

TRANSCRIPT-39TH ANNUAL GENERAL MEETING OF HARIYANA SHIP-BREAKERS LIMITED

Transcript of 39th Annual General Meeting of Hariyana Ship-Breakers Limited held on Wednesday, the 30th September, 2020 at 09:00 A.M. through Video Conferencing.

Ms. Shalinder Kaur, Company Secretary & Compliance Officer

Good morning ladies and gentlemen, it's 9:00 A.M., Wednesday September 30, 2020, on behalf of the board of directors of Hariyana Ship-Breakers Limited, I Shalinder Kaur, Company Secretary of your Company extend the warm welcome to each one of you attending this 39th Annual General Meeting of your Company. This meeting is being held through video conferencing or other audio-visual means because of the spread of the Covid-19 pandemic. This is in compliance with the circular issued by Ministry of Corporate Affairs, Government of India and Securities Exchange Board of India. The Company has taken all the feasible steps to ensure that the Shareholders are provided an opportunity to participate in Annual General Meeting and vote. Adequate video conferencing facility has been provided to the Members. I request all the Members to extend their full support and cooperation for the smooth and systematic conduct of the proceeding of this meeting. Now, I would like to introduce you to the Board of Directors and key managerial personnel of your Company,

- Mr. Shanti Swarup Reniwal, Chairman of the Company,
- Mr. Rakesh Reniwal, Managing Director,
- Mrs. Unnati Reniwal, Executive Director,
- Mr. Manohar Bagh, Independent Director,
- Mr. Pradeep Bhatia, Independent Director,
- Mr. Tejas Thakkar, Independent Director,
- Mr. Kirti Desai, Chief Financial Officer,
- Mr. Sanjeev Reniwal, Chief Executive Officer,
- Mr. Prem Goplani, Partner of PD Goplani and Associates, Chartered Accountant,
- Mr. Sanjay Soni, Partner of Lahoti Navneet and Company, Chartered Accountant, the Joint Statutory Auditors of your Company and
- Mr. Dilip Bharadiya, the Secretarial Auditor of your Company are present at this meeting.

I would like to request the statutory Auditors and the Secretarial Auditors to address their attendance for the meeting respectively.

The Auditors responded respectively and the meeting for taken forward.

Ms. Shalinder Kaur, Company Secretary & Compliance Officer

Thank you, Mr. DilipBharadiya and Mr. Navneet Lahoti for joining us.

Register of Directors and key managerial personnel and their shareholding register of contracts and arrangements in which directors are interested are available. These will remain accessible to the Members for inspection electronically if they so desire. I request Mr. Shanti Swaroop Reniwal, Chairman of the Company to declare the meeting as open and brief us on the performance of the Company during the financial year 19-20.

Over to you Shanti Swarup Sir.

Mr. Shanti Swarup Reniwal, Chairman of the Company

The requisite Quorum is present. I now declare this meeting open.

Let me now brief you all on key highlights and events of the Financial Year 2019-20.

Your Company reported Revenue of Rs. 12,650.84 Lakhs during the year under review as compared to Rs. 37,729.63 lakhs in the previous year. The company incurred a Loss (before tax) of Rs. (648.96) Lakhs during the year under review as compared to profit of Rs. 814.37 Lakhs in the previous year. During the year under review the company has reported its share of loss from associate partnership firms amounting Rs. (626.13) Lakhs, in other words had the company not recorded that share of loss from associate partnership firm, the company's loss (before tax) would have been only at Rs. (22.83) Lakhs. Even then, its reality that Company has not been able to perform well during the year in terms of total sales turnover and profit margins which has happened due to market and other various factors.

Company is mainly engaged in the business Ship Breaking where old and used ships are imported and scrap and other materials extracted are sold in domestic market. In Ship breaking Industry, Sales and Profit margins are totally dependent on availability of old ships for breaking and its international prices, Domestic prices of Iron and Steel, particularly of scrap, fluctuations in the exchange rate of US Dollar vis-à-vis Indian Rupee, etc. The year under reporting was not conducive on all above factors and hence had an impact on Sales and Profit margins. Moreover, unlike preceding financial year, Company did not undertake any major trading activities, which contributed Rs. 26,194.28 Lakhs in preceding financial year against only Rs. 2,774.25 Lakhs during the year under report.

Amidst volatile market conditions prevalent in the steel and metal sectors throughout the year. Management took cautious approach and tried to maintain balance between continuity of business to a certain extent, but at the same time minimizing the risk of incurring heavy losses.

The CORONA crisis is the most disruptive event in modern human history. The continuing spread of COVID-19 has significant losses of lives and livelihoods, being a health crisis with deep economic implications. Normal life came to a halt amid the lockdowns across the world, including in India in the latter part of March, 2020.

On the other hand, the economic downturn is not due to any structural problem in any industry, but due to an externality that has hit the pause button on all economic activity. The

business of the company has resumed slowly and steadily and it is expected that whenever that externality is completely removed, an equally quick and full recovery should follow.

As we navigate these uncertain times together with our Stakeholders, we look forward to your continued support.

Your management is of the view that, in the coming years post COVID crisis the ship breaking industry will be stable and with expected increase in the requirement of iron and steel will help your company to move towards its sustained path of growth.

On behalf of the entire Board I would like to take this opportunity to thank each one of our stakeholders; I am sure the Board can continue to repose their trust in you.

Thank you!

Ms. Shalinder Kaur, Company Secretary & Compliance Officer

Thank you so much Shanti Swarup Sir.

Now I would like to inform you that the notice dated September 1, 2020 conveying this annual general meeting and a copy of the annual report for the financial year ended March 31st 2020 has already been circulated to the Members of the Company electronically and with your permission I take them as read. The auditor's report on the standalone and consolidated financial statement and secretarial audit report of the Company for the financial year ended March 31st, 2020 do not contain any qualification, reservation, remark, adverse remarks or comments. Accordingly, the reports are not required to be read out as per the Companies Act, 2013. Your Company had provided Members the opportunity to cast their vote on the resolution contained in the notice conveying this annual general meeting by means of remote electronic voting. Since the AGM is held through VC, resolutions mentioned in the notice convening this AGM have been already put to vote through remote e-voting. Therefore, there will be no proposing or seconding of resolutions at this meeting. The remote electronic voting started on Sunday, September 27, 2020, 9:00 a.m. and closed on Tuesday September 29 2020 at 5:00 p.m. Due to the ongoing Covid pandemic the Members present at the AGM and who have not cast their vote through remote e-voting may cast their vote through electronic voting at the AGM i.e. insta vote facility which is kept open during the AGM till 15 minutes after the conclusion of this AGM. Mr. Dilip Bharadiya practicing Company secretary is appointed as scrutinizer for the e-voting process. The scrutinizer will scrutinize the remote e-voting results and voting at the AGM, finalise his report and submit the report to the Company within 48 hours of the conclusion of this AGM.

The results of the e-voting will be announced by sending it to the BSE Ltd and posting it on the Company's website.

I would like to take the queries of the shareholders who have registered themselves as speaker. Out of the total 3 registered speaker shareholders, 1 registered shareholder spoke and rest speaker shareholders were either not present in the meeting or did not responded with their queries.

I now request the Chairman to take up responses to the queries posed by the shareholder.

The Chairman and Managing Director replied to the queries to the satisfaction of the shareholders and the shareholders were informed that the other responses, which could not be answered, will be emailed to the shareholder as per their requirement through Company's registered email.

We hope, we could answer all the queries of the shareholders.

For any further queries, shareholders may approach the Company Secretary at the details given in the Notice of AGM

I would like to say that I hereby thank the chairman, the directors and the stakeholders present here for your continued support, cooperation, smooth conduct for attending and participating in this AGM. It is 9:20 A.M. and with the permission of the chair the meeting is now concluded. Thank you so much!

In compliance with the provisions of section 108 of the Act, read with the Rule 20 of the Companies (Management and Administration) Rules 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Members were provided with the facility to cast their votes electronically during the meeting. The facility was provided by InstaVote of RTA.

THE END
