visiting the busy meeting. Myself Tapas Kumar Dutta and equity shareholder of Shyam Metalics.

Moderator: Mr. Dutta I am sorry we are unable to hear you. Mr. Dutta I am sorry we are unable to hear you due to some possible network issue. We will contact you and if your connectivity improves.

Tapas Kumar Dutta: Hello. Am I continue?

Moderator: Yeah now you are audible you can continue. No, I am sorry we are unable to hear you. Thank you. We will now invite our next speaker member, Mr. Bimal Krishna Sarkar. Please accept the prompt on your screen, unmute your audio and video and

you may proceed with your question. We will wait for a moment while Mr. Sarkar unmutes his video and audio connection.

Bimal Sarkar:

Very good afternoon. Chairman sir myself Bimal Krishna Sarkar, equity shareholder of the company. Sir, first of all, I would like to thank you, Mr. Chairman. You have given an excellent and valuable presentation on the performance of the company. So, thank you very much. Sir, you have welcomed shareholders. So, thank you very much. Sir, CFO Deepak Agarwal sir, thank you so much to you too.

Sir, Company Secretary Birendra Kumar Jain and his department keep us in touch, and the way they provide us with help and service, and keep us in good relations, I thank them a lot. Mr. Jain, Namaskar. You are always in front of me. I will go and have tea with you. Sir, you have seen, after such a beautiful and excellent presentation by the chairman, he has cleared everything and presented it to us. We will not question much. Our company is doing well. It should continue like this. We hope that our team will improve in the next two-three years. We will get a better dividend.

Sir, CSR committee. I thank the CSR committee. Section 135, sub-param 5, CSR obligation, INR11.56 crores, we have spent INR3.15 crores. The previous year we had spent INR11.63 crores in excess. This time also we have spent the access to INR3.22. It is an excellent performance. Sir, our CSR committee is uplifting, uplifting a community project. So, I am very thankful to you. Sir, it will be good if it happens in this way.

Sir, I will not take much time. I have another meeting, also. I, Mr. Brij, your whole team, you, our company secretary, our secretary department, and all the employees, I always pray that you stay happy, you all stay happy, and take our company forward in this way. I have been given the opportunity to speak, so thank you very much.

Moderator:

Thank you. We now invite our next speaker member, Mr. Subhash Kar. Please accept the prompt on your screen. Unmute your audio and video you may proceed with your question.

Subhash Kar:

Thank you. Very good afternoon everyone, respected Chairman, MD and others Board members. Myself, Subhash Kar joining from Kolkata. My special thanks to respected Company Secretary, Mr. Birendra Kumar Jain and his team, Madam Sneha Tantia and Mr. Chandan Sharma, for kind behavior and always maintain a cordial relation with the shareholders. And give me opportunity to speak at this platform.

Sir, our company announced excellent results for the current financial year. Congratulations to the board members. Our company's annual report is transparent

and informative. Our company is debt free and paying healthy dividends. CSR activities are remarkable. Sir, I have already casted my e-voting in favor of the all regulations.

Now coming to my queries. Sir, what is the split of revenue between domestic and export? What is the roadmap of our companies next two to five years? Do you have any plan to split in share? What is the kind of capex that we are looking to do for FY '24 and F 'Y25? Sir, any guidance for investor community? This is very important for us.

I hope our company will do better in coming year under the leadership of our respected Chairman. Thank you and wishing you all the best.

Moderator: Thank you. We now invite our next speaker member Mr. Tapas Kumar Dutta. Please accept the prompt on your screen and you may proceed with the question.

Tapas Kumar Dutta: Respected Chairman, distinguished Board of Directors, eminent KMPs and my fellow shareholders visiting this VC meeting, I myself Tapos Kumar, an equity shareholder of Shyam Metalics and Energy Limited. I profoundly express my sincere gratitude to Shyam Metalics and Energy Limited for their dedication, exertion, commitment and consistent endeavor to make the organization profitable.

INR200 to IUNR400, a fairy tale journey. And Chairman sir, you are the price of this fairy tale. I take the opportunity to salute Sir Mahabir Prasad Agarwal ji, the legendary entrepreneur and the founder of Shyam Metalics for giving investment opportunity to 1,000 of investors by establishing...

Moderator: I am sorry Mr. Dutta, we cannot hear you. Due to the internet connection, I believe his line got disconnected. So, ladies and gentlemen, that was the last question. Dear shareholders, you may kindly choose to complete your e-voting during this period of 15 minutes. Thereafter, the same will be closed for voting by NSDL. Management will answer to the queries raised by the shareholders immediately after completion of 15 minutes voting period.

Now, I request Vice Chairman and MD to take further the proceedings. Over to you, sir.

Management: Dear shareholders, the formal business of this meeting is over and while concluding this meeting, I would like to place on record my sincere appreciation and express my gratitude for the assistance, cooperation, support extended by the central and state government, stock exchange, SEBI, MCA, depository, shareholders, investors, lenders, suppliers and our esteemed customers for their consistent and firm support. I

think all the members of the board in the prevailing necessary guidance from time-to-time is successfully sharing your company to greater heights.

I would also like to extend my heartfelt gratitude to all of our employers for their relentless focus, commitment and dedication to be the part of our sustainable growth. We would also like to thank the team of NSDL, the registrar and the Veza Event team for their made it possible to conduct the AGM virtually. We will again connect you immediately after the computation of the e-voting to reply your queries. Thank you so much.

Moderator: Dear members, as instructed by the scrutinizers, we request all the members participating in the AGM and who have not yet cast their vote to do so in the remaining period of 15 minutes. Thank you.

Dear members, as advised by the scrutinizers, the time for e-voting has elapsed and they are of the view that all members who are participating in the Annual General Meeting have been given adequate time and opportunity to vote at the AGM. This concludes the proceeding of the AGM. Thank you all for participating in the AGM and e-voting.

Now I request Mr. Deepak Kumar Agarwal to please reply to the relevant queries of the speaker shareholders. Over to you, sir.

Deepak Agarwal: Thank you, Vinay. We thank you for sharing the question with us and patiently waiting for the answer from the management. We firmly believe that the discussion led to the deliberation and the same lead to some wonderful solution. We have had a few questions which have been common among the shareholder. So we are clubbing the common questions and answering the same.

The first question query came from shareholder about the future plans and growth to improve the company's performance. In this regard, I am happy to share the light on future plans and future prospects. Mainly our company has identified majorly four areas for growth namely steel, stainless steel, specialty alloy, aluminum foil which will contribute to the revenue and consistent EBITDA for the company. As you all aware that we have already announced our capex worth INR3,950 crores in the last board meeting, which shall have phase wise implementation. Last shall be in September 2026.

The proposed expansion shall increase our finished steel capacity from existing 2.07 million to 3.56 million ton and it shall increase our stainless steel capacity from 0.15 million ton to 1.6 million ton. Our captive power plant portfolio shall increase from

the existing 357 megawatt to approximately 700 megawatt for the proposed expansion.

We shall be among the fastest growing steel company or you can say metal company. Our revenue growth is expected to grow at a CAGR of more than 25% year-after-year. Simultaneously, our PAT is expected to grow at a CAGR of 33.37% for the next three year to four year respectively. This is all about the future plan and growth.

Now, the second question came about the guidance on revenue as well as profit growth for the financial year 2024. In this regard, I would like to highlight that we are abide by the regulation of the SEBI. So we can't guidance any future number or forward looking number. However, the historical second half is always be a better than the first half in the steel company and based on the new capacity expansion, there shall be a growth in revenue, EBITDA and PAT as compared to the previous year.

The another question came about the split of revenue from domestic and export. Last year, we did an export of INR1,240 crores contributing 9.83% of the total revenue. With things sitting down and normalized returning, we are targeting to export contribution of more than 16% in the current financial year, that is, '23-'24.

Another question came about the utilization of capex for the financial year 2024 and '25. We are targeting to incur the capex in the financial year 2023-'24 is approximately INR2,000 crores of and the financial year 2024-'25 is expected to be INR2,400 crores.

Another question, the future planning for next two years to three years. In this regard, I would like to highlight our total capex spent aggregating of INR3,915 crores, which includes INR625 crores towards the Ramsarup Industries. INR250 crores is attributed to our joint venture partner. In effect, our capex spend attributed to our company is an aggregate of INR3,665 crores.

Our captive power plat portfolio is 357 megawatt with an addition of 220 megawatt pending completion at Ramsarup. It will be 377 megawatt, currently will be enhanced by 220 megawatt with a 90 megawatt commissioning at Sambalpur unit, another 90 megawatt commissioning coming up at Jamuria and additional 40 megawatt coming at Ramsarup Kharagpur. Post all expenses, our total power portfolio will be around 600 megawatt. Additionally, we are putting a start with the 100 megawatt of solar capex implementation to enhance our renewable portfolio to 109.1 gigawatt for sustainability and our first major step towards reducing our carbon footprint. The capex emphasize is INR1,230 crores.

In the capex program as per the plan of the company to move forward to move towards the value-add product, we are enhancing our downstream facility by additionally 1.61 million ton including the CRM, DI pipe, hot flat product, parallel flange beams, steel wire drawing at an aggregate capex spend of INR1,395 crores.

To facilitate the scene, we will have to add intermediate capacity of billet in various form by adding 1.03 million ton of capacity. We shall further enhance our DRI capacity by further 1.06 million ton. We are also adding a beneficiation plan to increase the margin for improving our EBITDA margin at our billet plant.

Therefore the total cap expected to be INR1,190 crores in the case of intermediate product. In our newly established aluminium foil plant, we shall be spending another INR100 crores for aluminium mill with cluster as a backward integration and battery foil plant to enhance our product offering. We feel that the capex pay shall be margin accretive for our company and further increase our product basket.

Another question asking about the debt management by the company. In this regard, also I would like to highlight that we manage debt through our discipline capital allocation approach that our company has followed historically. If you've seen the past also, the total cash accruals -- out of this cash accruals -- 70% of our total cash accruals are being used for growth, 20% for liquidity maintenance, and remaining 10% will be distributed to our shareholder.

We have always done the capex through our internal accruals and have only reached out to banks to meet our working capital requirement. This prudent capital allocation policy has helped us to manage the across cycles and across periods. In future, we shall be adhering to the same principle and that has been followed by the company since inception.

Another question came about the promoter valuation to the extent of 75% under the minimum public shareholding. As you all aware that the recently the promoter has already diluted his holding by 6.3% recently that comes down to our promoter holding to 82.35%. We have a time to dilute our further holding to the extent of June, 2024. So definitely we will be achieving the minimum public shareholding requirement within the timeline framework.

The other question came about the challenges to keep the growth sustainability and management plan. If you see in the past also, in the last 15 years of track record, there were four roughest weather were going on and the company is managing the challenges at that time also. We are sustaining to change the commodity prices, namely in iron ore, energy cost coming from coal to make our business sustainable. We have always tried to be the net cash company. We have invested heavily on

captive power plant, adding to our delta and sustainability. We have also invested on the best-in-class infrastructure for raw material handling and captive railway siding to further reduce the first and maintain the timeline in our operation.

This practice and with our proximate to both the raw material and markets where our finished goods are sold have facilitate in the sustenance. The flexibility to product mix and wide array of our product have further add to the constituent in sustainability. We are further exploring export market where we get higher margin to further improve sustainability.

I think we have covered all the query of our valued shareholders. And once again, thank you to all our valued shareholders. Thank you.

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2) This transcript has been edited for the purpose of clarity and better reading.