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SECY/2021/Stock Exchange/ 257-258  
Tuesday, the 14<sup>th</sup> September, 2021

### **SUNFLAG IRON & STEEL CO. LTD.**

REGD. OFFICE :  
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CIN:L27100MH1984PLC034003

To, Deputy General Manager, Department of Corporate Services, <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, <b>MUMBAI - 400 001</b>	To, The Manager, Listing Department, <b>National Stock Exchange of India Limited</b> "Exchange Plaza", C - 1, Block G, Bandra - Kurla Complex, Bandra (East), <b>MUMBAI - 400 051</b>
Ref: Script Code: BSE - 500404	Ref: Script Code: NSE - SUNFLAG

### **Sub: Outcome and Proceedings of the 35<sup>th</sup> Annual General Meeting – Monday, the 13<sup>th</sup> September, 2021 at 12:00 PM (IST).**

In view of the continuing COVID-19 Pandemic, social distancing norm is required to be followed, accordingly, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 and Circular no. 02/2021 dated January 13, 2021 (hereinafter referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") circulars dated May 12, 2020 and January 15, 2021, (hereinafter referred to as "SEBI Circulars") permitted the holding of Annual General Meeting (AGM) through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'), without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"); SEBI Circulars and MCA Circulars, the 35<sup>th</sup> Annual General Meeting of the Company was conducted through VC / OAVM.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the 35<sup>th</sup> Annual General Meeting (AGM) of the Company was held on Monday, the 13<sup>th</sup> September, 2021 at 12.00 p.m. through VC / OAVM. The following items of business as set out in the Notice of AGM dated 30<sup>th</sup> July, 2021 were transacted at the Meeting:

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the Financial Year 2020-21 ended 31<sup>st</sup> March, 2021, including the Balance Sheet as at 31<sup>st</sup> March, 2021, Profit and Loss and Cash Flow for the Financial Year 2020-21 ended 31<sup>st</sup> March, 2021, together with the Board's Report and Report of the Statutory Auditors thereon.

Visit us at [www.sunflagsteel.com](http://www.sunflagsteel.com)

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2. To appoint a Director in place of Mr. Ramchandra Vasant Dalvi (DIN - 00012065), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the Remuneration of Cost Auditors of the Company for the Financial Year 2021-22.

The voting results along with the Scrutinizer's Report will be available on the Company's website at [www.sunflagsteel.com](http://www.sunflagsteel.com) and on the website of the National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Same will also be made available on the website of BSE Limited [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com).

Further, the Summary of the proceedings of 35<sup>th</sup> Annual General Meeting of the Company is attached herewith for your reference and records.

You are requested to take the above submissions on record.

**For Sunflag Iron and Steel Company Limited**

  
**CS Ashutosh Mishra**  
**Company Secretary**  
ACS - 23011



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**33, Mount Road, Sadar, Nagpur - 440001.**

**PROCEEDINGS OF THE THIRTY-FIFTH (35<sup>TH</sup>) ANNUAL GENERAL MEETING OF THE MEMBERS OF SUNFLAG IRON AND STEEL COMPANY LIMITED HELD ON MONDAY, THE 13<sup>TH</sup> DAY OF SEPTEMBER, 2021 AT 12.00 P. M. THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO-VISUAL MEANS (“OAVM”).**

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**NAME OF THE COMPANY : SUNFLAG IRON AND STEEL COMPANY LIMITED**

**SERIAL NUMBER OF THE MEETING: THIRTY-FIFTH (35<sup>TH</sup>)**

**TYPE OF THE MEETING : ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY**

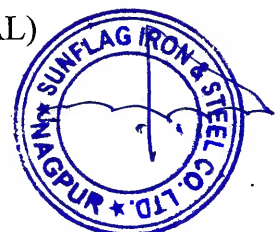
**DAY AND DATE OF THE MEETING : MONDAY, THE 13<sup>TH</sup> DAY OF SEPTEMBER, 2021**

**TIME OF COMMENCEMENT OF MEETING : 12:00 P.M. (IST)**

**DEEMED VENUE OF THE MEETING : REGISTERED OFFICE- 33, MOUNT ROAD, SADAR, NAGPUR-440001 MH, IN**

**DIRECTORS PRESENT THROUGH VIDEO CONFERENCING:**

1. MR. RAVI BHUSHAN BHARDWAJ NON-EXECUTIVE, CHAIRMAN
2. MR. ANAND SADASHIV KAPRE NON-EXECUTIVE, INDEPENDENT DIRECTOR
3. DR. E.R.C. SHEKAR NON-EXECUTIVE, INDEPENDENT DIRECTOR
4. MR. KUMAR JITENDRA SINGH NON-EXECUTIVE, INDEPENDENT DIRECTOR
5. MR. PRANAV BHARDWAJ MANAGING DIRECTOR
6. CA R. MURALIDHAR DIRECTOR (FINANCE)
7. MR. RAMCHANDRA V. DALVI DIRECTOR (TECHNICAL)



- |     |                          |  |
|-----|--------------------------|--|
| 8.  | MR. SAJIV DHAWAN         | NON-EXECUTIVE, INDEPENDENT<br>DIRECTOR |
| 9.  | MR. SURENDRA KUMAR GUPTA | DEPUTY MANAGING DIRECTOR               |
| 10. | CA VINITA BAHRI          | NON-EXECUTIVE,<br>INDEPENDENT DIRECTOR |

**ALSO PRESENT THROUGH VIDEO CONFERENCING:**

- |    |                    |   |
|----|--------------------|---|
| 1. | CS ASHUTOSH MISHRA | COMPANY SECRETARY &<br>COMPLIANCE OFFICER   |
| 2. | MR. S. MAHADEVAN   | CHIEF FINANCIAL OFFICER   |
| 3. | CA DEEPAK AGGARWAL | PARTNER, M/S. N S B P & CO.,<br>CHARTERED ACCOUNTANTS,<br>NEW DELHI (STATUTORY<br>AUDITORS)                   |
| 4. | CS MUKESH D PARAKH | SECRETARIAL AUDITORS &<br>SCRUTINIZER (M/S. MUKESH<br>PARAKH & ASSOCIATES,<br>COMPANY SECRETARIES,<br>NAGPUR) |

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MEMBERS PRESENT THROUGH  
VIDEO CONFERENCING/OTHER AUDIO-VISUAL MEANS - 48 (Forty Eight)

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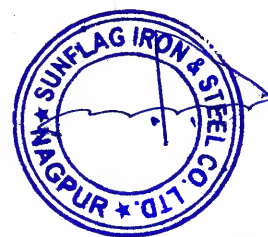
**PROCEEDINGS:**

**STATUTORY RECORDS AND REGISTERS:**

The Statutory records, Statutory Register/s and such other documents as required to be maintained by the Company were made available as per the provisions of law.

**CHAIRMAN OF THE MEETING:**

As per Article 94 of the Articles of Association of the Company, Chairman of the Company shall be the Chairman of the Annual General Meeting.



Mr. Ravi Bhushan Bhardwaj, Non-executive Chairman of the Company took the chair and presided over the 35<sup>th</sup> Annual General Meeting of the Company held through Video Conferencing (VC) / Other Audio-Visual Means, without the physical presence of the Members at a common venue, as per the provisions of the Companies Act, 2013, the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circulars issued by the Ministry of Corporate Affairs.

#### **QUORUM:**

Requisite valid quorum i. e. minimum thirty (30) members were present through Other Audio-Visual Means at the commencement of the meeting, the Chairman declared the meeting open and welcomed the members present. Since there was no physical attendance of Members and in compliance with the Circulars issued by the MCA, Members were informed that the requirement of appointing proxies is not applicable. The requisite valid quorum was also present while continuation of the meeting and transacting all the business agenda items.

#### **INTRODUCTION:**

All the Directors of the Company were present at the Meeting through VC from the various locations in India and abroad. The Chairman welcomed the Directors and introduced them to the Members.

The Chairman further informed the Members that, Chief Financial Officer of the Company, representatives of Statutory Auditors, Secretarial Auditors and Scrutinizers for processing the remote e-voting and the e-voting at the AGM, were also present at the Meeting through VC.

The Chairman further informed that the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee was present at the meeting. The Company Secretary of the Company was also present.

#### **CHAIRMAN'S SPEECH:**

The Chairman in his speech, informed the members of the Company about the World and Indian economic scenario and outlook, Indian and global steel industry, overall performance of the Company, market scenario, opportunities and threats, sustainability, projects at Company's Steel Plant, corporate governance, management outlook etc.

The Chairman spoke about Global Economic Prospects report by the World Bank, that in India the pandemic hit the economy at a time when growth was already decelerating. Financial Year 2020-21 began on a very weak note for India, as the onset of the pandemic triggered panic and brought most economic activities to a near halt in the First Quarter. Protecting lives and livelihoods became the core priority of the Government, while implementing business continuity plans and adopting to the new normal became the priority for industry.

The World Bank predicted India's economy to contract by 9.6% in Financial Year 2020-21 and recover to 5.4 per cent in the next fiscal, as the rebound from a low base is offset by



muted private investment growth given financial sector weaknesses.

He further addressed, that the global steel industry, like many other industries witnessed a year of two splits in year 2020. A sharp decline in both steel demand and production in the first half and sharper than expected recovery in the second half. Global steel production in 2020 dropped by 0.9% to 1864 MT from 1880 MT in 2019.

The impact of COVID-19 has been much more benign for the steel industry and experienced demand decline of around 11%-16%. India also contributed to global decline, as steel consumption in India declined by 13.7% to 88.5 MnT in 2020 against 102.6 MnT in 2019. Up to 30% of global steelmaking capacity (excluding China) was idled or production at steel mills significantly reduced in response to a pandemic-induced drop in demand. However, the recovery in automotive production and white goods manufacturing was quicker than expected when the strictest lockdown measures were lifted. As a result, steel prices rallied in all regions in late 2020.

In 2019, the Government introduced Steel Scrap Recycling Policy with an aim to reduce import. The industry is also benefitting from the developments happening across various industries. The new “**Vehicle Scrapage Policy**” will help in reducing the steel prices since the policy enables recycling the materials used in old vehicles.

Government has taken various steps to boost the sector including allowing 100% Foreign Direct Investment (FDI) in the steel sector under the automatic route.

During the Financial Year under review, the total Income of the Company stood at approx. Rs. 1,902 Crores as compared to approx. Rs. 1,769 Crores of the previous financial year. Your Company has ended the financial year 2020-21 with a profit after tax of approx. Rs. 134 Crores as against the previous financial year’s approx. Rs. 93 Crores. Further details are available in the Annual Report 2020-21 of the Company.

**SUNFLAG STEEL** has commissioned its Super Alloy Steel manufacturing facility during the year under review and now shall be able to cater to requirements related to Aircraft Parts, Armaments, Submarine Parts, Space Vehicle and Rocket Engines, Nuclear Reactor, Super-critical Power Plants, Industrial and Vehicle Gas Turbines, Petro-Chemical Plants and other High Temp and Corrosive Applications. This will enable the Company to reduce its dependency on automotive and auto ancillary industries and create opportunity for expansion and foray in new markets.

Besides this, the Government has recently announced Production Linked incentive scheme (PLI) for manufacturers of special alloy steel which is an import substitute. This is expected to boost steel consumption.

He further apprised that the Company is already manufacturing certain grade of steel which are covered under the said scheme and would explore the opportunity to avail benefit under PLI scheme.

He also informed that raw material consumption is the major component in the total expenditure for Sunflag Steel. The availability and prices of raw material viz. iron ore, coking coal, LAM coke, high value ferro alloys etc. which continues to remain volatile



coupled with uncertain demand in the Automobile industry are the major threats for Sunflag Steel. Although this risk is mitigated to some extent with increase in the sales price on finished goods, but there is always some time lag in getting price increase. Further with the delay in on-going project owing to COVID-19, the Company may end up with losing opportunity to expand its market share.

With a growing NPAs in the banking sector and stringent norms being imposed by RBI, timely availability of funds for working capital needs have become major challenge for Sunflag, particularly to take care of the temporary requirement of working capital and taking advantage of market demand.

At **SUNFLAG STEEL**, we ensure that we evolve and follow the Corporate Governance guidelines and best practices diligently, not just to boost long-term shareholder value but also to respect minority rights. We consider it our inherent responsibility to disclose accurate and timely information regarding the operations & performance, leadership and governance of the Company.

Chairman further informed that the Company Management with its visionary approach is trying hard to make the Company as one of the best Company amongst its peers with adaptability in the competitive business environment to improve financial growth in the long term.

Thereafter, the Chairman gratefully acknowledged the assistance and support extended to the Company by all the Banks and Government agencies, who have stood by the Company, with their continued support. He thanked all his colleagues on the Board for their valuable advice and co-operation.

Also, expressed his heartfelt thanks to every stakeholder for standing by the Company in times of need, assuming responsibilities of true partnerships. He expressed his admiration for employees, management and union, for their single-minded commitment to **SUNFLAG STEEL**.

#### **NOTICE CONVENING THE 35<sup>TH</sup> ANNUAL GENERAL MEETING:**

The Notice convening the 35<sup>th</sup> Annual General Meeting of the members of the Company, was already issued and circulated to the members of the Company and hence the notice of the Annual General Meeting was taken as read with the consent of all.

#### **REPORT OF THE STATUTORY AUDITORS:**

The Independent Auditors' Report for the financial statement/s (Standalone & Consolidated) of the Company for the Financial Year 2020-21 forming an integral part of the 35<sup>th</sup> Annual Report of the Company, was already issued and circulated to the members of the Company and other/s, entitled to receive the same and with the consent of the members present in the meeting, the Independent Auditors' Report/s of the Statutory Auditors' for the financial statement/s (Standalone & Consolidated) of the Company for the Financial Year 2020-21 were taken as read. There were no qualifications, observations or adverse remarks in the Statutory Auditor's and Secretarial Auditor's Reports.



## **e-VOTING:**

It was informed to the members, that as per the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 including amendment thereof and as per Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations], Members have been provided with the facility to cast their vote on the resolutions proposed to be passed in this Annual General Meeting (AGM) by electronic means (remote e-voting) as well as e-voting in the AGM.

It was also apprised to the members that the facility for e-voting is available at the AGM for the members who are present and did not cast their votes through remote e-voting. It was also informed that the members who have already cast their vote through remote e-voting not to cast their vote again in the AGM as their vote will be treated as invalid.

Thereafter the following business item/s as set out in the Notice of 35<sup>th</sup> Annual General Meeting dated 30<sup>th</sup> July, 2021 were taken up by the Chairman for consideration of the members of the Company present:

## **ORDINARY BUSINESS:**

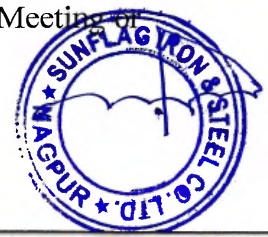
1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the Financial Year 2020-21 ended 31<sup>st</sup> March, 2021, including the Balance Sheet as at 31<sup>st</sup> March, 2021, Profit and Loss and Cash Flow for the Financial Year 2020-21 ended 31<sup>st</sup> March, 2021, together with the Board's Report and Report of the Statutory Auditors thereon.
2. To appoint a Director in place of Mr. Ramchandra Vasant Dalvi (DIN - 00012065), who retires by rotation and, being eligible, offers himself for re-appointment.

## **SPECIAL BUSINESS:**

3. To ratify the remuneration of Cost Auditors of the Company.

The Chairman once again informed the members that the proposed resolutions are open for e-voting. He further informed that only those Members of the Company who have not voted through 'remote e-voting' facility and are attending this Annual General Meeting can cast their votes through e-voting system in the AGM and up to 15 minutes after the conclusion of the AGM.

The Chairman also informed the members that the outcome of the voting will be the cumulative count of the valid votes cast through remote e-voting and e-voting in the AGM. The Chairman added that, the Scrutinizer shall submit their report, as per the provisions of the Companies Act, 2013 ('Act') read with Rules made there under. The Scrutinizer's Report shall be based on the results of the remote e-voting and e-voting in the AGM. The results of the aforesaid Three (03) Ordinary Resolution/s shall be declared as per the provisions of the Act read with Rules made there under by the Chairman of the Meeting.





the person authorized by him for the purpose.

The consolidated results of remote e-voting and e-voting in the AGM, so declared as per the provisions of the Act read with Rules made there under, be posted on the website of the Company as well as web site of Stock Exchanges, NSDL and RTA of the Company within 48 hours of the conclusion of the AGM.

In terms of the provisions of the Act, read with the Rules made there under, the resolutions passed by e-voting including remote e-voting shall be treated as passed or approved in the 35<sup>th</sup> Annual General Meeting of the members of the Company.

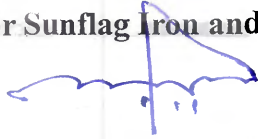
**QUERY AND CONCERNS RAISED BY THE SHAREHOLDERS AND THEIR RESOLUTION:**

Members seeking any information with regard to the accounts or any matter to be placed at the AGM, were requested to write to the Company on or before Monday, September 06, 2021 through email on [investor@sunflagsteel.com](mailto:investor@sunflagsteel.com). The same will be duly replied.

**The Chairman of the Meeting thereafter declared the meeting as concluded with a vote of thanks.**

**Time of Conclusion of Meeting: 12:29 p.m. (IST)**

**For Sunflag Iron and Steel Company Limited**



**CS Ashutosh Mishra**  
**Company Secretary and Compliance Officer**  
**ICSI Membership No.: ACS – 23011**  
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