

UDAIPUR CEMENT WORKS LIMITED

25TH ANNUAL GENERAL MEETING HELD THROUGH VIDEO CONFERENCING
ON 19TH AUGUST 2021 AT 12.00 NOON

Directors and Key Managerial Personal (KMP) present at the Meeting:

Smt. Vinita Singhania, Chairperson
Shri O.N. Rai, Independent Director
Shri Vinit Marwaha, Independent Director
Shri Shrivats Singhania, Executive Director
Shri Naveen Kumar Sharma, Whole-time Director

Shri Pranav Chitre, Chief Financial Officer
Ms. Poonam Singh, Company Secretary

KMPs of Holding Company

Shri S.A.Bidkar, Chief Financial Officer
Shri B.K.Daga, Sr. VP & Company Secretary

Ms. Poonam Singh, Company Secretary

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

Welcome Address - Smt. Vinita Singhania, Chairperson

Good Morning to all of you. I, Vinita Singhania, extend a very warm welcome to all of you at the 25th AGM of your Company. We hope you and your family members are safe and healthy. We also wish the best of health for you and your family members in the future.

As you all know, we are holding this AGM through Video Conferencing (VC) in the midst of an unprecedented crisis on account of the COVID 19 pandemic, in due compliance of the relevant Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

I would like to place on record that all the efforts feasible under the current circumstances have been made by the Company to enable the Members to participate in large numbers and vote on the items being considered in this meeting.

I do hope that we will be able to have physical meeting next year; as it is always a pleasure to interact with all of you in person.

It is my pleasure to introduce the Directors present in the Meeting, one by one. Along with me in the Company's Board Room from New Delhi are Shri Shrivats Singhania, Executive Director (Business Development) and Shri Vinit Marwaha, Independent Director and the Chairman of the Stakeholders Relationship Committee. Shri O.N.Rai, Independent Director and the Chairman of Audit and Nomination & Remuneration Committee of Directors is participating in this meeting from Gurugram and Shri Naveen Kumar Sharma, Whole-time Director is participating in this meeting from Udaipur.

Shri Surendra Malhotra and Amb. Bhaswati Mukherjee, Independent Directors are unable to join the meeting due to unavoidable circumstances and other commitments.

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.

I would now request Ms. Poonam Singh, Company Secretary to brief the shareholders regarding procedure of e-voting and participation in this meeting.

Company Secretary

Thank you Madam

Good Afternoon everyone. As informed by the Chairperson, this 25th AGM of your Company is being held through Video Conferencing (VC) in due compliance of the Circulars issued by the MCA and the SEBI, through the e-voting services provided by CDSL.

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 meeting. As mentioned in the AGM Notice, it is hoped that members have joined the meeting through Laptops / iPads with high speed wired/WIFI internet connectivity to have smooth experience during the meeting. Helpline numbers are given in the Notice of the AGM in case there is some Audio / Video loss due to fluctuation in their WiFi network.

All Members who have joined this Meeting are placed on mute by the Host to avoid any disturbance arising from background noise and to ensure the smooth conduct of the Meeting. During the meeting, when the Chairperson invites Questions & Answers 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.

The Speakers will be given a chance to speak, one by one. We request the Speakers to switch on video/audio after a gap of 2 seconds and to keep their speech brief. In case there is connectivity issue at the Speaker's end, his name will be announced again to express his views and to ask any questions after all other registered Speakers have spoken or asked their questions.

Only those Members who have not casted their votes through remote e-voting and who are participating in this meeting, will have an opportunity to cast their votes during the AGM and till 15 minutes after conclusion of the meeting.

Requisite quorum being present through VC, I request, Chairperson of the Company, to commence the AGM proceedings.

Chairperson:

Quorum:

The requisite Quorum is present through VC to conduct the proceedings of the AGM. Therefore, I declare the Meeting as properly constituted and commence the proceedings.

Presence of Auditors and Scrutinizer:

Shri Dhruv Shah, Partner, Bansilal Shah & Co., Chartered Accountants, Company's Statutory Auditors and Shri Ronak Jhuthawat, Company Secretary in practice, Scrutiniser appointed for supervising the e-voting process for this AGM are present at the Meeting through VC. Further, Shri Namu Narain Agarwal, Secretarial Auditor of the Company has authorized Shri Ronak Juthawat as Authorised Representative.

Register of Directors' & KMPs and their shareholdings and Register of Contracts:

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 during the AGM.

Notice:

As the Notice dated 31st May 2021 convening the 25th AGM is already circulated to all the members, I, with permission of the Members take the Notice, as read.

Auditors' Report:

Under the Companies Act, 2013, there is no requirement of reading of the Report of M/s Bansilal Shah & Co., Company's Statutory Auditors for the Financial Year ended 31st March 2021, 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.

Secretarial Audit Report:

Also, there are no qualifications, observations or comments or other remarks in the Secretarial Audit Report for the Financial Year ended 31st March 2021 issued by Shri Namo Narain Agarwal, Secretarial Auditor of the Company. Therefore, there is no requirement to read this Report.

Before taking up the items of the Agenda, I would like to share with you my thoughts on the Cement Industry and working of the Company for the Financial Year 2020-21.

Chairperson's Speech:

With great pleasure, I welcome you all to this 25th Annual General Meeting (AGM) of your Company. I hope you and your loved ones are all safe and healthy. This AGM is being held through Video-Conferencing (VC) on account of the COVID-19 Pandemic.

As we pass through these most turbulent, uncertain, volatile phase in our living history; 'Resilience', 'Responsiveness' and 'Reliability' are three key mantras for us.

The financial year 2020-21 would go down as one of the most challenging years in the recent history. The pandemic due to COVID-19 disrupted all walks of life in most countries in the world, India was no exception. Besides the suffering of the people, the employment was seriously hurt due to disruption in most of the manufacturing and service sectors. Fortunately, we came out comparatively unscathed due to sheer determination of the team to meet this challenge squarely. The rural demand for cement remained good due to comparatively less penetration of COVID-19 in the rural markets during first wave. Our team could leverage this opportunity for overall improvement in the company's working.

I hope you have had the opportunity to read the Annual Report for FY 2020-21. I would like to take a few minutes to brief you about the key highlights of the previous Financial Year and the performance of your Company.

Cement Industry: Housing and Infrastructure are the key sectors that drive cement demand and consumption in the Country. If there is one thing that is overwhelmingly emerging from the happenings across the globe in last one year and continuing even into the current year is that we are

living in the most uncertain period in our history. As the first quarter of FY21 ended, the impact of the pandemic was felt across all Indian economic sectors and the GDP dipped 23.9% yoy, recording the first GDP contraction in more than 40 years. Barring a few exceptions, the contraction impacted almost every sector in the economy including construction. The cement sector against the fears of demand contracting by as much as 15 to 20 % over FY 20 could recover gradually from third quarter to end with a degrowth of only about 7% when the year ended. Towards the last quarter of the financial year the cement demand was almost close to the historical high seen in the FY19.

Company's Performance:

During the year varying segments gave us opportunities at different times and we could grab all the possible opportunities because of effective coordination and agility of our Team, whether it is sales and marketing at the front end or manufacturing/support functions at the back end. During this pandemic year our Manufacturing/R&D team also developed one of the best premium products i.e. Platinum Supremo that we launched in March 21. The most satisfactory part is that in its very first month of launch, product has got very enthusiastic acceptance from our customers. During Financial Year 2020-21, the Company's Cement Production & Sales stood at 9.64 and 9.66 Lakh tonnes respectively. Additionally, we sold 5.81 Lakh tonnes of Platinum Heavy Duty Cement through trading activities and 4.89 Lakh tonnes of clinker. Thereby, Company recorded an all-time High Sales of Rs. 737.66 Crores, showing a jump of 7% over sales of Rs. 686.88 Crores achieved in the previous Financial Year. The Company registered EBIDTA of ₹ 151.28 Crores as against ₹ 126.04 Crores achieved in the previous Financial Year, this corresponds to a satisfactory rise of 20 %. After providing for Interest, Depreciation & Tax, the Profit After Tax (PAT) for the Financial Year 2020-21 stood at ₹ 54.74 Crores as against ₹14.89 Crores recorded in the previous Financial Year, registering a rise of 268 %. Based on the stupendous performance of the Company during the Financial Year 2020-21, the Market Cap of the Company has also jumped from ₹ 234 Crores as of 31st March 2020 to over ₹ 1353 Crores as on date that the Company registered best ever performance in the pandemic year gives us great sense of satisfaction and achievement.

Progress of the Projects: As mentioned last year, the Company had taken up for implementation a De-bottlenecking & Balancing Scheme wherein the Clinker Capacity was being enhanced from 1.20 Million Tonnes to 1.50 Million Tonnes and the Cement Capacity from 1.60 Million Tonnes to 2.20 Million Tonnes by September 2021. Despite all adversities posed by the COVID-19 crisis, your Company has successfully commissioned the capacity augmentation Project.

Your Company, is also working towards installation of new Clinkerization Line and Grinding Unit at Udaipur. This shall boost Clinker Capacity by additional 1.5 Million Tonnes and Cement Grinding Capacity by another 2.5 Million Tonnes. After the completion of the Expansion, the Company's total Clinker Capacity shall be 3.00 Million Tonnes and Cement Capacity shall be 4.7 Million Tonnes. This Project has an estimated capital outlay of ₹ 1,400 Crores and expected to be commissioned over a period of 3 years.

Corporate Social Responsibility and Human Capital Management: The concept of socially responsible business is deeply ingrained into our corporate DNA right from the initial years and till

date we have pioneered and delivered several CSR projects for needy and vulnerable communities and families. Your Company has responded strongly to the crisis and fought against this pandemic at several fronts in collaboration with the District Authorities, Local Panchayats etc., by supporting the local communities around its plant and mines, helping migrants and contractual labours and other needy sections of the society.

Acknowledgements: I would like to end by acknowledging the tremendous support that I have received from my colleagues on the Board, the hard work and dedication of the Management Team but, most of all, the unflinching commitment and effort of our workmen at plant locations and our front line sales team. I also extend my deep gratitude and thank all dealers, distribution channel partners, customers, financial institutions, banks, business associates, government agencies, and, not least, our esteemed shareholders for their invaluable support and confidence.

I humbly urge on you all to come and collaborate to combat the Covid-19 Pandemic jointly. Please take complete dose of vaccination and guide people, those who have not yet taken the vaccine, on the positive aspects of vaccination and the fact that it is all safe to take a vaccine.

[CHAIRPERSON SPEECH CONCLUDES]

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

Chairperson:

Now, I will read items of the business mentioned in the Notice one by one.

As all resolutions have already been put to vote through Remote e-Voting, no resolution is required to be proposed or seconded by the members at the AGM.

Item No. 1 of the Notice is regarding Adoption of the audited Financial Statements of the Company for the Financial Year ended 31st March 2021 and the Reports of the Board of Directors and Auditors thereon

Chairperson requested Shri Vinit Marwaha to take up Item No. 2 of the Notice.

Item No. 2 of the Notice is regarding Re-appointment of Smt. Vinita Singhania, as a Director liable to retire by rotation

Chairperson resumed the chair.

Item No. 3 of the Notice is regarding Ratification of remuneration of M/s. HVMN & Associates, Cost Accountants, the Cost Auditor of the Company for the Financial Year 2021-22, of Rs. 1,00,000/- p.a.

Item No. 4 of the Notice is regarding Re-appointment of Shri Naveen Kumar Sharma as Whole-time Director of the Company for a period of three years w.e.f. 1st October 2021.

Item No. 5 of the Notice is regarding Approval and adoption of the new set of Articles of Association of the Company.

Item No. 6 of the Notice is regarding Entering into Material Related Party Transactions with JK Lakshmi Cement Limited, a Related Party, in connection with Company's Expansion Project, upto an amount not exceeding Rs. 1400 Crore in the aggregate, during the four Financial Years commencing from 1st April 2021 and ending on 31st March 2025.

Chairperson:

As you are aware, all the AGM items and Resolutions were put to remote e-voting and the voting was open from 16.8.2021 at 10.00 AM to 18.8.2021 up to 5.00 PM, I hope all of you have cast your votes.

However, those who have not cast their vote through remote e-voting, have the opportunity to vote now at the facility provided through CDSL portal 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 Shri Naveen Kumar Sharma, Whole-time Director or in his absence Ms. Poonam Singh, Company Secretary to declare the final results of e-voting by 23rd August 2021. 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 its website and shall also be displayed on the Company's Notice Board at the Registered Office and its Secretarial Office.

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 reports of the Directors and Auditors thereon. We will respond to all the questions at the end. I now invite the Members who have registered themselves as Speakers to speak/ask questions, if any.

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

Shareholders/Speakers - Mr. Manoj Gupta from Kolkata, Shri Bharat Raj from Hyderabad, Shri P. Jaichand, from Chennai, Smt. Varuna Gupta from New Delhi and Shri Sarbananda Gattani from Kolkata spoke at the Meeting. They expressed their views and sought clarification *inter alia* on the Company's business operations and future growth plans, technical and other disclosures in the Annual Report 2020-21, impact of Covid-19 on Company's business etc. Mr. Kirti Shah, the other Registered Speaker, did not respond to the calls made to speak.

Smt. Vinita Singhania thanked the Speakers for their comments and suggestions. The queries of all the Speakers were replied to their satisfaction.

Smt. Vinita Singhania: I believe that all the questions of the Shareholders have been 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 Shareholders who have so far not casted their votes.

The Meeting concluded at 1.15 P.M., with vote of thanks to the Chairperson by Shri Naveen Kumar Sharma, Whole-time Director of the Company.

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