

## UDAIPUR CEMENT WORKS LIMITED

### Transcript of 28<sup>th</sup> Annual General Meeting held through Video Conferencing/Other Audio Visual means on 16<sup>th</sup> August 2024 at 12.00 Noon

#### **Ms. Poonam Singh, Company Secretary**

Dear Members – Very Good afternoon to all of you. It is time: 12.00 Noon, to commence the AGM proceedings. Mrs. Vinita Singhania, Chairperson, is present with us and I request her to start the proceedings. Thank you.

#### **Welcome Address - Mrs. Vinita Singhania, Chairperson**

Good Afternoon to all of you. I, extend a very warm welcome to all of you at the 28<sup>th</sup> AGM of your Company. We hope you and your family members are safe and healthy. I wish the best of health for you and your family members in the future.

As you are aware, we are holding this AGM through Video Conferencing (VC), in due compliance of the relevant Circulars issued by the Ministry of Corporate Affairs and SEBI.

I would like to place on record that all the efforts have been made by the Company to enable the Members to participate in the AGM, in large numbers and vote on the Items being considered in this meeting for approval of the Members.

Now, I would like to introduce the Directors participating in the AGM. Along with me in the Company's Board Room at New Delhi are Mr. Shrivats Singhania, Director & CEO, Mr. Surendra Malhotra, Independent Director and the Chairman of the Nomination & Remuneration Committee, Mr. Vinit Marwaha, Independent Director and the Chairman of Audit Committee and Stakeholders Relationship Committee, Mr. Sadhu Ram Bansal, Independent Director, Mr. Sudhir A. Bidkar, Non-Executive Director and Mr. Naveen Kumar Sharma, Whole-time Director.

Amb. Bhaswati Mukherjee, Independent Director is unable to attend this Meeting due to her prior engagements.

Ms. Poonam Singh, Company Secretary is also present in the AGM and Mr. Pranav Chitre, Chief Financial Officer of the Company is present through Video Conferencing. Mr. Amit Chaurasia, Company Secretary of JK Lakshmi Cement Ltd., the Holding company is also present in the Meeting from New Delhi.

I would now request Ms. Poonam Singh, to confirm that Requisite quorum is present. Ms. Poonam Singh may also brief the Members regarding procedure of e-voting and participation in this meeting.

**Ms. Poonam Singh, Company Secretary**

Thank you Madam. I confirm that Requisite quorum is present through VC and the Meeting is in order.

As mentioned by the Chairperson, this AGM of your Company is being held through VC in due compliance of all the Circulars issued by the MCA and the SEBI, through the services provided by CDSL.

Since this AGM is being held through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the members is not available for the AGM. Facility for joining this meeting through VC is made available for the Members for 15 minutes before and after the scheduled time of the commencement of the AGM. As requested in the AGM Notice, we hope that the Members have joined the meeting through Laptops / iPads with high speed wired/WIFI internet connectivity to have smooth experience of interaction during the meeting and also read through the detailed e-voting procedure given therein.

All the Members who have joined this Meeting are placed on mute by the Host to avoid any disturbance arising from the background noise and to ensure smooth conduct of the Meeting. During the meeting, when the Chairperson invite Questions from Members who have registered themselves as Speakers, their names will be announced one by one and their mike will be unmuted by the Host.

We request the Speakers to switch on their video/audio after a gap of 2 seconds and to keep their speech brief to help us manage the time. Please note, in case there is any connectivity issue at the speaker's end, we will request the next Speaker to express views or ask question, if any. However, opportunity will be provided to the earlier speaker after all other registered speakers have spoken.

Please note that only those Members who have not casted their votes through Remote e-Voting which was open from 11<sup>th</sup> August 2024 (10:00 A.M.) to 15<sup>th</sup> August 2024 (upto 5.00 P.M.) and who are participating in this meeting today, will have an opportunity to cast their votes during the AGM and till 15 minutes after conclusion of the meeting.

I now request Mrs. Vinita Singhania, Chairperson, to continue the AGM Proceedings.

**Mrs. Vinita Singhania, Chairperson**

Thank you Ms. Poonam

**Mr. Arvind Shah, Partner, M/s. Bansilal Shah & Co.,** Chartered Accountants, Company's Statutory Auditors, Mr. Namo Narain Agarwal Company's Secretarial Auditor and **Dr. Ronak Jhuthawat,**

**Company Secretary in practice** who has been appointed as the **Scrutiniser** for supervising the e-voting process for this AGM **are present at the Meeting through VC.**

In conformity with Sections 170 and 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their Shareholding and the Register of Contracts or Arrangements in which Directors are interested, are available for inspection by the Members.

As the Notice dated 4<sup>th</sup> July 2024 convening the 28<sup>th</sup> AGM and the Annual Report for the Financial Year 2023-2024, already circulated to the Members on 24<sup>th</sup> July 2024. I, with permission of the Members, take them, as read.

Under the Companies Act, 2013, there is no requirement of reading of the Report of **M/s. Bansilal Shah & Co.**, Chartered Accountants, Company's Statutory Auditors for the Financial Year ended 31<sup>st</sup> March 2024, as the same does not contain any qualifications, observations or comments or other remarks on the financial transactions or matters which have any adverse effect on the functioning of the Company.

Also, there are no qualifications, observations, comments or other remarks in the Secretarial Audit Report for the Financial Year 2023-24 issued by the Secretarial Auditor. Therefore, there is no requirement to read this Report.

Before taking up the items of the Agenda, I would like to share with you all my thoughts on the Cement Industry and working of the Company for the Financial Year 2023-24.

### **Chairperson's Speech:**

"Dear Esteemed Members,

Namaskaar,

It is my honour and privilege to welcome you to the 28<sup>th</sup> Annual General Meeting (AGM) of your Company which is being held through Video Conferencing. Myself alongwith all the Board of Directors of Udaipur Cement Works Ltd. would like to thank each of you for joining this AGM virtually. I hope you and your loved ones are all safe and healthy.

The year gone by has been remarkable in many ways, not only has it brought rapid technological progress and possibilities in usage of AI (artificial intelligence) in day-to-day business environment, but also witness the global inflationary issues. In an era marked by unprecedented global challenges, the imperative for business to transcend conventional paradigms has never been more pressing. At the Udaipur Cement Works Ltd., we recognize that our success is intensely tied to the wellbeing of society. As custodians of progress and

stewards of sustainable growth, we embrace the ethos of being 'A force for Good' in all facets of our operations.

I hope you have had the opportunity to read the Annual Report for FY 2023-24. I would like to brief some of the key highlights of performance of your Company.

**Cement Industry:** The cement industry in India has continued its growth trajectory, with the installed capacity reaching 638 million tons in FY24. Looking ahead, the industry is poised for further expansion, with a projected capacity addition of approximately 60 million tons in FY24-25. While infrastructure and housing segments drive demand, the industry faces challenges in matching incremental demand with capacity additions, which could impact utilization levels. In a competitive market with major players like Ultratech, Adani and Dalmia, UCWL's investment in technology and sustainable practices has strengthened our position. With a 4.70 Million Ton Per Annual capacity, we have ample room for growth, particularly in the housing segment, which accounts for 55% of cement demand.

**Company's Performance:** Amidst the evolving industry landscape, Udaipur Cement Works has demonstrated resilience and agility in its operations. Despite market challenges, our production and sales remained steady during the Jan-Mar'24 Quarter. There is a strong growth in Sales of about 33% in 4<sup>th</sup> quarter of FY23-24 as compared to last year in same period. We have also registered 12% sales growth in 4<sup>th</sup> quarter of FY23-24 over 3<sup>rd</sup> quarter of FY23-24. Total cement sales in the last quarter (Q4 FY23-24) were 6.42 Lakhs MT, up from 5.44 Lakhs MT in the same quarter of the previous year (Q4FY22-23), showing an impressive yearly growth of about 18%. Additionally, compared to the previous quarter (Q3 FY23-24), sales increased by approximately 20%.

**Progress of the Projects:** Your Company has successfully completed its Expansion Project - involving additional Clinker Line of 1.50 Million Tonnes Per Annum and Cement Grinding Unit of 2.50 Million Tonnes Per Annum. With this the Total Clinker Capacity stands doubled viz., from 1.50 Million Tonnes Per Annum to 3.00 Million Tonnes Per Annum (Phase I) and Total Cement Capacity stands enhanced from 2.20 Million Tonnes Per Annum to 4.70 Million Tonnes Per Annum (Phase II). Your Company stands well aligned on the right path to strengthen its existing base and make deeper penetration in the market.

To part finance the said Project the Company during the year, had successfully completed the Rights Issue of ₹ 448 Crores. The Rights Issue was open from 21<sup>st</sup> June 2023 to 5<sup>th</sup> July 2023 and was oversubscribed by 32%.

**Corporate Social Responsibility and Human Capital Management:** The Company has implemented path-breaking and highly impactful CSR projects across its various plant locations focusing on the areas such as Education, Healthcare, Skill Development, Livelihood Intervention, Water and Sanitation and more recently supporting Communities for their Wellness by several projects like Naya Savera for improving wellbeing of mother and children under 5 years of age, Project Vidya to ensure quality education to each every child, Outreach

Medical Camps to detect health problems early and provide rational treatment, Nutritional Support for reducing Hunger, Education for Young People, Care for Pregnant Women, Project Swajal & Swachta to improve water and sanitation access for underserved communities, Project Aajivika to facilitate sustainable livelihoods to reduce poverty and inequality and there are so many other CSR Projects for upliftment of our society.

The Company gives special focus on women and girl child as a target group under various CSR projects. Under CSR Projects about 22000 women (50% of the total beneficiaries) have been benefitted during the FY 2023-24 from the activities like health camps, education programmes, skilling, career counselling, employability trainings, small business, seeds etc.

The Company's HR policy is driven by its values including "Caring for People". We believe our employees are the key assets for achieving our vision and mission seamlessly.

**Scheme of Amalgamation:** As a part of Company's ongoing efforts to enhance Shareholders' Value, the Board of Directors of your Company has approved a Composite Scheme of Arrangement which inter-alia includes amalgamation of your Company into the Holding Company, JK Lakshmi Cement Ltd. As per the scheme, the Shareholders of UCWL shall become the Shareholders of the Holding Company with the consolidated Cement Capacity of more than three times that of the UCWL. This Scheme shall also be in the overall interest of all the Stakeholders & shall considerably enhance the Value for the Shareholders of UCWL.

**Acknowledgments:** I would like to express my heartfelt gratitude and tremendous support of my fellow Board Members & Management team for their guidance and exceptional leadership. Thank you very much for our Workmen at all plants & mine locations for their hard work & dedication. I would also like to thank our all shareholders for their support & trust on UCWL. My sincere gratitude to all our dealers, distribution channel partners, customers, financial institutions, banks, business associates, government agencies etc. Together, we have achieved significant milestones and together, we will continue to strive for excellence. Thank you for your attention and participations today.

As I look ahead, I am confident that we can continue to bank upon on this tremendous fund of goodwill as we march towards a future that is bright and full of opportunities notwithstanding the current crisis.

Thank you very much."

**Resolutions, Q&A Session, E-voting and Vote of thanks**

**Mrs. Vinita Singhania, Chairperson**

Now, I will read items of the business to be conducted at the AGM, as mentioned in the Notice, one by one. All resolutions have already been put to vote through Remote e-Voting. Therefore, no resolution is required to be proposed or seconded by the members at the AGM.

Item No. 1: Adoption of the audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2024 and the Reports of the Board of Directors and Auditors thereon.

Item No. 2: Appointment of a Director in place of Mrs. Vinita Singhania (DIN: 00042983), who retires by rotation and being eligible, offers herself for re-appointment.

Item No. 3: Appointment of Statutory Auditors for a term of 5 consecutive years from the conclusion of the 28<sup>th</sup> AGM till the conclusion of the 33<sup>rd</sup> AGM to be held in the year 2029 and fix their remuneration.

Item No. 4: Ratification of remuneration of M/s. HVMN & Associates, Cost Accountants, the Cost Auditor of the Company for the Financial Year 2024-25 of ₹ 1,25,000/- p.a.

Item No. 5: Re-appointment of Mr. Shrivats Singhania as the Director & CEO of the Company for a period of 5 years with effect from 1<sup>st</sup> April 2025.

Item No. 6: Re-appointment of Mr. Naveen Kumar Sharma as Whole-time Director of the Company for a period of 3 years with effect from 1<sup>st</sup> October 2024.

Item No. 7: Appointment of Mr. Sadhu Ram Bansal as an Independent Director of the Company for a term of 3 consecutive year w.e.f. 1<sup>st</sup> July 2024.

Item No. 8: Appointment of Mr. Sudhir A. Bidkar as Non- executive Non- Independent Director w.e.f. 1<sup>st</sup> July 2024.

**Mrs. Vinita Singhania, Chairperson:**

As you are aware, Remote e-Voting on all the AGM items and Resolutions was open from 11<sup>th</sup> August 2024 from 10:00 A.M. to 15<sup>th</sup> August 2024 upto 5.00 P.M. Therefore, many of the Members may have already casted their votes during above period.

However, those who have not casted their vote through Remote e-Voting, have the opportunity to vote now at the facility provided by CDSL portal through which you have logged in.

The Scrutiniser will submit a consolidated Scrutiniser's Report on Remote e-Voting and e-Voting at the AGM, of the total votes cast in favour or against, if any, not later than two working days of conclusion of this Meeting.

I authorize Mr. Naveen Kumar Sharma, Whole- time Director or in his absence Ms. Poonam Singh, Company Secretary to declare the final results of e-voting by 20<sup>th</sup> August 2024. The results declared along with the Report of the Scrutiniser shall be posted on the website of the Company and also on the website of CDSL. The results will simultaneously be forwarded to BSE Ltd. for placing on their website and shall also be displayed on the Company's Notice Board at the Registered Office and its Secretarial Office in New Delhi.

Members may note that voting on the CDSL platform will continue till 15 minutes from conclusion of the AGM.

I now request Ms. Poonam Singh, Company Secretary, to announce names of the Speakers who have requested to express their views / ask any question arising out of Annual Accounts/ Reports of the Directors and Auditors thereon. **We will respond to the questions at the end, after all the speakers have spoken.**

**Ms. Poonam Singh, Company Secretary announced** the names of the six Members, one by one, who registered themselves as Speakers at the AGM and facilitated the Question and Answer Session.

**Members/Speakers** –Members namely, Mr. Manoj Gupta, Mr. K. Bharat Raj, Mr. Praful Chavda, Mr. Suresh Chand Jain, Ms. Swaran Lata and Mr. Goutam Nandy spoke at the Meeting. The Members appreciated the Management for the successful completion of the Expansion Project and successfully holding of the virtual AGM and enabling them to participate in the Meeting without any difficulty. They expressed their views and sought more information/clarifications, *inter alia* on the Company's business operations, further expansion plans, Scheme of Merger, reasons for drop in share price of the Company, steps taken towards meeting the increasing competition and future outlook of the cement industry, plans for payment of Dividend, some shareholders also requested to organize Plant visit etc.

**Mrs. Vinita Singhania** thanked the Speakers for their appreciation, comments and suggestions. She requested Shri Sudhir Bidkar, Director to respond to the questions raised by the various speakers. The queries of all the Speakers were replied to their satisfaction.

**Mrs. Vinita Singhania:** I believe that all the questions of the Shareholders have been duly replied to their satisfaction. May, I therefore, with your permission, declare the Meeting as closed. However, please note that the e-voting window will remain open for another 15 minutes for voting by the Members who have so far not casted their votes.

I thank you once again for your participation in the AGM.

**Ms. Poonam Singh, Company Secretary:**

Members may note that, who have not submitted their PAN & KYC details in the prescribed forms so far are once again requested to send the same to the Company's RTA at the earliest. These forms are also available on the Company's website.

In the absence of KYC and other details, no service request shall be entertained.

The Meeting concluded at 12.50 PM, with a vote of thanks given to the Chair by Mr. Naveen Kumar Sharma, Whole-time Director of the Company.

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