

**TRANSCRIPT OF THE 49TH ANNUAL GENERAL MEETING OF MISHRA DHATU
NIGAM LIMITED HELD ON 29TH SEPTEMBER, 2023 AT 11.00 A.M (IST) THROUGH
VIDEO CONFERENCING/ OTHER AUDIO VISUAL MEANS**

SHRI PAUL ANTONY - COMPANY SECRETARY & COMPLIANCE OFFICER

Good Morning Shareholders. I request Dr. Sanjay Kumar Jha- Chairman of 49th Annual General Meeting to begin with the proceedings of the Meeting.

DR. S. K. JHA - CHAIRMAN & MANAGING DIRECTOR.

Good Morning to one and all, I extend hearty welcome to you all for the 49th Annual General Meeting (AGM) of Members of Mishra Dhatu Nigam Limited (MIDHANI) which is being held through Video Conferencing (VC) in terms of the circulars issued by Ministry of Corporate Affairs and Securities Exchange Board of India.

For the purpose of 49th AGM of MIDHANI, I hereby acknowledge the presence and introduce (sitting to my right) Shri Gowri Sankara Rao Naramsetti - Director (Finance) & Chief Financial Officer; Shri T. Muthukumar - Director (Production & Marketing); (sitting to my left) Mr. Paul Antony - Company Secretary & Compliance Officer; Shri V. Chakrapani - Independent Director, who is Chairman of Audit Committee & Nomination and Remuneration Committee; Smt. V.T. Rema - Independent Director who is Chairperson of Stakeholder's Relationship Committee.

Smt. Urmila Rawat - Deputy Secretary (DIP) representing the President of India have joined the AGM through VC from New Delhi. Shri Surendra Prasad Yadav (JS-LS) Govt. Nominee Director could not attend the AGM due to his pre-occupation.

CA S Srinivas- Representing Statutory Auditors, CS C V Reddy K - Representing Secretarial Auditor; CS Navajyoth Puttaparthi - Scrutinizer; and Shri B V Rao- Cost Auditor have also joined the AGM virtually.

I hereby now request, Company Secretary to brief Members of the Company on the AGM proceeding.

PAUL ANTONY

Thank you, Chairman Sir. Good morning everyone. The 49th AGM of MIDHANI being held through Video Conferencing to transact the Ordinary and Special Business set out in Notice of 49th AGM which was sent to Members via e-mail on September 7, 2023 along with Annual Report for FY 2022-23. Members may also access the Notice of AGM and Annual Report from the Company's website.

The joining link for attending AGM was opened 30 minutes before the scheduled time of the commencement of the meeting and shall remain open for another 15 minutes after the end of the meeting for the purpose of e-voting at AGM.

The facility for participation at the AGM through video conferencing has been made available for Members on first come first serve basis, except for large shareholders (i.e. shareholders holding 2% or more shares), promoters, institutional investors, Directors, key-managerial personnel, as well as the auditors who are allowed to attend the AGM without any restrictions on account of first come first serve basis. Members are encouraged to join Meeting through their Laptop & PC with good internet connectivity for seamless and better experience.

The remote e-voting facility was provided to the Members to cast their votes electronically on all the resolutions set out in the Notice which commenced at 9.00 a.m. on Monday, September 25, 2023 and ended at 5:00 p.m. on Thursday, September 28, 2023. Company is also providing e-voting facility during the proceedings of AGM to enable Members to cast their vote who have not cast their votes through remote e-voting, this facility is provided by NSDL.

Registered Speakers, have been provided specific links to log in to the meeting and shall be allowed to express their views/questions once the Chairman directs the same. The Chairman would be responding to such queries at the end of the Meeting.

The Registers under Companies Act, 2013 and other relevant documents as mentioned in the AGM Notice are available for inspection.

CS Navajyoth Puttaparthi, Company Secretary in Practice has been appointed by Company to scrutinize the e-voting process in a fair and transparent manner.

Members who have not cast their vote through remote e-voting are requested to vote on the proposed resolutions via e-voting facility available at NSDL's e-voting platform which is available throughout the meeting.

Now, I request our Chairman to kindly Chair the proceedings of the Meeting.

DR. SANJAY KUMAR JHA

The requisite quorum being present, I call this meeting to order. No proxies are allowed in this virtual AGM. Electronic copy of Annual Report for FY-23 and the notice convening the 49th AGM were sent to the members, by email on their registered email id.

With your permission, the notice convening this AGM be taken as read. The statutory auditor's report on the Company's consolidated and standalone financial statement for FY-23 do not contain any adverse remark on the Company's operation, also Comptroller and Auditor General of India (C&AG) has issued 'nil comments certificate' on the financial statements for FY-23.

The observations of Secretarial Auditor have been brought out in Secretarial Audit Report for FY-23 and management's replies to the same are also made part of the Annual Report. With your permission, the Secretarial Auditor's report and replies thereto may be taken as read.

I will now address the shareholders of Company.

Dear Shareholders,

It gives me immense pleasure to welcome you all at the 49th Annual General Meeting of Members of Mishra Dhatu Nigam Limited (MIDHANI). This year, we proudly celebrate the 50th Anniversary of MIDHANI, marking a significant milestone in our journey.

MIDHANI stands as a testament to a visionary aspiration – one that aimed to propel India towards self-sufficiency in the manufacturing of critical alloys.

Today, as we gather, it is imperative that we reflect upon the illustrious history that MIDHANI has scripted and use it as a foundation upon which to build an even more promising future.

When we delve into the past, we encounter the invaluable contributions of distinguished scientists who turned the vision of MIDHANI into a tangible reality. The year was 1970, a time when India was reflecting upon the conflicts it faced with China in 1962 and Pakistan in 1965.

The pressing need for a robust defence modernization strategy rooted in indigenous resources and self-reliance came to the forefront. In this context, Dr. R.V. Tamhankar, a renowned Metallurgist and the founding Director of the Defence Metallurgical Research Laboratory (DMRL), presented a visionary proposal to the Government of India. His proposal outlined the establishment of a manufacturing plant specializing in Super Alloys and Special Metals within India. This strategic initiative aimed to fulfill the nation's critical and essential requirements.

Driven by his foresight, the seeds of what would be termed the 'Golden Age' of contemporary and intricate metallurgy in India were sown.

Dr. Brahm Prakash, yet another distinguished scientist renowned in the field of atomic energy, played a pivotal role in the establishment of MIDHANI. The 'Brahm Prakash Committee' was entrusted by the Government of India with the task of meticulously examining the project proposal from various angles, including strategic forecasts and potential exports. This committee's report became the cornerstone upon which MIDHANI was founded, revising the initial estimated budget from ₹ 39 Cr. to ₹ 79 Cr. The committee report also cemented the prime purpose of MIDHANI which was to cater the strategic needs of country and also to achieve self-reliance, especially in Defence industries. MIDHANI is a story of resilience, determination and dreams of people who wanted a self-reliant India. We pay homage to the immeasurable contributions of both Dr. R.V. Tamhankar and Dr. Brahm Prakash. Their dedication and service laid the groundwork for us to commemorate 50 years marked by innovation, excellence, and transformative achievements.

After a decade of meticulous preparations, MIDHANI proudly initiated its commercial production in the year 1983, and the subsequent chapters in its journey have become the cornerstone of its legacy. Through persistent integration and technological advancements, MIDHANI emerged as leader in advanced metallurgical production for supplying critical alloys and products of national security and strategic importance. MIDHANI has panoply of grades of high value speciality steel, Superalloys and Titanium Alloys which have its application in strategic sectors such as Defence, Space and Energy. MIDHANI is also marking its presence in armouring solutions and railways. As we convene for this Annual General Meeting, we are presented with the chance to collectively contemplate these significant advancements and the profound implications they carry. As we contemplate MIDHANI's remarkable 50-year journey, its incumbent upon us to contemplate how we can further enrich the path that lies ahead.

MIDHANI: Bridging Innovations Globally

FY 2022-23 has been a year where commissioning of new critical facilities has led to amplified capacity and a more diversified product portfolio. Notably, within this fiscal year, the inauguration of the Wide Plate Mill (WPM) was a standout event, graced by the presence of the Hon'ble President of India, Smt. Droupadi Murmu, on December 27, 2022. WPM stands as a distinctive rolling facility in India, capable of accommodating thicknesses of up to 9mm. The WPM facility has helped us cater to the specific requirements of the Vikram Sarabhai Space Centre (VSSC) for the esteemed 'Gaganyaan Mission.' This was exemplified by the supply of Titan 31 slab, a momentous accomplishment as it marked the first- ever production of this material.

During FY 2022-23, MIDHANI's Armour Unit at Rohtak, Haryana has also supplied bullet proof vehicles to J&K Police and also supplied mine proof vehicles to vehicles factory at Jabalpur. MIDHANI has also developed, high performance material for construction of Advanced Ultra Super Critical (AUSC) thermal energy plant which will lead to reduction in fossil fuel consumption. Coming to aerospace sector, MIDHANI achieved a milestone by supplying feedstock and mill forms of high- temperature alloys for 'Kaveri Dry Engine Program' and by developing Superni 115 LPT blade blank for aeroengines.

The accomplishments of MIDHANI in the fiscal year 2022-23 were not immune to challenges. Over the past years, our journey has been marked by significant disruptions, notably the global COVID-19 pandemic and the Russia-Ukraine conflict, both of which have cast shadows over economic outlooks, not only in the South Asian region but across the globe. These external factors have exerted upward pressure on the prices of critical raw materials, introducing volatility to the market dynamics. Furthermore, the supply chain experienced constraints, presenting us with the formidable challenge of adhering to delivery schedules. The surge in energy prices during the fiscal year 2022-23 also reverberated across our operations, affecting the economics of scale. Despite these headwinds, our determination and resilience have remained unwavering, enabling us to navigate through these turbulent times and to continue our journey of progress.

Financial Highlights

During FY 2022-23, MIDHANI achieved a revenue of ₹87,194.14 Lakh which is highest ever revenue achieved with a Year-on-Year (YoY) growth of 1.45%. Despite a modest YoY growth of 1.45%, this achievement is noteworthy considering the challenges MIDHANI faced. Supply chain limitations and volatile raw material prices affected our revenue, making this accomplishment even more significant. In FY 23, the Earnings Before Interest Taxes Depreciation and Amortization (EBITDA) to revenue ratio stood at 33.86%, amounting to ₹29,528.58 Lakh. This is a marginal decline from the FY 22 ratio of 34.16%, equivalent to EBITDA ₹29,361.48, reflecting a YoY decrease of 0.3% in EBITDA to Revenue. The slight decrease in EBITDA to Revenue can be attributed to the volatility in raw material prices and energy costs. However, this impact was mitigated to some extent by increased operational efficiency. As a result, MIDHANI successfully minimized the adverse effects on EBITDA margins. In FY 23, the Profit Before Tax (PBT) amounted to ₹21,654.92 Lakh, compared to ₹23,911.98 Lakh in FY 22, signifying a YoY decrease of 9.43%. This decrease was primarily attributed to higher depreciation and finance costs incurred during the year. In FY 23, the Profit After Tax (PAT) totalled ₹15,587.61 Lakh, in contrast to ₹17,630.77 Lakh in FY 22, resulting in a YoY decrease of 11.59%.

MIDHANI achieved Value of Production (VoP) ₹1,10,026 Lakh during FY 2022-23 vis-à-vis ₹1,01,358 Lakh achieved for FY 22 translating into YoY growth of 8.55%. During FY 23 there was an adverse impact of ₹4,800 Lakh due to price variance of Raw Materials. However, due to efficient and effective utilization of scrap, MIDHANI was able to save material consumption cost amounting to ₹3,194 Lakh. On exports front, MIDHANI achieved direct exports amounting ₹2,064.70 Lakh during FY 23. As on April 1, 2023, MIDHANI had an order book position of ₹1,33,104 Lakh vis-à-vis ₹1,31,700 Lakh as on April 1, 2022, registering a YoY growth of 1.06%.

During FY 23, MIDHANI declared and paid an Interim Dividend of ₹1.68 per equity share and recommends for approval of Members a Final Dividend of ₹1.67 per equity share. The cumulative dividend (declared and recommended) by MIDHANI stands at ₹3.35 per equity shares which is highest ever.

The standalone and consolidated financial results forms part of this Annual Report, Members may kindly refer the report for more detailed information.

Innovation, Excellence and Transformation

During FY 23, MIDHANI has provided due emphasis on facility augmentation. During FY 23, MIDHANI spent ₹7,581 Lakh as CAPEX and spent ₹2,026.78 Lakh towards Research and Development. During FY 23, MIDHANI developed various grades which has its application space, aerospace and energy sector. A standout achievement was the supply of Alloy C276, a solid solution strengthened nickel-molybdenum-chromium alloy with a minor tungsten addition developed in the 8T Vacuum Induction Melting Furnace and Wide Plate Mill. These alloys, once imported by Bharat Heavy Electricals Limited (BHEL), are now domestically produced. Setting up of the Wide Plate Mill has also helped in saving outsourcing cost by rolling plates in house.

MIDHANI's armour unit at Rohtak, Haryana which was commissioned in Quarter 2 of FY 23 recorded revenue of around ₹3,200 Lakh. MIDHANI also developed a unique bullet proof jacket (Garuda) for Indian Air Force. In FY 24, a new Titanium Shop will be commissioned, which will enable MIDHANI to supply additional 500T of Titanium Alloy annually. The Bar & Wire facility of MIDHANI has been operating as its maximum capacity and in FY 24 the facility will be augmented to meet the customers requirement. The 30T Bogie Hearth Furnace and 20 T Fixed Hearth Furnace will be commissioned during FY 24 which is part of MIDHANI's modernisation initiative.

Indian Railways imports approx. 50,000 axles p.a. for its passenger coaches. MIDHANI's supply of 400 Axles to Indian Railway during FY 23 though a small step, would be a big leap in MIDHANI's presence in Railway Sector as there are orders in pipeline from Indian Railways.

Business Responsibility and Sustainability

MIDHANI is committed to upholding the principles of good governance, integrity, and transparency in all its processes.

MIDHANI has adopted Business Responsibility and Sustainability Reporting which forms part of this Annual Report. During FY 23, there has been reduction in water utilization, air emissions (other than Green House Gases) which was way below than National Ambient Air Quality Standards.

On Corporate Social Responsibility front, MIDHANI spent ₹393.42 Lakh during FY 23 which covers healthcare, sanitisation, education and promotion of skill. MIDHANI also sponsored

education for children belonging to SC/ST with low-income background. MIDHANI organised precautionary dose/3rd dose COVID vaccination camp as part of Azadi Ka Amrit Mahotsav for all employees including casual and contract employees along with their spouse in month of August 2022.

Practicing Good Governance

We are ever committed and will always continue in our endeavour to strengthen our Corporate Governance function with clear organisational strategy, effective risk management, corporate social responsibility and transparency and information sharing with our stakeholders. Our Board and Senior Management adhere to our Code of Conduct. Our policies and procedures are continuously evaluated and upgraded to keep the organisational integrity intact and uphold values. We continue to follow, in letter and spirit, the guidelines issued by the Department of Public Enterprises. We are happy to report that, your Company scored 100% as per the revised grading norms for CPSEs, conducted by the DPE on compliance of guidelines on Corporate Governance. A Report on Corporate Governance and certificate on Corporate Governance issued by Practicing Company Secretary forms part of this Annual Report.

Way Forward

MIDHANI has expertise in meeting diversified and critical requirements of its customers. Our performance underscores our dedication to fulfilling our customers' needs and acting as a catalyst for comprehensive growth. In the face of strained geopolitical relations and supply chain complexities, our optimism remains steadfast, fueled by the transformative evolution of the Indian Defence Industry. Recent governmental initiatives have opened substantial avenues to serve our nation's strategic sectors and foster self-reliance.

I would like to thank our customers and supplier vendors for their constant support and belief in our capabilities. I would like to thank my colleagues on the Board for their valuable guidance. A dedicated and talented manpower is MIDHANI's indispensable strength, I would like to thank each and every employee of our Company for their efforts and dedication. I also like to place on record the support from our Administrative Ministry and Government agencies.

I am confident that, MIDHANI will continue to scale greater heights and deliver value to all stakeholders under the stewardship of its astute management.

Together, we shall stride forward into the future, fortified by the legacy we've inherited and the prospects that await us. Thank You Jai Hind!

PAUL ANTONY

Thank You Chairman Sir. The Notice along with the Explanatory Statement dated August 8, 2023 convening the 49th AGM of the Company was sent through e-mail on September 7, 2023, shareholders are requested to refer the same.

Since Company has provided e-voting facility, the requirement to propose and second a resolution is not applicable.

With the permission of Chair and Members, I now table the Agenda Item in seriatim.

ORDINARY BUSINESS

ITEM NO.1

To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2023, the reports of the Board of Directors and Auditors thereon; and the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and report of the Auditors thereon.

The proposed Item No.1 is placed before the Meeting to be passed as an Ordinary Resolution.

ITEM NO.2

To confirm payment of interim dividend i.e. ₹1.68/- per equity share of ₹10 each (i.e. @16.80%) and to declare final dividend of ₹1.67/- per Equity Share of ₹10/- each (i.e. @ 16.70%) for the financial year ended on March 31, 2023.

The proposed Item No.2 is placed before the Members to be passed as an Ordinary Resolution.

ITEM NO. 3

Since, Dr. Sanjay Kumar Jha being interested in Item No. 3, I now request Shri Gowri Sankara Rao Naramsetti - Director (Finance) & CFO to Chair the proceedings of AGM.

To appoint a Director in place of Dr. Sanjay Kumar Jha (DIN: 07533036), who retires by rotation and being eligible, offers himself for re-appointment.

The Item No.3 is placed before the Members to be passed as an Ordinary Resolution.

I now request Dr. Sanjay Kumar Jha to take over to conduct the proceeding of AGM.

SPECIAL BUSINESS

ITEM NO. 4

To ratify remuneration to be paid to BVR & Associates, Cost Accountants as Cost Auditor of the Company for FY 2023-24 and in this regard, to pass the following resolution as an ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, fee of ₹99,000/- (excluding applicable statutory levies and reimbursement of out of pocket expenses), to be paid to BVR & Associates, Cost Accountants (Firm Registration No 000453), appointed by the Board of Directors as Cost Auditor to conduct the audit of cost records of the Company, as applicable, for the Financial Year ending on March 31, 2024, be and is hereby ratified and approved.”

The Item No. 4 is placed before the Members to be passed as an Ordinary Resolution.

The e-voting window will be activated for members to vote during the AGM. Members are requested to vote in accordance with the instruction printed in the notice of the AGM.

With this, I now request moderator to allow the Speakers for Q&A session and I kindly hand over the proceedings to the Chairman to take questions from Speakers.

BHARATI SARAF (SPEAKER)

Hello Namaskar!

Respected Chairman, all the members and employees present, I am Bharati Saraf from Kolkata. I hope all the Directors, employees and workers are safe & healthy. I also thank all the Directors, employees and workers because of whose hard work today our company is doing so well and I request them to continue their hard work for good results in near future.

I would like to express that the growth and performance of the company should be maintained same as this year. I want to ask Chairman & Managing Director regarding the steps taken for Income Tax, Insider Trading, women empowerment and use of renewable energy.

I also wish you and your family a safe and healthy FY 2023-24, and I hope next year we all will meet again with new enthusiasm and energy. If permitted by Government please try to conduct a physical Annual General Meeting next year.

DR. SANJAY KUMAR JHA

Thank you for your questions, you have asked about women empowerment and I would like to point out that to my extreme left we have Women Independent Director who represent our Board, and with this it can be seen how well the women employees and stakeholders are being taken care of by our Company.

At MIDHANI there are many programmes conducted especially for women employees where their safety, work environment, policies of Government of India and many more important topics are being discussed for their betterment. Equal participation of women employees is seen in our management and there are many who are working in the forefront for the operations, maintenance, quality control, financial aspects and in all important departments even though not being in large numbers which is important to us and we appreciate this.

PAUL ANTONY

Sir, as you have also asked about Insider Trading, we have complied all the mandatory rules and also installed a software to track all the Insider Trading. I would like to convey that till date there is no non-compliance recorded in Insider Trading from our Company.

With this only one speaker has joined the Meeting.

DR. SANJAY KUMAR JHA

I thank all the Members, Directors, Key Managerial Personnel, Auditors and Smt. Urmila Rawat - Deputy Secretary (DIP) - representing the President of India for participating in the AGM.

Wishing you all, best of health, happiness, and prosperity.

I now request, Company Secretary to inform Members on e-voting during AGM; post AGM activities; and submission of voting results.

The AGM may be concluded thereafter.

PAUL ANTONY

Thank You Chairman Sir. I now hereby propose the vote of the thanks to the chair for presiding over the meeting.

With permission of Chair, I now declare the proceeding of this meeting as close.

Members who have not yet voted may now cast a vote on the NSDL e-voting platform. The e-voting will remain open for 15 minutes from the conclusion of this meeting.

The results along with scrutinizer report shall be submitted to the stock exchanges, i.e., NSE and BSE and will also be placed on the website of the Company.

Thank You.

Notes:

1. Queries/ comments of shareholders who spoke in Hindi have been translated into English language
2. This transcript of AGM has been edited to improve readability