

Transcript of the 11th Annual General Meeting of RSAL Steel Private Limited (a Company under Corporate Insolvency Resolution Process) held on Monday, September 27, 2021 at 4.30 p.m. IST through Video Conferencing / Other Audio Visual Means

Company Secretary: A very warm welcome to all at the 11th Annual General Meeting of RSAL Steel Private Limited which is being held through video conferencing.

Company Secretary: I request everyone to do the roll call stating from where they are attending, at what position they are attending and on whose behalf they are attending.

Manish Jain: PCS Manish Jain, Secretarial auditor from Indore.

Reena Joshi: I am Reena Joshi, Kutch Leafin Limited – Preference Shares (Indore)

Pawan Jain: I am Pawan Jain, On behalf of Radiant Merchandise Private Limited.

Sunil Kumar Vijay: I am Sunil Kumar Vijay, Suspended Director RSAL Private Limited.

Arvind Mishra: I am Arvind Mishra, CEO of RSAL Private Limited from Indore.

VK Jain: I am VK Jain, Deputy General Manager of RSAL Private Limited from Indore.

Deepak Sognai: I am Deepak Sognani, CFO of RSAL Private Limited from Indore.

Vikram Bhatnagar: Hello everyone, I am Vikram Bhatnagar, attending meeting on Behalf of RP office from Pune.

Negendra Singh: Director of IMEC Services Limited, Representing IMEC Services Limited joining from Gujrat.

Neel Khandelwal: Good afternoon everyone.

Company Secretary: Due to unavoidable reasons, Ashutosh Mishra Sir won't be able to join today.

Company Secretary: The Members of the Company are hereby informed that the Company is under Corporate Insolvency Resolution Process (CIRP) vide order no. CP 2985 (IB)/MB/2018 dated September 03, 2019 (date of receipt of order by Interim Resolution Professional was September 09, 2019) and in terms of the said order an Interim Resolution Professional was appointed who now was acting in the capacity of the Resolution Professional.

*Pursuant to Section 17(a) and (b) read with Section 23 of the Insolvency and Bankruptcy Code 2016 ("Code"), the Management of affairs of corporate debtor from the date of appointment of the interim resolution professional, the management of the affairs of the corporate debtor shall vest in the interim resolution professional & the powers of the board of directors or the partners of the corporate debtor, as the case may be, shall stand suspended and be exercised by the interim resolution professional.

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*Pursuant to Section 17(2)(e) of the Code the interim resolution professional vested with the management of the corporate debtor, shall be responsible for complying with the requirements under any law for the time being in force on behalf of the corporate debtor.

Therefore, in accordance with the provisions of Insolvency & Bankruptcy Code, 2016 (the Code), Mr. Rajender Kumar Girdhar – Resolution Professional (RP) chaired the 10th Annual General Meeting of RSAL Steel Private Limited.

Company Secretary: I hereby request Mr. Rajender Kumar Girdhar – Chairman (RP) of the Meeting to start the proceedings of the 10th Annual General Meeting of RSAL Steel Private Limited.

RP/Chairman: Good Afternoon Ladies and Gentlemen,

It gives me great pleasure in welcoming you all to the 11th Annual General Meeting of the Company.

Let me first introduce you to the members of the suspended Board of Directors of the Company and other invitees present with us today through Audio and Visual Means on Microsoft Teams:

Present through Audio and Visual Means from the team of Insolvency Professional:

1. Mr. Rajender Kumar Girdhar Resolution Professional (Mumbai)
2. Mr. Vikram Bhatnagar Team Member of Resolution Professional (Pune)
3. Ms. Priyanka Tiwari Team Member of Resolution Professional (Kolkata)

Other invitees present through Audio and Visual Means:

1. Mr. Arvind Mishra Chief Executive Officer (Indore)
2. Mr. Deepak Sogani Chief Financial Officer (Indore)
3. Mr. Parag Gupta Company Secretary (Indore)
4. Mr. Vijay K. Jain Deputy General Manager- Accounts (Indore)
5. Mr. Neel Khandelwal M/s. SCAN & Co.
Chartered Accountants
(Statutory Auditors of the Company) (Indore)
6. Mr. Manish Jain M/s. Manish Jain & Co.,
Company Secretaries
(Secretarial Auditor of the Company)
(Indore)

Persons through Audio and Visual Means representing members of suspended Board of Directors of RSAL Steel Private Limited:

1. Mr. Sunil Kumar Vijay Independent Director (Indore)

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Members Present through Audio and Visual Means:

1. Mr. Negendra Singh Authorised Representative of
IMEC Services Limited – Equity & Preference Shares
(Indore)
2. Mr. Pawan Jain Authorised Representative of
Radiant Merchandise Private Limited – Preference
Shares (Indore)
3. Ms. Reena Joshi Authorised Representative of
Kutch Leafin Limited – Preference Shares (Indore)

RP/Chairman: Mr. Parag whether quorum is present for this meeting?

Company Secretary: Yes Sir, quorum is present for this meeting.

RP/Chairman: Dear Members as the requisite quorum is present through video conferencing to conduct proceedings of this meeting, I now call this meeting in order.

The Register of Directors & Key Managerial Personnel and their Shareholding, the Attendance Register, Register of Members, copy of Memorandum & Articles of Association of the Company and Minutes of previous Annual General Meeting are available for online inspection by the Members.

With the consent of the Members present, I take the Notice of the 11th Annual General Meeting and Board's Report as read.

There are no qualifications, observations or adverse remarks on the financial transactions or matters, in the auditor's report having any adverse effect on the functioning of the Company.

The qualifications, remarks/observations in the secretarial auditor report for the year ended March 31, 2021 are detailed as under and for which the opinion of Board of Directors and Resolution Professional of the Company are also provided in the Board's Report for the year ended March 31, 2021.

The qualifications in the secretarial auditor report for the year ended March 31, 2021:

1. *As per Section-149 of the Companies Act, 2013, the Company did not have minimum number of three directors during the period under review.*
2. *The Company has not filed Form DIR-12 regarding the Resignation of Mrs. Shivani Gupta, Director of the Company till date.*

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3. *As per Section 203(4) of the Companies Act, 2013, vacancy in the Office of Chief Financial Officer of the Company was not filled by the Company within a period of six months from the date of vacancy.*
4. *As per Rule 9A of The Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company has not availed dematerialization facilities for all its existing securities.*
5. *The Company has not received the signed Cost Audit Report for the Financial Year 2019-20 till date and consequently the Company has not filed the same to the Central Government as per Section-148 of the Companies Act, 2013.*
6. *The Company has not filed Annual Return in Form IV under the Payment of Wages Act, 1936 for the year ending on 31st December 2020.*
7. *The Company did not pay bonus during the year under the Payment of Bonus Act, 1965. Further the Company did not produce Form A, B and C and has not filed Annual Return in Form-D for the F.Y. 2019-20 under the Payment of Bonus Act, 1965.*
8. *The company has delayed in filing Half Yearly Return for the period ending on 30th June, 2020 under the Factories Act, 1948 and also delayed in making application to State Board regarding consent under Air (Prevention and Control of Pollution Act), 1981 and in filing the Application for renewal of license under The Contract labour (Regulation and Abolition) Act, 1970.*
9. *There is delay in depositing the provident Fund for the period starting from 01st April, 2020 to 31st July, 2020 under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. Further the Company did not pay the provident Fund from 01st August, 2020 to 31st March, 2021 till the end of the Financial Year 2020-21.*
10. *There is delay in payment of wages for the period starting from 01st April, 2020 to 31st July, 2020 under the Minimum Wages Act, 1948. Further the Company did not pay the wages from 01st August, 2020 to 31st March, 2021 till the end of the Financial Year 2020-21.*
11. *During the year under review there is delay in payment of gratuity to the employees of the Company.*
12. *The Company has not conducted Independent Safety Audit under the Manufacture, Storage and Import of Hazardous Chemical Rules, 1989.*

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13. *The Company is not registered under Industrial (Development & Regulation) Act, 1984 and consequently the Company did not file requisite return under the same.*

14. *The Company has not filed the Annual Return in Form G-1 under The Industrial Disputes Act, 1947.*

15. *The Company has not intimate the changes in particulars of Certificate of Registration to the officer within stipulated time under Contract Labour (Regulation and Abolition) Act, 1970.*

Dear Members,

As you are aware that RSPL is engaged in the manufacturing of Cold Rolled Close Annealed, steel coils/sheets, semi processed electrical steel/coils and value added flat steel products and also dealing in the trading of Hot Rolled (HR) Coils, CRCA steel coils/sheets and has recorded a total turnover of Rs. 1,201.26 Lacs for the year ended March 31, 2021 and has incurred net Loss of Rs.746.43 Lacs during the financial year 2020-21.

I am grateful to the Board of Directors, employees, business associates, shareholders and Bankers, Government Agencies Customers and Employees in carrying out the business of the Company.

Also, the preference shareholders have placed their request for redemption of 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each of the Corporate Debtor.

The shareholders are hereby informed that as per provisions of the Companies Act, 2013 regarding redemption of non-cumulative preference shares that as per section 55(2)(a) of the Companies Act, 2013 “no such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption;”

He further informed the current situation of the Corporate Debtor is that it has been incurring losses in last 4 financial years and has not achieved the break-even point and in accordance with the provision of Companies Act, 2013 the Corporate Debtor is not in a position to redeem 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- at this stage .

In addition to the above, the Chairman further added that as per Section 28 of the Code, prior approval of Committee of Creditors is required for change in capital structure of the Corporate Debtor and that their request will be placed before Committee of Creditors for their advice in the said matter.

The items of business to be transacted at this AGM as set out in the Notice convening the 11th AGM are:

1. Adoption of Audited Financial Statement of the Company for the year ended March 31, 2021 together with the Reports of Board’s and Auditors thereon.

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The members are now requested to vote for this agenda item by providing their respective approval by voting by show of hands.

As all the items of business as part of the AGM notice have been taken up. I now declare the proceedings of the AGM as closed.

In case, if any questions are still unanswered or if you are unsatisfied with the answer, request you to please send your queries to the Company's registered email address and we shall send you the satisfactory reply.

Company Secretary: Thank you everyone, Thank You so much.