

**Transcript**  
**100th Annual General Meeting of Birla Corporation Limited**  
**25th August, 2020**  
**10:30 A.M. IST to 12:50 P.M. IST**

**PARTICIPANTS:**

**Shri Harsh V. Lodha**

*Chairman*

**Shri Pracheta Majumdar**

*Wholetime Director & Chief Executive Officer*

**Shri Vikram Swarup**

*Independent Director*

**Smt. Shailaja Chandra**

*Independent Director*

**Shri Sandip Ranjan Ghose**

*Chief Operating Officer*

**Shri Asim Chattopadhyay**

*Executive President (Operations)*

**Shri Aditya Saraogi**

*Chief Financial Officer*

**Shri Dev Banerjee**

*President (Sales & Logistics)*

**Shri Girish Sharma**

*Jt. President (Indirect Taxes) & Company Secretary*

**Shri Manoj Kumar Mehta**

*Management Official*

**Shri Balachandran M.S.**

*Representative of Statutory Auditors*

**Ms. Madhuri Pandey**

*Representative of Secretarial Auditors*

**Shri Anil Murarka**

*Scrutiniser*

**Moderator and Shareholders**

**Welcome Address: Shri Harsh V. Lodha**

Good morning ladies and gentleman. It is 10.30 a.m. and the time to start the meeting. I am Harsh Lodha, Chairman of the Company and Chairman of the Stakeholders Relationship Committee. I am attending this Annual General Meeting from the Corporate Office at Kolkata. I extend to all of you, a very warm welcome to this 100<sup>th</sup> Annual General Meeting of your Company. I hope each one of you is safe, healthy and maintaining social distancing as per the guidelines issued by the Government authorities. This meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. The Company has made all feasible efforts under the current circumstances to enable the members to participate in the meeting through video conferencing facility and vote electronically. The requisite quorum being present, I call this meeting to order. Before we start the main proceedings of the Meeting, I would request the Directors attending the meeting through Video Conference to introduce themselves. Mr. Pracheta Majumdar

**Shri Pracheta Majumdar**

Good morning. My name is Pracheta Majumdar. I am the Wholetime Director & Chief Executive Officer of Birla Corporation Limited. I am attending this meeting from the Corporate Office of Birla Corporation located in Calcutta. Thank you.

**Shri Harsh V. Lodha**

Thank you Mr. Majumdar. Mr. Vikram Swarup.

**Shri Vikram Swarup**

Good Morning. I am Vikram Swarup, Non-Executive Independent Director and Chairman of the Audit Committee and the Nomination & Remuneration Committee of the Company. I am attending this AGM from my office at Kolkata. Thank you.

**Shri Harsh V. Lodha**

Thank you Mr. Swarup. Mrs. Shailaja Chandra.

**Moderator**

Sir, Mrs. Chandra has not joined the meeting.

**Shri Harsh V. Lodha**

Ok. Fair enough. In view of the prior commitments, other Directors of the Company are unable to attend the meeting. Apart from them, Key Managerial Personnel and other Senior Management Personnel of the Company have also joined this Meeting. I would request them to introduce themselves. Mr. Sandip Ranjan Ghose.

**Shri Sandip Ranjan Ghose**

I am Sandip Ghose and I am attending the meeting from Calcutta.

**Shri Harsh V. Lodha**

Thank you Mr. Ghose. Mr. Asim Chattopadhyay.

**Shri Asim Chattopadhyay**

I am Asim Chattopadhyay, Executive President (Operations) of the Company. I am joining this Annual General Meeting from my home in Kolkata.

**Shri Harsh V. Lodha**

Thank you Mr. Chattopadhyay. Mr. Aditya Saraogi.

**Shri Aditya Saraogi**

I am Aditya Saraogi, Chief Financial Officer of the Company and I am attending this meeting from the Corporate Office at Kolkata.

**Shri Harsh V. Lodha**

Thank you Mr. Saraogi. The representatives of the Statutory Auditors and Secretarial Auditors of the Company and the Scrutinizer have also joined this Meeting from their respective locations.

I would now request the Company Secretary, Shri Girish Sharma, to provide the general instructions to the members regarding the participation in this meeting.

**Shri Girish Sharma**

Good morning everyone. I would like to take you through certain points regarding the participation in this Meeting. Facility for joining this meeting through video conference or other audio-visual means is made available for the members on a first-come-first-served basis. All Members who have joined this Meeting are by default placed on mute mode by the moderator to avoid any disturbances arising from background noise and ensure smooth and seamless conduct of the Meeting.

The members who wish to speak at the meeting were requested to register themselves as a speaker by sending an e-mail to the Company between 9.00 a.m. on Thursday and 20th August, 2020 and at 5.00 p.m. on Saturday. The Company has received requests from several Members to register them as Speaker at the Meeting. However, the Company could accommodate 15 speakers on first-come-first-served basis. The Members who have registered themselves as speaker and could not speak at the Meeting are required to send their questions to the Company at [agm@birlacorp.com](mailto:agm@birlacorp.com) and the Company will be happy to respond to the said questions appropriately.

The Register of Shareholdings of Directors and Key Managerial Personnel and Register of Contracts or arrangements in which the Directors are interested and all other documents referred to in the Notice have been made available electronically for inspection by the members during the Meeting.

Pursuant to the provisions of the Companies Act, 2013 read with MCA and SEBI Circulars, the Company had provided the facility to its members to exercise their right to vote by electronic means in respect of businesses to be transacted in this Meeting. The remote e-voting commenced on 22nd August, 2020 at 9:00 am and ended on 24th August, 2020 at 5:00 pm.

The Members who have not cast their vote by remote e-Voting prior to this Meeting and who are participating in this Meeting may cast their votes during this Meeting through e-Voting System provided by NSDL. Members are requested to login through the e-Voting website of NSDL and cast their vote while at the same time they may watch the proceedings of the Meeting.

The Board of Directors in its Meeting held on 22nd May, 2020 had appointed Shri Anil Murarka, Company Secretary in whole time practice as Scrutinizer to scrutinize the votes cast at the Meeting and through remote e-Voting process.

Since the AGM is being held through Video Conference or Other Audio Visual Means and the resolutions mentioned in the Notice convening this AGM have already been put to vote through remote e-Voting, there will be no proposing and seconding of the resolutions.

Members are requested to refer to the instructions provided in the notice, for a seamless participation through video conference and for voting during the Meeting. In case members face any difficulty, they may reach out the helpline numbers mentioned in the Notice.

Thank you.

**Shri Harsh V. Lodha**

Thank you Girish. As the Notice of the Meeting is already circulated to all Members, I with the permission of the Members take the Notice convening the meeting as read.

Pursuant to provisions of Section 145 of the Companies Act, 2013, the Auditors' Report do not contain any qualifications, observations, or comments on financial transactions or matters, which have any adverse effect on the functioning of the Company. I would now like to brief the shareholders on the working of the Company.

**Shri Harsh V. Lodha**

On behalf of my colleagues on the Board as well as the Senior Management of Birla Corporation Limited, I would once again welcome you to this 100th Annual General Meeting of the Company. Thank you all dear shareholders for taking the time to be with us today.

The past 6 months have been a new experience for all of us, seeing and doing things we could ever imagine. My thoughts are with you, my dear shareholders and your families as all of us grapple with the unprecedented challenges. I am sure we will manage to keep our heads above water through these difficult times and it will not be long before we win this battle against this pandemic and come away stronger.

As most of you would have observed from the results that the year gone by was a good one for your Company. We achieved our highest ever EBIDTA of ₹1421 crores and the highest ever Cash Profit of ₹1033 crores. The increase in EBIDTA was 38% while the Cash Profit was higher by 57% compared to the previous year. The net profit nearly doubled to ₹505 crores. This performance was achieved despite the fact that we had to shut down our operation in later half of March due to the nationwide lockdown imposed when the Cement markets were relatively good in the areas where your Company operates. The Company recorded an EBIDTA per tonne of ₹ 962 for the year which was up by 41% over the previous year.

It was a year of several achievements not just jump in profits. Despite the muted ending, your Company achieved a capacity utilisation of 91% for the full year. It was amongst the highest in the industry. Despite weak demand, your Company achieved the 6% growth in sales by volume through the first 11 months of the year and what made this road even more satisfying is the fact that the Company managed to improve price realisation by close to 6% over the previous year.

I would like to complement the entire team of Birla Corporation, led by our Wholetime Director and CEO, Shri P. Majumdar for this excellent performance.

In terms of improving efficiency, your Company augmented its capacity to generate power from renewable energy. It installed an 11 megawatt Waste Heat Recovery System at Maihar and Solar Power Plants at Maihar, Satna and Chanderia with an aggregate generation capacity of 12 megawatts. The Company continues to ramp up its coal mining capacity at its captive coal block. These projects will enable the Company to save on power and fuel in future. The railway siding facility at Kundanganj plant in Uttar Pradesh is now fully operational. It has helped us to rationalise freight cost and make us more competitive and will continue to do so in the future.

Birla Corporation's initiatives on Company-wide logistics transformation is on track. The Company is focussing on driving cost leadership, implementing best-in-class business processes supported by digital & analytics and organizational capability development with focus on efficiency improvement.

During the year, the Company has secured two coal mines in Madhya Pradesh—Bikram and Brahmampuri through auction. Once developed, these mines would go a long way in providing energy security to several of its plants and in bringing down the power and fuel costs.

In Jute, we witnessed a substantial jump of almost 33% in export earnings. Not only did it shore up the division's profitability, it is an indication that our relentless focus on value-added products has started to paying off. We will sharpen our focus on these products and overseas market expansion to sustain this growth in the years ahead. The advantages of jute as a packing material are being increasingly appreciated across the world. We see a great future in jute, and will continue to invest and innovate in the business.

That, to my mind, is a short summary of what we have achieved in the year gone by. Five months into the current year, we are up against daunting challenges with poor visibility into the future.

The Asian Development Bank has projected for the current year a 4% contraction in the Indian economy—a first in four decades. Inflation is on the rise again, and the Reserve Bank of India is struggling to keep it within the targeted threshold of 6%.

Not surprisingly, the cement industry is bracing for a downturn it hasn't seen or dealt with in decades. According to estimates of Care Ratings, cement production was down 38% in the three months till June 2020. The performance of your Company in the June quarter was in line with the rest of the cement industry.

Our sales and profitability were impacted, first by the nationwide lockdown and then by restrictions imposed time and again by the local authorities which hampered our operations greatly. Despite this we managed to raise prices in May and hold on to price realisations even amongst a relatively weak demand.

From the second half of May, your Company started to witness some green shoots of recovery. Considering the widespread disruption, June was a good month and we hope to build upon that, but it is still too early to predict how the rest of the year will pan out.

Much depends on how soon the restrictions are lifted and workers return to construction sites, apart from how much the government spends on infrastructure creation. People in the construction sector are of the

view that workers will return only after Diwali. Also, tax revenues are under pressure and there is serious concern that the Government may be compelled to scale back spending.

Care Ratings says that housing, which accounts for at least two-thirds of cement demand in India, may not fully recover in the current financial year. Developers will only focus on completing unfinished projects and clearing inventory. However, thanks to a healthy monsoon and a higher than normal kharif sowing, it is expected that the summer crop would be good. That should help the rural economy and the government in its efforts to put the economy back on its rails.

From the indications currently available, it has been estimated by various analysts and rating agencies that the cement production in India in the current year is going to be 25-30% lower than last year. Capacity utilisation could also come down sharply. However, your Company is trying to make up for the loss of profits and volumes in the remaining period of the financial year.

Due to global economic uncertainties, commodity prices have weakened, which will result in a reduction of our fuel costs, but the lower capacity utilisation will dilute the benefits somewhat of this cost saving.

Faced with these challenging circumstances, your Company has decided to conserve cash and rationalise costs without compromising on product quality. It has undertaken several measures to cut costs and improve efficiencies across the board. A special drive has been undertaken for aggressive reductions in fixed costs and optimization of transportation and distribution costs including the transportation of fly ash by rail which would help the Company to improve its profitability. We will have to prioritise among planned expansion projects but let me assure you that we will pursue most of them full steam, subject to availability of workers.

Our 3.9 million ton plant under construction at Mukutban in Maharashtra was going full steam ahead but is now facing delays due to worker shortage and a stoppage of construction during the lockdown. While construction is being stepped up progressively as workers return to the site, total remobilisation of the work force will take some more time. Based on the current projections we are still endeavouring to complete the project by August 2021. In the current year, your Company will complete the 400,000-ton kiln capacity expansion at Chanderia, but it has been decided to temporarily put on hold the plan to increase the capacity of our Kundanganj unit.

In the three months till June, we have managed to tighten the credit cycle and optimise our freight and borrowing costs. For the June quarter, our borrowing cost was 8.08% compared to 8.6% a year earlier—a reduction of 52 basis points. We are looking at ways and means to refinance and prepay our debts with the aim of further reducing our borrowing costs.

Every challenge presents new opportunities. We will take a close look at every component in our fixed and variable costs to figure out how we can optimise them without compromising on our product quality. Such interventions will not only shore up profitability in the near term, but will also make your Company much more competitive in the long term future.

In terms of our marketing initiatives, we will continue to focus on the sales of premium and blended cement and strive to expand market share for all our brands in both the premium and popular categories.

Despite the sluggish demand, the sales of blended cement accounted for 94% of total sales in the June quarter. Sales through the more profitable trade, or retail, channel for the quarter was at 86% of the total volume. Our sale of cement in the premium segment was 43% of the trade sales as against 36% in the Q1 though the volume was lower. We have no option but to scale back our marketing spend this year, but we will make sure we commit enough resources to strengthen the robust brand platform that we have built with years of investments. Now is the time to quietly work on the nuts and bolts to make ourselves more efficient and competitive. At the same time, we will not hold back on key investments required to make us future ready.

The pandemic has had a major impact on the world. A lot of things will change forever, from simple things as the way we work to macroeconomic model of growth. Even a layman understands that the key to turning things around is revival of demand. It has been noticed that even in the rich world, where governments are injecting trillions of dollars in cash to stimulate the economy, people's propensity to save has gone up at the cost of consumption. Economists are looking beyond the traditional Keynesian and Friedmanite theories and the combination of the two approaches to seek an altogether new macroeconomic model to overcome this crisis.

Clearly, it is time for all of us to reflect, learn and to adapt to changes, and make the Company future ready. I conclude by thanking all of you, dear shareholders, for your support to the management, and every employee at Birla Corporation for their sacrifices and commitment in driving the Company through these challenging times. I would wish all of you stay safe. Thank You.

As the shareholders are aware that the notice of the Meeting covers 5 (five) nos. of agenda items as mentioned in the AGM Notice dated 6th July, 2020, I would like to move the following Resolutions for consideration and approval of the Members:

#### **Resolution No. 1 as an Ordinary Resolution**

"RESOLVED that the following Financial Statements be and are hereby adopted:

- a) the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2020 together with the Reports of the Directors and Auditors thereon; and
- b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2020 together with the Report of the Auditors thereon."

#### **Resolution No. 2 as an Ordinary Resolution**

"RESOLVED that the payment of Dividend at the rate of ₹7.50 per share (75%) on 7,70,05,347 Ordinary Shares of ₹10/- each, for the year ended 31st March, 2020, be and is hereby declared and that the same be paid to the Ordinary Shareholders of the Company, whose names appear on the Register of Members as on 18th August, 2020, and, in respect of shares held in electronic form, to the Beneficial Owners of shares as on 18th August, 2020 as per details furnished by the Depositories in this regard."

Being interested in next 2(two) Resolution Nos. 3 and 4 pertaining to my re-appointment as a Director retiring by rotation and payment of remuneration/compensation by way of profit related commission or otherwise, to Non-Executive Chairman of the Company for the financial year 2020-2021, I, with the consent

of all the Directors present request Shri Vikram Swarup, Independent Director of the Company to take the chair and conduct the proceedings in respect of these two items of business.

**Shri Vikram Swarup**

Thank You. I would now move Resolution No. 3 as an Ordinary Resolution:

“RESOLVED that Shri Harsh V. Lodha (DIN: 00394094), Director, retiring by rotation, be and is hereby re-appointed.”

Next is Resolution No. 4, Special Resolution:

“RESOLVED that pursuant to Regulation 17(6)(ca) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded for payment of remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) of an amount not exceeding 0.75% (seventy five basis points) of Net Profits of the Company computed in the manner as laid down in Section 198 of the Act, to Shri Harsh V. Lodha (DIN: 00394094), Non-Executive Chairman of the Company, for the financial year 2020-2021 as determined by the Board of Directors based on the recommendation of Nomination and Remuneration Committee and such remuneration/compensation may exceed fifty percent of the total annual remuneration/compensation payable to all Non-Executive Directors of the Company.”

“RESOLVED FURTHER that the remuneration/compensation by way of profit related commission or otherwise (excluding Goods and Services Tax, if any thereon) payable to Shri Harsh V. Lodha, Non-Executive Chairman of the Company, shall be in addition to the sitting fees and other reimbursement of expenses payable to him for participation in the Board, Committee and other meetings.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

I would now request Shri Harsh V. Lodha, Chairman to resume the chair for rest of the proceedings of the Meeting.

**Shri Harsh V. Lodha**

Thank You Mr. Swarup. I would now like to move to Resolution No. 5 as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹4,00,000/- (Rupees four lakh only) plus applicable taxes and reimbursement of actual travelling and out of pocket expenses, be paid to M/s. Shome & Banerjee (Firm Registration No. 000001), Cost Auditors of the Company, for the Financial Year 2020-2021 as approved by the Board of Directors of the Company, at its Meeting held on 22nd May, 2020, be and is hereby ratified and confirmed.”



“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

Before I invite the members who have registered themselves as speakers to speak, I would request Mrs. Shailaja Chandra, who has since joined us, to kindly introduced herself. Mrs. Chandra.

**Moderator**

Sir I think there is some technical issue with Mrs. Chandra. We are just resolving that.

**Shri Harsh V. Lodha**

Fair enough.

Now, I would like to invite the members who have registered themselves as speakers to ask questions or present their views on the working of the Company.

I request the Members to restrict their questions to the business of the Annual General Meeting and relating only to the Company and not to any other matter. I also request the shareholders that they should restrict their speech to 3 minutes and to avoid repetition, the answers to all their queries and their comments, as appropriate, will be provided towards the end along with the answers to the questions received from various shareholders by email.

For shareholders who registered themselves as speaker but are not being able to speak today. I would request you to kindly forward your questions or comments to the Company on the email as mentioned by the secretary and the Company shall reply to you and deal with it appropriately.

Now I would request the moderator to connect the first speaker. The first speaker is Mr. Ravi Kumar Naredi.

**Mr. Ravi Kumar Naredi**

Good Morning to the Chairman, CEO and Honourable Board of Directors, employees of the Company and fellow shareholder. Sir, it is good you have given a very good result of the Company and Sir in spite of so much profit, interest cost didn't came down. So plan your next CAPEX of this year, this year and next year, and what is the cost of borrowing we are running? And what is the reason to improve demand for cement from April onwards. I am looking after so many cement companies and the demand is very good inspite of lockdown. So if you can tell the reasons, what is that reasons and at present what capacity we are running Sir? These are my questions and thanks to give me opportunity to ask in AGM. Thank you very much Sir.

**Shri Harsh V. Lodha**

Thank you very much Mr. Naredi and I appreciate your being specific and brief. Thank you so much. The next speaker is Mr. Santosh Kumar Saraf.

**Mr. Santosh Kumar Saraf**

Namaskar

**Shri Harsh V. Lodha**

Namaskar

## **Mr. Santosh Kumar Saraf**

Mananiya Adhyaksh ji or Board ke sadasya aur mere shareholder bhai behno, jo aaj video conference ke through jagah jagah jo upasthith hai, aap sabhi ko main namaskar karta hoon. Mera naam Santosh Kumar Saraf hai aur main Kolkata ke ghar se bol raha hoon.

Sir, sabse pehle to apke request hai, jo apne annual report bheji hai, wo 2 page ka fold hai, pdf ke andar mein, yani ek pdf me 2 page khulte hai sath me, uske karan uski jo shabd ki size hai, wo bahut chhoti ho jati hai Sir. Usko agar laptop me kholte hai to khulta nahi hai Sir. Agar bara karte hai to ek page chala jata hai. Iske karan kya hai ki usko parne me or dekhne me kaafi takleef hoti hai Sir. Or vishesh kar hamari age waalo ko, jinko matlab kaafi age ho gayi hai. To future me, jab bhi aap email se bheje to single fold pdf file me bheje, to aaraam se achha rahega Sir. Ek Sir board ko dhanyawaad deta hoon, unhone, itni, last year jo tough period gaya, uske andar me bhi achha result kiya or profit ko bhi 201% jada kiya last year se. Standalone result to double hua. Iske liye board ko bahut dhanyawaad dunga. Or Sir jo 7.50 rupees dividend jo apne maintain kiya hai, uske liye bhi board ko dhanyawaad dunga. Lekin Sir, 100<sup>th</sup> saal apna hai, or itna garv mehsoos kar kar raha hoon ki muje meeting attend karne ka mauka mil raha hai ghar se, aram se baithe huye hai sofa ke upar me. Warna waha pe line me attendance deni parti hai, or apke hall ke andar itne admi baithe rehte hai ki ham ekdam piche baithe huye milte hai sir. Ye bahut achha mauka mila hai ki video conference meeting kar rahe hai. Abhi Naredi sahib ne bhi apse baat ki, abi Naredi sahib ne bhi Video call me apne baat kiya, warna wo bhi baat nahi kar paate the, Bhilwada - Rajasthan se baat kar rahe the. To yahi apse request hai hai ye 100<sup>th</sup> saal hai sir, to apko dividend, apne kya kiya hai sir ki dividend to apne 7.50 rupees diya hai, lekin percentage dekhe to 20% kam hai. Last year apne DDT payment kiya tha, par is saal DDT payment nai kar rahe hai to hamko tax dena parega. To hamare yaha to dividend ki matra kam ho gyi Sir. Apki profit kariban 200% jyada hui hai, apko dividend bhi jus hisab se jyada dena chahiye tha, or sir apke request thi ki 100 years ka silvership banana ke liye, companies special dividend deti hai sir, apne special dividend to announce nahi kiya, upar se dividend or reduce kar diya Sir. To main chahunga ki aap iske liye vichar kijiye sir. Qki apka jo dividend payout hai wo total income ka 18.28% hai, jo ki bahut kam hai. Jabki last year jo payout tha, wo kariban 50% ka payout tha sir. Isko dhyan me rakhiye sir. Abhi hamari jo income hai, wo yahi income hai. COVID ke time pe hamlog apke dividend pe depend karte hai. Sir last year jo apne dividend announce kiye the, usme 11.87 crore apne DT ke roop me payment kiye the sir. To mera kehna hai ki Dividend to apne pehla April ke baad me dividend diya na, to june ke kariban dividend diya tha. April se to DDT lagu nahi thi Sir. To ham agar DDT payment kiye, suppose resolution agar fail ho jata hai vote ke andar me or apne dividend dene ki halat me nahi hote hai, to kya jo DDT apne jo pay kiye the, wo wapis milti? Ye meri chinta, vichar hai. Maine Castrol ka dekha tha last year me December ke pehle Dividend announce kiya tha, 69 crores ka unhone provision kiya tha DDT ke liye. Unhone July 07 ke aas paas me dividend diya tha, unhone DDT paid kit hi, wo poori DDT unko save ho gayi thi. To ye 11.87 crore hamne government ko diye, thik hai, lekin ham shareholder par 1.57% ka extra burden hamko ho gaya sir. Next Sir, 2 minute time dijiye sir thora. Apne bataya nahi ki aap kya step le rahe hai COVID ke karan, jisse apni Company ki income kam nah o or apne picchle saal ki taraf income aage bhi maintain rahe. Ek sir, employee apne hai sir, total 7412 employee apne hai sir, usme women employee ki sirf 40 hai sir. Apki Corporate ya Birla Building me jo jaate ho, usme koiladies staff hi nazar nahi aati hai sir hame. Kam se kam women employee badhayiye Sir. Kyunki agar aap women ko empowerment karege tabhi hamare samaj ki unnati hogi. Agar women kama ke laati hai to uska husband bhi usko bahut khus rakhta hai sir. Uski baatein suntan hai sir. Nahi kamati hai to taane sunne parte hai sir. Aaj kal women kaafi unnanti kar rahi hai apni. Aaj kal Modi sahib bhi women ko bare bare post de rahe hai sir Ministry ke andar me. To apse request raha ki aap jaha jaha position ho, waha women ko employment dijiye sir. Or abhi to factory me bhi women ko allow karne lage hai. Sena me women ko allow kar rahe hai, plane udaane lage hai, women ko kisi tarah se kamzor mat samajhiye sir. Unko badhawa dijiye sir. Ek sir apne jo employee association jo

mention kiya hai, us employee association ka naam kya hai sir. Employee association jisko recognise kiya hai Company ne, uska naam kya hai sir. Ek sir, ye jo apne IEPF ke andar dividend transfer kiya hai sir, 2011-2012 me, uska amount muje nahi mila. Or 2012-2013 me jo karne ja rahe hai jo 15<sup>th</sup> August ko, uska kitna amount hai, wo bhi detail batane ki chesta kijiye sir. Ek sir apne dispute case hai, 1989- 1990 se kaafi dispute case pending pare huye hai sir. Kariban 31 saal se upar hog ye sir, inko kisi tarah settle kijiye. Central Government ne 2 schemes launch ki thi- Sabka Vishwas or vivaad ke sath vishwas. To agar is scheme ke andar kuch settlement hota hai, to cases ko kam kijiye kyuki 31 saal kaafi lambe hote hai sir. Sir, mere ko batayiyega ki abi tak jo aggregate number of shareholder hai, to kitne log physical shares rakhe huye hai sir. Physical holding ke karan apki maintenance kaafi hai. Or apse request hai ki ek hi sequence me, ek hi articles sequence hai jo multiple folios hai, to usko Board decision leke unko consolidate kar de sir. Isse maintenance ke andar consolidate kharcha karne ki darkaar nahi karti, Ye Board decision le ke kar sakta hai. Physical to apka transferable bhi nahi hai, isliye consolidate kar sakte hai sir. Ek sir dusra point hai mera ki apne jo unclaimed dividend ka hai, usme apne 2 jagah 2 rakam likha hai. Ek jagah likha hai unclaimed or ek jagah likha hai unclaimed unpaid. Isse ledger me 2 jagah 2 rakam kyun hai iske against sir. Ek sir dusra mera point hai, Reliance Cement 100% subsidiary hai sir, to kyun nahi apne Company me merge kar dete hai sir. Reliance ka ab naam to nahi hai to isko Company me merge kar dijiye sir. Unka bhi cement ki produt hai sir, to future me isko merge kar dijiye. Ek sir aaj jo ye meeting video conference ki ho rahi hai, iske andar me kitne shareholders ne login kiya hai, kitne shareholders ka attendance hai, iska figure thora batayiyega sir. Dusra sir, last year jo apne AGM kiye the, Uttam Manch ke andar me, waha par total kharcha kitna hua tha, Annual Report ka, Notice ka, Refreshment ka, plus jo Directors log meeting me aaye the bahar se, unko rakhne ka, kitna kharcha hua tha. Or aaj jo apne video conferencing me meeting kar rahe hai, iska kitna kharcha hua. Isse shareholder ko pata chalega ki ye Video Conferencing meeting karte hai to apne ghar se aram se meeting kar sakte hai or apne paise ki bachat ho or wo paisa hamlog dividend ke roop me or growth ke roop me Company ke kaam aaye or jab Company ki growth hogi to hame dividend milega sir. Last baat sir ki aap Board Meeting me decision lijiye, ek 100 year ka interim dividend jaroor announce kijiye sir. Mere ko aisa lagta hai ki aaplog celebrate nahi karna chahte hai 100 sir. Hamara to ab age ho gaya hai sir, fir bhi ham iska anand lena chahte hai. Age waale Board of Directors ko hath jor ke vinti hai sir ki agar aap anand nahi lena chahte hai to hame anand lene dijiye sir. To kam se kam interim dividend jaroor kijiye. Or Sir main asha karta hoon ki next year me jab bhi apse mulakat hogi to main chahunga video conference karwayiyega to bahut achha hoga. Otherwise agar physical meeting karte hai to thore samay ke liye video conference meeting rakhiye. Main Infosys ki meeting attend karta hoon Bangalore me, wo aadhe ghante ke liye, Bombay waalo ke liye special video conference meeting rakhte hai, jisse wo baat kar sakte hai. To aap aadhe ghante ke liye rakhiye. Besi nahi, jo 3-3 minute ka samay diya hai, wo fix kar dijiye. Ham ek or vinti karege sir apse, jo bahar waale shareholders hai apki Company me, unko mauka milega sir. Kharcha bahut jyada nahi hai. Or ab ye extremely siddh ho gaya sir ki ham video conference meeting kar sakte hai, successfully kar sakte hai. Agle saal asha karta hoon ki sab ke sab swasth rahege, labour log bhi swasth rahege, apne management ke staff bhi . Sirf ek cheej or bata dijiyega ki apne Directors ki average age kya hai or senior management ki average age kya hai sir. Wo batayiyega sir. Or main hath zor ke pray karta hu sir ki aplog sab swasth rahiye, sab factory ke members swasth rahe, sab apke staffs swasth rahe. Or asha karta hoon ki agle saal fir video conference meeting me mulakat hogi. Dhanyawaad Samay dene ke liye. Jai Hind. Jai Bharat. Jai Shri Ram. Namaskar Sir.

**Shri Harsh V Lodha**

Thank you Sarafji for all your questions, we will respond to them. Mr. Rahul Jayantilal Jain

**Mr. Rahul Jayantilal Jain**

Hello! Am I audible Sir? Am I audible. Shall I go ahead?

**Shri Harsh V Lodha**

Yes yes. Please do.

**Mr. Rahul Jayantilal Jain**

Thank you so much Sir! Thanks for this opportunity and at the outset Sir, let me wish the entire team at Birla Corporation, the top management, the shareholders, the employees because today is a landmark day for us, we are completing 100 years today, 25<sup>th</sup> August, 2020. Sir, let me start with my questions. Sir, my observation is from whatever reading we have been doing with regards to last five ten years of Annual Reports, the Company seems to have started a new journey from F.Y. 16 which includes expansion, top level management additions, brand positioning, premiumisation of cement quality and improving efficiencies. Sir, in 6 years F.Y. 16 to 22 post completion of Mukutban and Kundanganj expansions, we are doubling our capacity from 10 million tons to 20 million tons plus. What is our medium to long term vision for Birla Corp? What are our plans for the next large capacity expansions CAPEX given the coal and limestone reserves we have and the location and the targeted markets for the new Greenfield CAPEX? Sir, Birla Corp has successfully increased at Chanderia the limestone output and that too very economically through heavy machinery. Sir, this was without blasting probably for the first time in India. So congratulations for that and as per the latest Annual Report the matter is in final stage of hearing. Further, the NGT in March 19 have stopped mining within the municipal limits of Chittorgarh and 10 kms of wildlife sanctuary. Sir, please we would like to understand the impact or benefit of both these orders separately that could be really helpful to us with a medium to longer term perspective both positive and negative impacts benefit which could be there. Sir, our premium brands which accounts for 41% of volumes in today what kind of price differentials do we fetch for this premium brands versus some other brands of us as well as the industry? In last 5 years my observation is realisation per tonne has improved by almost 25% to 5100 rupees per tonne. Is there scope for further improvement because of higher premiums cement sales? Sir on efficiency with regards to power we increased our captive power to almost around 50% of our requirements on a consolidated basis. It is my understanding, is this correct? and this includes all the three thermal, WHRS and solar. So are we today at 50% of the needs? Do we plan to further increase captive power of the existing plants and to what extent in next 2 -3 years? If you could share this with some kind of break up on thermal, WHRS and solar, it could be quite helpful. We completed our 11 MW WHRS and solar plants of 12 MW at previous locations in FY 20. Sir, this seems to be reflected in solar power units going up from 25 lakh units to 50 lakh units. But in WHRS units have declined from 1225 to 1210 lakh units. Sir, I couldn't understand this properly so how do we look at this? I understand this must have been implemented somewhere mid of the year so what kind of savings in power cost can be achieved due to this additions on a full year basis. Sir, with regards to railway siding and automated loading facility which we have set up at Kundanganj, what are the likely benefits and also in last 3 years Annual Reports we have been talking about better supply chain efficiencies and logistics also which could be long term game changes for us as the outcomes become more and more visible. If you could share some more details that what is our kind of benefits which we can receive in the next 2 to 3 years to come on this initiative with regards to logistics also. Sir, including sales tax benefits at Satna and Butibori which are going to expire in FY 22, so what kind of per tonne impact it should have on RCCPL going ahead and if you could share the incentives which are still received at Kundanganj and I understand this will be available till FY29. Sir, we have completed almost 60- 65% of work at Mukutban as per the Annual Report. When do we expect to commence commercial production. I understand that there are difficulties in given the scenario today. We have put on hold our brownfield expansion of Kundanganj due to COVID. When do we expect to revive this? Sir, most of our plants have recorded record production in FY 20 as stated in our Annual Reports. Do we have scope for further increase in capacity of any of the existing factories by de-bottlenecking or small

amount CAPEXES. What is the plan for brownfield expansions if any apart from Kundanganj and the stated parts in Annual Reports. Sir, EBIDTA per tonne which has moved by about 300 rupees per tonne in FY 20 but what I observed this is primarily led by realisation increase of around similar amount. While there is some saving in power and fuel cost of around 70 rupees per tonne but this is negated by the increase in employee and other expenses per tonne basis. What kind of cost savings can be seen going ahead and how much is the realisation increase due to the product mix changes which can be more structural and which can last. A couple of 3-4 more questions Sir. Sir, the EBDITA per tonne for RCCPL has been higher by more than 50% as compared to our Standalone BCL EBIDTA per tonne. So, BCL is roughly around 750-800 whereas, RCCPL is upwards of 1000-1050. Is this largely due to the RCCPL being a new plant or incentives or other efficiency measures at RCCPL because this is in spite of the fact that captive power at BCL, that is our standalone is much higher than RCCPL. Do we see or are we taking some measures which can probably move the standalone BCL EBIDTA per tonne somewhere to touch 1000 per tonne in the near future in medium term. Are we looking at that. Sir, can we talk about limestone reserves available for the Company for future expansion and the location of these reserves. I understand that with regards to coal mines at Sial Coal mines we are expanding our coal extraction capacity from 1 lakh metric tonnes per annum to 3 lakh metric tonnes per annum. Post completion of this CAPEX how much of RCCPL's fuel requirement would be met through captive coal mines. We have been awarded Bikram and Brahampuri coal blocks in MP in December 2019. Can you please brief us about the plants to develop these coalfields in future and its impact on the operations of the Company. Could you please highlight the location and reserve size of limestone reserves which are yet to be developed by the Company. Last 2 questions. Sir, what kind of peak that do you feel we have generated good cash flows, decent cash flows in last two three years and off course we are in growth phase expanding our capacities we do understand that so where do we feel our peak levels, would be on gross and net basis in the coming next two three years giving the CAPEX and also reduction of debt programme. Last question Sir. Our quarter one FY 21 results were impacted due to significant volume decline of around 33% based on our channel talks we actually had thought the central and north regions are doing much much better than the rest of the India. So have volumes picked up now? Do we expect better demand, had a bit better rural income, government projects in central and north regions being as per our understanding and pick up in activity adhoc in state elections in West Bengal and Bihar. Sir, thanks a lot for the patient hearing. We would be really happy if you could share some more details and Sir one request why this long list of questions also. Off course our Annual Report is quite transparent. Lot of details inside it. So again congratulations for that. But as a shareholder, we always look for more. So one request sir we are a large cement Company today among the top 7 companies and we are progressing towards 20 million tonnes in say next 12 to 15 months. If we could organise a con call on some regular basis, may be an Annual con call for shareholders, investors or even a six monthly call that would be really helpful Sir. Thank you so much Sir for the patient hearing. Thank you so much and Sir just a one thing I have already sent the questions on email also.

**Shri Harsh V Lodha**

Since you have already sent it on email, you could have avoided it. But anyways no harm done. Atleast it saved me from the bother of reading your questions. I will respond to them.

**Mr. Rahul Jayantilal Jain**

Thank you so much and congratulations again for the 100th Anniversary today sir. Thank you so much.

**Shri Harsh V Lodha**

Thank you so much. Thank you Mr. Jain. The next speaker Mr. Madhusudan Dey.

**Mr. Madhusudan Dey**

Hello.

**Shri Harsh V Lodha**

Yes we can hear you please go ahead Mr. Dey.

**Mr. Madhusudan Dey**

Hello.

**Shri Harsh V Lodha**

Yes Mr. Dey you can go ahead.

**Mr. Madhusudan Dey**

Yes. Respected Chairman and Board of Directors, I received the Annual Report in time in an advance and I thanks to your Secretary Department. Then I observe that the cement production is not gone up for the reason of COVID-19. So I hope that it will be managed by you and in the almost the double profit in the year. I further I very much eagerly looking forward to the implementation of Mukutban Project in Maharashtra. I know that project has been late for the COVID-19. I heard about the severe damage in the Jute Mill Birlapur on account of Amphan Cyclone. I would like to know the current status. In this 100th AGM of the Company I would request the Chairman and also the Board of Directors to issue the bonus shares. Thanking you sir.

**Shri Harsh V Lodha**

Thank you Mr. Dey. Thank you very much. The next speaker is Mr. Tamal Kumar Majumder.

**Moderator**

Sir, Mr. Tamal Kumar Majumder has not joined the meeting. We can move on with the next speaker.

**Shri Harsh V Lodha**

Ok. The next speaker is Mr. Saket Kapoor.

**Mr. Saket Kapoor**

Hello. Yes sir. Good morning Sir.

**Shri Harsh V Lodha**

Yes Saket. We can hear you.

**Mr. Saket Kapoor**

Thank you Sir. Thank you for giving me the opportunity and my heartiest congratulations to the team on the 100<sup>th</sup> Annual General Meeting and commendable job done by you Sir over the period of time that is now showing the results on a consistent basis. Sir, my earliest speaker Jain Saab has already elaborated on various facts, will try not to repeat them, but very sorry if I do that. But Sir, currently I find our Company in somewhat a catch twenty two like situation wherein we are in a midst of a big CAPEX, we are in a midst of pandemic wherein our cash flows are constrained due to a number of reasons whether its lockdown or the migrant labour or other issues relating to demand. So, how are we going to gel out, gel in this situation to come out, infact less affected. We will be affected but what are we exactly trying to make the changes, wherein this cash flow issue as well as the expansion can be kept hand in hand because in almost all the

CAPEX that are undergoing, a major part of the CAPEX I think so more than 60% has been into the system and all the CAPEX are being funded in the debt equity ratio of 2:1 and we have drawn I think so debt for all the projects. So, going back on Kundanganj for some time will definitely be a cost escalation step. There will be issues with the interest cost and with lower utilisation levels in the cement with the contraction in demands if that pursues going forward the cash flows will definitely be lower. However, with the lower raw material prices, definitely will help us in the denying state but still just wanted your understanding that Sir ki kaise hum iski taiyari kar rahe hain. Sir, I would also put one more important point. We have seen one senior management change in our Company and Sandip Ghose babu has stepped down from the Company in the month of July as per Business Standard newspaper, I have read it. So just wanted Sir, how well is our Company is prepared for this transition because I think so on top of COVID if a person of Mr. Ghose's stature who has been there with the organization for 5 years and bringing that brand building part creating that premium brand and the advantage in the cement sales which have been attributed to his leadership also one of the key reasons how well is the Company ready to take this if I may use the word this knee jerk that may happen and how the transition is going to happen and what are the steps we are going to take, if you could throw some light on that also. Sir, in terms of the coal mines part, in terms of the cost per tonne I have also the similar questions and I am not going to repeat as I can recollect. But Sir in case of this Mukutban project, Sir just wanted to understand what are the key rationale for which we have gone ahead with the Mukutban project. It is strategically located catering I think so my understanding both the western as well as the southern markets starting from Telangana, but whatever I have read from the rating agencies we found that some GST benefits for 20 year period is being provided. So what are the annual incentives that we will be receiving once we commence? Sir, for Kundanganj we have already out of the total 285 crore, I think 171, 175 we already spent. Sir so just wanted your understanding on the same that why have we put the project on hold. I can understand the cash flow part on it. Sir, for the coal requirement also, I have the same question development of the captive coal mines Sial Ghogri what steps are we taking to lower the power consumption per tonne of cement for both BCL and RCCPL. Sir, we find that that the EBIDTA per tonne for us if I am not mistaken is lower when we compare with other Company in the same vicinity also of the same capacity or slightly higher than that, so what are the key reasons for that and what steps are we taking to improve on the same. Even sir on the premium brand sales I think 40% of the sales last year was under the premium brand category. So in the likelihood are we able or would we be able to continue with this % or are we looking on steps to better the mix. Sir, you have written about this wall putty and construction chemical segment also sir. What in this COVID period are we going back on the same or we are putting thrust on this value added segment also. Sir, mining operations at Chanderia just wanted to know when the next hearing or any update as such which could provide us sir. Sir, logistics cost is also is the one for which the Company is working over a period of time so are all the steps which we have taken for reducing the logistics cost are in the way have been done and now the benefits will start flowing or more steps are we taking to rationalize the cost if I may use it. Sir, for the jute industry we have heard that the jute mills in Bangladesh have been shut down by the government, the state jute mills, so how are the dynamics in the jute industry going to change post that and for us what are our plans sir since the COVID impact is there so for these what is our thrust for the jute sector? Sir, and I would also reiterate on the fact that our Annual Report, the press releases post the numbers are definitely very elaborate. It speaks everything for the numbers but sir still to suffice shareholders and interest in the Company, institutions, mutual funds, we should look at and should contemplate us speaking to investors on forums of AGM or joining conference calls organized by various broking firms over a period of time throughout the year or once yearly meet would also be very helpful. Sir, what steps are you taking for value creation for the shareholders because this is what we are looking forward and sir the RCCPL their debt part and the higher depreciation I am not able to understand the depreciation they are higher and we are already running at 91% levels. So how will that compensate because I think Sir, 167 or 170 crores is the depreciation for RCCPL

and lastly on the our Board also sir is very enriched Board consisting of Mr. Majumdar, Mr. Swarup but Sir looking at the age factor also what steps are we taking and now with the exit of Mr. Ghose also how are we trying to reorganize the Board bringing in more professionals so that the size which we are going to achieve going forward the Company can run more efficiently and create more wealth for all stakeholders involved. Sir, I am really grateful to you that you have allowed me to continue and thanking you and all the best to the team sir. Thank a lot.

**Shri Harsh V. Lodha**

Thank you very much Mr. Kapoor. The next speaker is Mr. Soumitra Dhar.

**Mr. Soumitra Dhar**

Hello.

**Shri Harsh V. Lodha**

Yes Mr. Dhar we can hear you. Please go ahead.

**Mr. Soumitra Dhar**

I am Soumitra Dhar representing as a corporate shareholder of Birla Financial Corporation Limited. Chairman Sir, very Good Morning to you. I also extend my best wishes also to the senior executives of the Company and my COVID-19 separated fellow shareholders. Can you hear me sir.

**Shri Harsh V. Lodha**

Yes yes, we can hear you. Please continue.

**Mr. Soumitra Dhar**

Just when we were thinking that we will miss the AGM this year, I received this link for participation in this online AGM which really is a wonderful experience for me. Thanks to MCA and NSDL for making this digital journey possible for us. My fellow shareholders, who spoke before me, have examined threadbare the financial performance of the Company and following ones will follow suit also. My attention has been drawn to a very beautifully designed & impeccably produced Annual Report. The colour pages therein represent many things about the Company and I kind of look forward for it. Sir, this year we missed the printed version, but I personally plan to treasure the sleek digital version for a long time to come. Thank you sir. I also congratulate you all for the centenary of the Company.

**Shri Harsh V. Lodha**

Thank you Mr. Dhar. The next speaker Mr. Apurba Ganguly.

**Mr. Apurba Ganguly**

Hello. Good Morning.

**Shri Harsh V. Lodha**

Good Morning.

**Mr. Apurba Ganguly**

Respected Chairman Sir. Can you hear me?

**Shri Harsh V. Lodha**

Yes we can hear you.



**Mr. Apurba Ganguly**

Ok. Respected Chairman Sir, at the outset I wish to appreciate the efforts of the management in producing such fantastic numbers for the year ended 31st March, 2020. Under the able guidance and leadership of the Chairman of the Company and sincere endeavour of the management team led by the CEO, the Company could produce such excellent results. I am also thankful to the management for maintaining dividend @75% despite the challenging time. I have also noted from the Annual report that the Directors and the Chairman have decided not to take any commission for the year 2019-20. This gesture is the part of Directors and Chairman needs to be appreciated. Going by the current results announced by various companies, it has been noted that relatively cement industry has not been affected that badly when compared to the other industries. I think the better results shown by the cement industry are mainly on account of pent up demand which also helped the industry to maintain its realisation. However, I would like to learn from the management about the future impact of COVID-19 on the industry. Another noticeable feature as I gathered from the Annual Report is the higher production of blended cement. On one hand this has enabled the Company to increase the profitability and on the other hand the higher usage of fly ash has resulted into protection of environment by way of reduced Green House Gasses emission. I would request the Chairman to give us some indication about the performance of the Company in the later part of the year. Thank you sir.

**Shri Harsh V. Lodha**

Thank you Mr. Ganguly. Mr. Alok Banerjee of Express Dairy.

**Mr. Alok Banerjee**

Hello.

**Shri Harsh V. Lodha**

Mr. Banerjee we can hear you.

**Mr. Alok Banerjee**

Hello. I am Alok Banerjee representative of Express Dairy Company Limited. Respected Chairman, senior executives and my fellow shareholders. Sir, I congratulate the Accounts & Secretarial team of the Birla Corporation Ltd. for presenting such meaningful detailed information in the Annual Report during COVID-19 lockdown period, when most people are working from home or are going to office on a handful of occasions. Coloured full page including the paragraph are very attractive and write-up on various activities including CSR activities of the MP Birla Group are also very informative. The Board of Directors have decided to retain the entire amount of profit for the financial year 2019-2020 in the profit and loss account. This I understand from a casual reading of the Annual Report. I am fully with you on this move and in fact God forbid if the next year is not remunerative for the cement industry, it will stand us in good stead. Although Cement Segment has delivered reasonably good results, the Jute Segment results has been not very well. We would like to know the reasons for the same and future plans of the Company for enhancing profitability of the Jute Division. Also, I come to know from the Annual Report that Indian jute mills face a huge challenge from Bangladesh where production costs are much lower and subsidized. At the same time, availability of labour in Indian jute mills is increasingly becoming a major issue. Jute mills in the West Bengal were heavily dependent on migrant workers from neighbouring states, and they are in short supply. This I read in Annual Report since many years. Sir, in view of what happened to migrant labours of our State after the sudden lockdown, will you consider taking an initiative to recruiting people from the jute growing areas of West Bengal after imparting them a short training. I think, this way, you will both get blessings of the founders as well as assured supply of good quality jute. Thank you Sir. Finally I would like to thank you.

**Shri Harsh V Lodha**

Thank you Mr. Banerjee. The next speaker is Ms. Ashita Mishra.

**Ms. Ashita Mishra**

A very good morning respected Chairman, Board of Directors, Senior Executives sitting in the dais and dear fellow shareholders. First of all I would like to congratulate you and your team for the 100th Annual General Meeting and also thank you for giving me an opportunity to speak at this Annual General Meeting. As a shareholder of Birla Corporation Limited, it is very satisfying to know that the Company has registered highest ever consolidated EBIDTA and Cash Profit in financial year 2019-20 at ₹1421 Crore and ₹ 1033 Crore respectively which is the growth of 38% in EBIDTA and 57% in cash profit as compared to last year. The other Achievements / developments achieved during the year by Company are increase in cement production by 1.40% at Birla Corporation Limited and 3.32% at RCCPL Private Limited as compared to last year, increase in Thermal Power Plant and Solar power generation by 15.29% and 105.54% respectively, Company's aiming to expand its project of 3.9 Metric tonne cement plant at Mukutban in Maharashtra, increase in Jute Export dispatches by 23.53% as compared to last year in terms of Metric Tonnes. Although the Company performance is satisfactory but there are certain queries arising on my mind which are, Impact of Covid 19 on performance as well as market situation of the Company. Reason of reduction of power generation through WHRS by 1.16% as compared to last year. Reasons for decrease in clinker production by 5.06% in RCCPL Private Limited, a subsidiary Company. Reason for Decrease in Jute Production by 4.26% as compared to last year. Decrease in Domestic dispatch/sales of Jute goods as compared to last year. Decrease in production of castings in Vindhyachal Steel Foundry during the year. Current Year 493 Tonnes, Last Year 591 Tonnes. Status of Mining operations at Chanderia Plant which had been suspended since August 2011. Reason for hold on the ongoing grinding cement plant at Kundanganj unit and timeline to restart the same. Besides above queries, as Company's General Reserve is ₹ 2667.55 crores so as a shareholder of Company, I request Bonus shares since same has been last given in year 1991. Thanking you for hearing patiently and congratulations once again.

**Shri Harsh V Lodha**

Thank you Ms. Mishra. The next speaker is Mr. Biswendra Narayon Kundu.

**Mr. Biswendra Narayon Kundu**

Can you hear me Sir. Hello.

**Shri Harsh V Lodha**

Yes I can hear you. Thank you.

**Mr. Biswendra Narayon Kundu**

Ok Thank you. Respected Chairman, members of the Board, fellow online shareholders and friends. I am B.N. Kundu. This year we are celebrating 100 years AGM. I feel proud that I am the shareholder of this Company. My father was purchased this share 75 years back. Still today, I am holding these share when I was a shareholder that time I am only 14 years old. So I feel proud. The Company has achieved excellent result for the year 19-20 with increase in turnover and profit along with increase in the EPS. The dividend has been declared at the rate 75% and we the shareholders are extremely happy for this. We congratulate the management for the growth and prosperity of the Company. The report and accounts have been nicely presented in the report giving all the details in entirety. I have nothing further to say on it but the state of facts is that the Company has mainly two business segments, cement and jute. Cement is now the main product of the Company and is making all the profits as jute is losing. I have seen in the Balance Sheet that Company is doing excellent business in cement with our respected Chairman, Mr. Harsh V Lodha at the

helm of the Company. We sincerely hope that the Company which is on the growth path will continue to prosper in future years. But before I close, I want to give a grateful thanks specially to the CFO, Mr. Aditya Saraogi and to the Company Secretary, Mr. Girish Sharma for their help and cooperation whenever we have required information. With this remark I am closing here. Thanks to all sir.

**Shri Harsh V. Lodha**

Thank you very much Mr. Kundu. You must be the senior most shareholder of Birla Corporation. It's very nice to have you at the Meeting.

**Mr. Biswendra Narayon Kundu**

Thank you so much Sir.

**Shri Harsh V. Lodha**

Thank you. Next speaker is Mr. Rajesh Jain

**Mr. Rajesh Jain**

Hello can you hear me.

**Shri Harsh V. Lodha**

Yes we can hear you.

**Mr. Rajesh Jain**

Respected Chairman Sir, the Board of Directors and the Management team, a very good morning to all of you. From the Annual Report 2019-2020 and various announcements made by the Company, I am able to see that the Company is rapidly growing. I would like to congratulate the Company on recording its highest ever EBIDTA and cash profit in the Financial Year 19-20. Its net profit at ₹ 505 crore was 98% higher than the previous year. As a shareholder, I am also happy to find out that the Ministry of Coal has approved allocation of 2 (two) Coal Mines to the Company. The Company has reaped the benefits of lower fuel costs which has resulted into improving its efficiency and cost rationalisation. I find that the wholly owned subsidiary RCCPL had significantly contributed to the growth in the consolidated net profit of the Company. On account of the profit made by the Company and with the reserves that the Company is sitting on, I would like you to throw some light on the future plans of the Company. How is the current year expected to Pan out, Number one. Sir, economic down trend is the best time for new acquisitions. Where does BCL stand as far as new acquisitions are concerned during this pandemic lockdown. I also want to know about the status of Projects, and are there any project which are going to complete in the near future. What are the long term plans that the Company has for its jute business. I wish you all the very best for the future. I am happy with the performance of the Company and thank you for providing me the opportunity to speak at the 100th AGM. Stay healthy. Stay safe.

**Shri Harsh V. Lodha**

Thank you Mr. Jain. Mr. Deepak Kumar Choudhary

**Mr. Deepak Kumar Choudhary**

Good morning Sir! I hope my voice is clear.

**Shri Harsh V. Lodha**

Yes. We can hear you Mr. Chowdhary.

**Mr. Deepak Kumar Choudhary**

First of all I would like to convey my thanks for giving me an opportunity to speak sir. The Annual Report for the year 2019-20 was received by me well in advance and I had sufficient time to go through the same. In the light of announcements made by the Company, I would like to appreciate that the Company even in this pandemic has succeeded in generating fair amount of revenue in the first quarter of the FY 2020-21. Being a shareholder of this Company, I feel happy that I have invested my money in the right place as the Company has been able to protect the interest of its shareholders even in a situation when there is a downward trend in the global economy, the Company has done well. But sir since the financial year 19-20 are very good, you should have declared a much higher dividend. After going through the Annual Report sir, I observe that the Company has not taken the moratorium offered by the Reserve Bank of India. The Company even in this lockdown period has been servicing its debt obligations as per schedule and on due dates. In view of the current Pandemic situation sir, I have few suggestions which I would like the Management to consider. First of all, you should make sure that there are no layoffs in the Company so that the Company can maintain its reputation amidst this COVID era. Secondly, the Company should try to inculcate the spirit of work from home due to COVID social distancing made. Just two questions Sir. What could be the impact of COVID in the next quarter 20-21 and will there be any change in timeline of the future projects. Thank you all for patient hearing sir.

**Shri Harsh V. Lodha**

Thank you Mr. Chowdhary. The next speaker is Mr. Rajesh Agarwal.

**Mr. Rajesh Agarwal**

Good morning Mr. Chairman and other Directors on the Board and fellow shareholders. The performance of the Financial Year 19-20 has been another path breaking. All the vitals are extremely good and hence I for and behalf on the shareholders commend you for this exemplary performance and I hope that going forward this performance will be maintained. This is the centenary year and you know besides maintaining the dividend, the shareholders expected reasonably a special dividend. May be the splitting of the shares for greater participation of the shareholders. I would request you to throw some light about the performance of the Company for the next couple of quarters as the Pandemic COVID-19 is likely to continue. In these difficult times the Company's responsibility is to be enhanced and I am sure like you know the Company is taking you know adequate steps to maintain the Corporate Social Responsibilities it has and I believe that you know several measures for the cost cutting have been taken and the Company has been really aggressive about it. So maybe you know some comments about the cost cutting measures for the future from you would be well appreciated. Thank you.

**Shri Harsh V. Lodha**

Thank you Mr. Agarwal and our final speaker is Mr. Ashis Ruia.

**Mr. Ashis Ruia**

Respected Chairman, Board of the Directors and other dignitaries and my single shareholders. Good morning to all. I am Ashis Ruia, shareholder of the Company. It is a matter of great pride for me to be speaking at the 100th AGM of our Company. In this historic year our Company has achieved the highest revenue and the highest profit before tax as compared to previous financial years. This is really commendable for the whole team of the Company. Special applause for this. Sir, in this adverse business environment, the Board has shown good concern in gesture to give a token amount of ₹1 commission to the Non-Executive Directors for the financial year 2019-20. The Company has maintained the dividend payout ratio as per the last year in the COVID-19 period is also really commendable. Now sir, however I

had few queries, though most of them been asked by the previous shareholders. One of the main question which I want to ask is that in the current ongoing situation caused due to COVID-19, there will be a 4% contraction in the economy overall. So, where do we see our Company against this contraction in the near future. Number two sir, to be a COVID compliant Company, there would be an increase in costs. So I would like to know what would be the impact of this increase in cost to the bottom line of our future quarter earnings. Finally, I would like to know sir what are the areas of CSR in which the Company is working and how much the Company spend on CSR for the last financial year? Taking into account the profit being maintained year-on-year basis, I am of the view that with the continued endeavour put forth by the able leadership of the Chairman, the Company is set to attain more glory in the times to come. In the end, I would like to make a request which most of the shareholders have done, Sir, this being the 100th year, as a shareholder I would expect some special dividend or a bonus and if the Board consider this, I would be very thankful to them. Thanking for your time. Thank you Sir.

**Shri Harsh V. Lodha**

Ok. Thank you gentlemen. Coupled with the questions that have been raised in the meeting, we have received as I have said earlier a lot of queries from various shareholders who are kind enough to email it to the Company, but before I respond to the queries we tried twice to introduce Mrs. Chandra to the meeting. I would like Mrs. Chandra to introduce herself. She is online. She has been with us right through. Mrs. Chandra kindly introduce yourself please. Can the moderator put Mrs. Chandra on. Yes Mrs. Chandra we can hear you now.

**Mrs. Shailaja Chandra**

Yes. I am sorry I couldn't be connected.

**Shri Harsh V. Lodha**

Mrs. Chandra we would like to see you also.

**Mrs. Shailaja Chandra**

I have my video on I am sorry. I just want to introduce myself. I am Shailaja Chandra, Independent Director of the Company. I am speaking from my residence in Delhi. I am sorry there was a glitch and you couldn't see me. But I was there from 10' o'clock and have listened to everyone. Thank you.

**Shri Harsh V. Lodha**

Thank you so much Mrs. Chandra. No I think it was appropriate that we are introducing you at this time. Now I will respond to the queries that have been raised by the shareholders at the meeting as well the shareholders who have emailed to me. Then I will ask Mr. Majumdar and Mr. Aditya Saraogi to supplement on certain other queries that have been raised as well on the points that have been raised by the shareholders which I may have missed out on.

Not going on any order of importance but in the order of noting, I think lot of talk was there on the expansion and why the interest cost has not come down and the leveraging of the Company and how we foresee the future. I think basically our philosophy has always been to be a relatively conservative Company and we go into projects only once we are sure and that project add value to the business of the Company and the profit of the Company in future and that is how we have performed and taken decisions in the past and that is how our Board guides us to take decisions in future also. Mukutban as a project is a very exciting project for Birla Corporation apart from being in a relatively in new geography though we have a small presence out there in the form of Butibori, a grinding unit out there. It is in a market where you see the

Maharashtra for instance, last year the total demand was almost 32 million tons whereas out of the 32 million tons about 15 million tons was imported from other states. So we see a lot of opportunity of the markets in this western region which is otherwise also a very lucrative market for cement and we will be setting up our plant which would be one of the lowest cost plants in terms of production of clinker and cement in the region and coupled with that we have certain special incentives also available from the government of Maharashtra and all these will hopefully strengthen the Company in the future years and that is why we took this step of going into this project of Mukutban and we are hoping to complete it in as said earlier in August 20-21 despite there being a slowdown in the project. We would have completed this project actually in a record time had this interruption of COVID not happened. But be that as may, I think we will still achieve a reasonably decent time in completing this project. Our basic problem in the project is only availability of manpower. Most of the main equipment and all are already at site. But the people who went home after the lockdown was opened, they returned to their various families are coming back slowly. But we are garnering more resources on the manpower front and we hope to complete it by August 2021. With regard to the leveraging, yes we are slightly leveraged but I think our Company as I have said is always conservative on the leveraging front and we are very very comfortable with the leverage we have as well as the cognizance we have from our various lenders. We are on a continuous basis trying to reduce the costs and all our borrowing is long term. So we don't foresee any problem with regard to leveraging. We are going to reach our peak leveraging in the year 2021 once we complete Mukutban but from the year 21-22 when we have almost full operations of Mukutban on our balance sheet, I think we would be quite comfortable with the debt that we have raised. Suggestion of the Annual Report on one page is well taken. We will try and correct it. If I am not wrong, if you go to the net, you can see it on one page. Dividend was one common point raised by several shareholders. I think the Board discussed and deliberated a lot on the dividend. Yes, our profits for the year were there to justify a higher dividend payment to the shareholders. But at the same time when we took this decision we were in the midst of a pandemic. We did not know what the future has for us and we had commitments, so in their opinion, the Directors felt that we should maintain our dividend and as and when things improve and there is more certainty in the future, we will definitely reward our shareholders who have been loyal to us and being with us for all these years. On the Dividend payment tax, I think the point is clear that the shareholders on the dividend paid for the year 2018-19 which was paid late because of certain issues. Shareholders are not required to pay any tax on the dividend amount since the Company has already paid the Dividend distribution tax. So, to that extent, the shareholders don't lose out on the taxation front. The point on women employees was welcome. We have Mrs. Chandra who is with us, who also raises this issue very frequently in our Board Meetings also and we are always open and we have increased the number of women employees in Birla Corporation also and we are open to increasing them more and more. I think its time for the ladies to come forward and we will be more than happy to employ them. Infact the head of one of our function is a lady today. The transfer to the Investor Education and Protection Fund account was in 2011-12, an amount of ₹ 798,725 was already transferred. In 2011-12 again another amount ₹ 11,35,456. In 2012-13 an interim transfer of ₹ 794,612. In 2012-13 final was ₹ 14,02,834 which has been transferred to the Investor Education and Protection Fund account. We will always try to settle the dispute which we have with various authorities, government or otherwise. But as shareholder would know that its not the easiest things to do and it takes time under the system and the structure in India. But the point is well taken and we will try and resolve this to the extent possible. Number of physical shares and consolidation of the shares, we will take that point on Board. We will see what the Board decides on that. RCCPL merger is no longer Reliance Cement. It is RCCPL as a shareholder you would know it's a 100% subsidiary. There are various issues with regard to regulatory and otherwise where a merger currently may not be feasible and may be expensive to the working of the Company. So, as and when it becomes feasible and seamless does not cost the Company, we will consider that at the appropriate time. Obviously, the expense I am not fully aware, what it costs as an in a physical

meeting. But we will definitely keep that in mind and if possible in future we can give the shareholders the right for video conferencing also, under the statutes we will continue to do so. We understand it is more convenient for the shareholders. I think comments were made on our Director's age and Senior Management, I think I would like to assure the shareholders, I personally may be, I might being the average age of a Directors down, but I think the kind and the wealth of experience and advice and guidance they have given us and the assistance they have given us is something that I as the chairman of this Company could not have asked for more, not only in the Board Meeting but other than the Board Meetings also and a lot of those results what you see happening in the Company is not one of from 2016 onwards as one shareholder commented itself. Lot of hard work which has gone on for a long time in transforming the organization, making it stronger, making it more competitive, taking care of the legacy issues, trying to reduce cost, improve on every front and result of which we are seeing today. But as I say it is continuing to be a work in progress, we will continue to find ways and means of improving our performance as well as the relative performance to the peers and I am very very grateful to the Board and the Senior Management for the tremendous inputs they have given in this journey. The premium brand price differentiation, I will ask Mr. Majumdar to touch on it later in this AGM and obviously this is one of our unique strategies that has given us good dividends over the past few years and intend to improve upon it in future. That apart, There are various areas where we have somewhere to go in terms of logistics distribution and other areas where our cost relative to our peers are higher and I can assure the shareholders that the Board and the Company and the Senior Management is alive to this situation and wherever possible we will try and make attempts to reduce the gap or infact become leaders in certain places also. Sial Ghogri currently actual production would contribute almost 60% of Maihar coal requirements once it reaches its 3 lakh tonnes per annum. Another slight correction, it was not a simple allocation of coal mines to the MP Birla Group. It was a coal mine which we won in an e-auction and both these mines we won in e-auction and subsequently to which it was allocated to the Company.

Shareholder commented that North and Central did much better in Q1 in most Companies, so why wasn't our performance as good as some other Companies. I would like to inform the shareholders that Q1 results are not comparable actually. You see, in Q1 we faced a lot of different situations at different locations. It is a very unique situation, for instance, may be the District Magistrate who is overlooking one of our plants, takes a certain view on the lockdown, a certain view on the number of people allowed to be working in the plant, a certain view on the facilities that we have to provide and a certain view on the trucks movement that are coming in and out of the plant. Whereas in a similar area, in another region, the District Magistrate might take different views depending on the local environmental pressures and the existence of the Pandemic. So I think Q1 figures are not fully comparable but being that as may I think, we were slightly unlucky if I may use that term, that in most of our locations, we had to face a lot of stringent conditions and compliance issues from the local administration but now things are much better and hopefully from Q2 and Q3 you will find our figures much more comparable than our peers in the industry. There were some damage to the Jute Mill because of Amphan but I think I would complement our team that they got the Jute Mill up and running as soon as possible after the damage and they have repaired the damage mostly to the roofing not much to the plant and machinery but mostly to the roofing they have repaired it temporarily and within six to seven months, the new roof will be on the plant and the Jute Mill would be functioning as before. I think Jute is a area that as a Company, though its a small portion of our turnover but it is historically very very important and not only important I think the Company and the Board feels it is an industry for the future. We have invested a lot in the Jute business and we are continuing to invest to make our jute businesses which was highly loss making not very long ago but profitable now I think we are trying to concentrate on the value added goods and market specially export markets where you know demand is also consistent and value addition is also higher and hopefully in the years ahead the work that

we have done in the past will sow fruit that apart we are also in the midst of a lot of innovation in the Jute business in terms of the product quality and the specification which would also help us to sell to the discerning buyers overseas. On the CAPEX front, I think as said in my speech earlier, we are continuing with Mukutban and we hope to complete it in August 2021 and once operational it will add a lot of value in terms of cash flow and also strength and profitability to the Company. We put on hold Kundanganj for some time and we will reconsider it when we find the future is much more certain and appropriate and then the Board of Directors will reconsider the expansion of Kundanganj. EBIDTA when compared to others again you see we do compare our EBIDTA plant wise, region wise with our peers and there are several reasons why in many cases our EBIDTA is higher and several reasons when in many cases our EBIDTA is lower and we work together towards increasing our efficiency to ensure that we keep improving and we become a good performer in the businesses we are in. In terms of market share and in terms of EBIDTA as shareholders would appreciate, we have come a very long way. We have improved it overall and we are I think amongst the better performing companies in terms of EBIDTA and we can hopefully maintain that performance in the future also. Logistics is an ongoing exercise and I would request Mr. Majumdar to deal with it apart from all the future plans of the Company. Wall putty and construction chemicals are currently very important part of the business and are ancillary to our business and we are going to grow it profitably in the years ahead as the shareholders might see. The future impact of COVID, I wish I knew but I think it will be fair to say that we are much much more COVID ready today than we were in March, April and the administration is also much much more COVID ready today and is more reasonable than it was in March and April. So, barring unforeseen circumstances, I think things will normalise faster than we expected but even today as shareholders are aware we do have local issues in several of our markets and coupled with that we had natural issues also of floods in Bihar and certain logistics issues in UP which is again major markets for us. But I think the worse is definitely behind us. All of us have become much more COVID prepared and we will perform much more normally than we did in the past in the COVID times also. I don't think as a Company we have laid off any person, infact shareholders would be amused to know that today we are looking for people to work more in our project site as well as in our jute mills as well as in our plants. So we have not laid off anybody and we are more than open to hiring more people at various locations to ensure that we reach our capacities. Cost cutting measures have already been discussed and we are looking at all our costs line by line and there are teams looking at that to ensure that wherever there is any excess fat or unnecessary costs or something that we can do without atleast temporarily of not permanently without impacting or hampering the operations of the Company, we are looking at it very aggressively and doing the same and results of that will be apparent in the months ahead. I think from 2020-25 I think on the expansion, I will leave that for Mr. Majumdar to deal with it. On the NGT order, the question was raised. It does not have an impact on our current operations and we are taking steps to ensure that the order of 10 kms on Bassi Wildlife sanctuary is removed because as per the MoEF draft guideline, it is not required. It does not impact the wildlife sanctuary and so as and when the guidelines are revised, this will become history. Issues on WHRS and the unit generated I think this is got to do with Kiln operation at the various plants sometimes the kiln are not functioning fully, so there could be a minor difference in the number of units generated but I am happy that the 11 MW Waste Heat Recovery System at Maihar is fully operational now and so the full year benefit of this Waste Heat Recovery System will be seen by the Company in the present fiscal year as will the benefit of the solar capacity that we have put at the various plants and this would lead to a saving of almost fifty to fifty five crores per annum for the Company. The railwaysiding at Kundanganj again the benefit we will see fully in the forthcoming period and apart from the flexibility, it will give us reduction in costs also and that would help us in future. The Company is always looking at ways and means of proving capacity value of Brownfield expansions or process improvements and as and when we finalise anything we would take it to the Board and it will be shared with the shareholders in our releases that we give post the Board Meetings. We have already taken a Brownfield initiative at Durgapur and that



would also lead to good results to the Company. Yes, RCCPL plants are much higher in profits than the BCL plants, no doubt about that because firstly the age of the Reliance plants are relatively new and very efficient plants whereas in case BCL, both the plants are more than fifty years old and though we have continuously improved and expanded the capacity of these plants, both plants do have their limitations in terms of fuel and power consumptions and coupled with that we have a higher cost of mining in Chanderia as the shareholders are aware because we mine by mechanical means only. All these add to the cost of the production which in turn leads to a lower earnings per share but by and large our plants are running quite efficiently now and we will take steps to improve further operations and streamline the functioning of the plants so that we don't face certain break down that we were in the past. I would request Aditya to deal with the financial aspect at the peak gross debt and the net gross debt also and when we will start coming down but I think within a couple of years you will see the Company would be in a very very comfortable position in terms of its gross and net debt to EBITDA ratio once full year of working of Mukutban comes into the Balance Sheet of the Company. I think I would request now Mr. Majumdar to fill in with the balance queries that have been raised by the shareholders and after that Aditya to give the reply to the specific queries of certain shareholders. Mr. Majumdar please.

### **Shri Pracheta Majumdar**

Thank you very much Mr. Chairman. It's a privilege for a person like me to be with all the shareholders for the 100th Annual General Meeting of the Company. I fondly remember Mr. M. P. Birla and Bari Maa on this occasion and I am very happy to see the current management of Birla Corp led by Shri Lodha. Some of you people commented on the age of the Board. I am perhaps the oldest member of the Board barring Mr. D. N. Ghosh. But I feel very excited to work with Birla Corporation. I have worked with some good companies also very well known company and I find this Company to be full of potential. Many of you have congratulated us for good performance but I think as the Chairman said, all this is work in progress. We can do better and we will do better in the future. We don't really stop at patting ourselves at the back only because we only know how much better we can do. I will try and give you some sense of the future movement of this Company. To start with I will talk about the growth of the Company which comes to everybody's mind first I think. Although business to me is not only about growth. To talk about growth, we are now started discussing among ourselves and also with the Board our next phase of major expansion and we want to reach 25 million ton capacity and the capacity utilisation of around 90% or so by the year 2025. This will mainly come from the doubling of clinker production at Maihar but the details are being worked out. To this, we will also have to add some grinding unit in Bihar, some grinding unit in northern part of Uttar Pradesh or Haryana, some grinding unit in western part of Gujarat. So we are really working for 25 million tonne Company by the year 2025 and the details are being worked out. Let me spend some time on Mukutban. Mukutban will take us upto 20 million tonne. Mukutban will be quite a unique operation for Birla Corp. The state of Maharashtra sells anywhere between 25 lakhs to 30 lakhs tonnes of cement every month depends on the season. Monsoon month is closer to 25 lakh, dry months is closer to 30 lakh. There we are going to produce something like 325000 tonnes every month in the good period and in monsoon period, it may be just below just 3 lakh tonnes. So we are going there with a capacity of may be 10% or slightly lower than 10% of the total market of Maharashtra. We will be selling our products mostly in Vidarbha and the middle part of Maharashtra and much less in Bombay and Pune because Bombay and Pune markets are long lead from where our factory is located i.e. we are at Nagpur, 2 or 3 hours drive from Nagpur and also Bombay and Pune market is not that good for blended cement. It's mainly OPC which get sold to the raw mix manufacturer. Mukutban will be a very good addition, businesswise and financial bottom line wise for the Company. We are working on a very detailed sales and marketing plan along with our project. The project is looking after all the manufacturing side. We will have a factory which will be very modern in its parameter. We will have all the parameters of Mukutban will be better than

Maihar, which today is our most modern factory. Mukutban will be business-wise a very good addition which will take us from 15.5 million tonne to 20 million tonne and we think it will take us 2 - 3 years time to ramp up and run the plant at its full capacity. Then let's talk about some of the major initiatives which we have taken. In the question answer session, not much was asked about digitalisation but this is one very major step or initiatives that we have taken in the Company. We are planning to move from the age of ERP, SAP, etc. to the age of analytical artificial intelligence. We have already started working in 2 major areas – one is logistic and the results are already visible. Logistics, we have started the pilot project in Chanderia where there has been substantial saving already in our logistics cost and slowly we will be rolling it out in our remaining factories over the next 14 months or so. This will be visible in our bottom line. The second area is total commercial control from purchase, right upto consumption through digitisation. It's a very very important area for us. You know we talk about cost cutting and all that and I have been working in the industry for the last 55 years. I have been working with different Industries of Indian Corporate Team. Cost cutting in our good old days meant cutting back on advertisement, cutting back on all kind of discretionary expenses but digitisation takes you to a new level. You know, because of this artificial intelligence and analytic and future tools like block chain and other thing, it will take you to decision making at a level which we cannot really fathom today. In commercial control, the role of digitisation cannot be over stated and you will see that we will be one of the lowest cost producer of cement in years to come if we can carry out our digitisation process successfully and I think that the digitisation process has been entrusted to a group within the Company which is very competent and they have a holistic view of all that we have to do. We have started with logistic and commercial control. Next will be selling and manufacturing. Just imagine a factory which will have no break down and actually it is possible in manufacturing. It is possible not to have any break down in a factory. Today, it may you know sound very utopian kind of a thing, but I have seen factories where a factory shut only on plant shut down, when you are doing regular maintenance or plant maintenance. It doesn't break down, no build gets snapped, no motor gets burnt. It's all automatically controlled through digital process. This is the future of manufacturing actually and we are going to start that in Birla Corporation. Some of the two, three other cement manufacturers are beginning in the same manner, so digitisation will again be major initiative of Birla Corporation which will make the Company ready for the future. The third area is brand building, selling, marketing, distribution, everything one has to look at holistically. To answer one shareholder's question on premiumization. The premium that we charge for our premium products vary from market to market, but it normally is around 300 to 400 Rupees per tonne which works out to be 15 to 20 Rupees per bag. Premiumization has to be done very judiciously. Premiumization does not mean that you ignore the popular brands. Our popular brands like Samrat and Chetak, we need to position these brands also at a higher level. That is also very equally strong task. What we are doing in selling and marketing, we are selecting areas which we think has high potential in terms of both volume and bottom line and where we are average performers and we are taking one or two such pilot sites, pilot markets where we are trying out different kind of ideas. Ideas which are not normally found in cement industry. So these are somewhat of our test market you can say and we are heavily into digital help in these markets. I am sure we will succeed in these markets and then we will be able to apply similar techniques all over our markets and this will again be game changer for us. But at the end of the day, I would like to tell our shareholders that everything depends on the kind of people that you have in a Company. I mean I have learnt through my long experience, a Company is really as good as its people. By people I don't mean only the Board of Directors or the Senior Management. It's their entire employees, how well they are aligned to the Company and how well they understand and they feel a part of the effort that the Company is trying to make to improve its position in whichever industry it operates. I think that is where we will need a lot of attention. I find alignment is much better today. Awareness is much better among our employees. We are trying to practice consultative kind of approach while managing our employees. We do seek their view in decisions in their areas and this is paying results. Personally, I feel that

people have greater sense of belonging to the Company. What is also encouraging is that people from other good cement companies are wanting to join us, that I find very satisfying experience. I have deliberately not dealt with any figures barring telling you all the, you know mota mota claims like 25 millions by 2025 etc. but the initiatives will be digitisation, initiative will be reaching out to community that is again a very very important part of my job at least. I spend time with every unit management who work out the details of how we can be closer to the community in which we are carrying out our business. I take that very seriously myself and I encourage my younger co-employees to take it very seriously. It's a responsibility which we have to perform with all seriousness. I think I will leave it to Aditya Saraogi now to deal with all the numbers, some of the numbers that you all wanted. Aditya will tell you all the numbers. Thanks you Mr. Chairman for giving me this opportunity. Thank you very much.

**Shri Harsh V Lodha**

Thank you sir for giving very good flavour of what Birla Corporation is all about to our shareholders. I would request Aditya to you know respond to the certain queries given by the shareholders.

**Shri Aditya Saraogi**

Yes Sir. I think few questions were asked about the peak gross debt and net debt levels. As per our estimates, I will just give a broad indication. Gross debt levels are expected to be lower than 5000 crores and net debt levels are expected to be less than 4000 crores and the net debt to EBIDTA is expected to peak out at less than three and after peaking out on a year on year basis, it is expected to continuously reduce only, despite the ongoing CAPEX program we will have despite our plan to grow to 25 million tonnes. Net debt to EBIDTA ratio is expected to reduce after reaching a peak of less than three. And another question was asked about the validity of incentives. 2/3 of our incentives comes from Uttar Pradesh relating to our Kundanganj plant and that is valid till 2029. We continue to take various measures including refinancing to bring down the interest costs. The interest cost for the quarter ending 30th June for the Company on a consolidated basis was 8.08%. Thank You.

**Shri Harsh V. Lodha**

Thank you Aditya. I think we have answered all the queries and if there be some others, please feel free to email to the Company and we will respond to it. Members may note that the facility for voting on the NSDL platform will continue to be available for the next 15 minutes.

The Members who have not cast their votes yet are requested to cast their votes on all the resolutions for Ordinary and Special Businesses as set out in Item Nos. 01 to 05 of the Notice of the AGM.

The Scrutinizer shall after the conclusion of the electronic voting submit a consolidated scrutinizer's report to Shri Girish Sharma, Company Secretary.

I authorise Shri Girish Sharma, the Company Secretary to declare the consolidated results of voting immediately on receipt of the same from the Scrutineer and the same will be intimated to the Stock Exchange and also will be placed on the website of the Company at [www.birlacorporation.com](http://www.birlacorporation.com) and NSDL.

Sorry just one point on the number of attendees, I think we had 101 attendees in this AGM. Thank you all for attending the meeting. There being no other business, I hereby declare the meeting as closed.

Thank you very much.