



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2020-21

9th September, 2020

The National Stock Exchange of India Ltd.,
"Exchange Plaza", 5th Floor
Bandra – Kurla Complex
Bandra (East)
Mumbai – 400 051

The Secretary
BSE Limited
P J Towers
Dalal Street
Mumbai – 400 001

Symbol: SAGCEM

Scrip Code: 502090

Series: EQ

Dear Sirs

Sub: Disclosure of the proceedings of the 39th AGM under Regulation 30 read with Para A (13) of the Schedule III of SEBI (LODR) Regulations 2015

We refer to our Letter dated 29th July, 2020, with which we had forwarded our Integrated Annual Report for the year 2019-20 containing inter-alia, the Notice of our 39th AGM for seeking the approval of our shareholders for passing the resolutions, description of which are given below:

Sl.No.	Description of Resolution
1	Adoption of audited stand-alone and consolidated financial statements, Report of the Directors and Auditors for the year ended 31 st March, 2020
2	Declaration of dividend at Rs.2.50 per share (25%) on the 2,35,00,000 equity shares of Rs.10/- each for the year ended 31 st March, 2020
3	Re-appointment of Dr.S.Anand Reedy (DIN: 00123870), who retires by rotation and is eligible for re-appointment as Director.
4	Re-appointment of Shri.John-Eric Bertrand (DIN: 06391176), who retires by rotation and is eligible for re-appointment as Director.
5	Re-appointment of Auditors
6	Appointment of Mrs.O.Rekha as an Independent Director
7	Ratification of the remuneration payable to the Cost Auditors

Accordingly, the said AGM was held today through Video Conference ("VC")/Other Audio Visual Means ("OAVM") where at the voting process in respect of the above said resolutions was duly completed.

The voting results on the above resolutions will be furnished to your esteemed Exchange under Regulation 44 (3) of the above said Regulations in the prescribed format separately within the stipulated time.

In this connection, we forward herewith a copy of the speech delivered by our Chairman at the above said meeting.

Thanking you

Yours faithfully
For Sagar Cements Limited


R.Soundararajan
Company Secretary

Encl



Registered Office : Plot No. 111, Road No.10, Jubilee Hills, Hyderabad - 500 033

Phone : +91-40-23351571, 23356572 Fax : +91-40-23356573 info@sagarcements.in www.sagarcements.in CIN : L26942TG1981PLC002887



Sagar Cements Limited

Chairman's Speech

Speech delivered by Shri K.Thanu Pillai, Chairman, at the 39th Annual General Meeting of the Company held on 9th September 2020 through VC / Other Audio Visual means.

Dear Shareholders

I extend a warm welcome to all the shareholders of the company and their representatives, who have made it to attend this 39th Annual General Meeting of your company amidst various challenges.

I am pleased to inform you that your company has brought out its first Integrated Annual Report for the year 2019-20, which gives a wider pictures of your Company. Of course it also contains the audited financial statements of your Company for the year ended 31st March 2020 together with the report of your Directors and other mandatory reports for the said year. As this report has been with you for quite some time, instead of repeating what has already been covered under this report, I would rather like to share my views more on the current scenario that is relevant to you and your Company. But before doing so, I cannot but recall the huge contribution made by Shri O. Swaminatha Reddy, who has since resigned from the Board after serving nearly for four decades as its Chairman. The guidance shown and wisdom offered by him during the meetings of the Board is simply exemplary. In fact, during his tenure as Chairman, he rarely missed any meetings of the Board or its committees. We wish him a well deserved rest and healthy life in the years to come.

Economic and political Scenario

Today, we are facing an unprecedented crisis – the novel Corona Virus Disease (COVID-19), affecting economies across the world. While Nations are busy in developing a vaccine to tackle this virus, pending such discovery, I urge you to stay safe, positive and optimistic in these challenging times. We can overcome this situation only through observing Government's guidelines on adopting safety measures like maintaining social distance, wearing masks etc.

The economic growth forecast for our country for the year is not encouraging owing to the slowdown caused by the pandemic, U.S.- China trade tensions, which may spill over us too, falling GDP, tension in our own borders and other related factors. While the ultimate outcome of these is still uncertain, the pandemic is expected to result in further contractions across economies causing lasting damage to labour productivity and potential output.

Coming to the cement industry, as the monsoon, which is now gaining momentum, is likely to become more active in the areas relevant to your company, the current subdued trend in the infrastructural and real estate activities, which are already under strain due to reasons mentioned earlier, are likely to continue for a while. Yet the long-term prospects for the cement industry as a whole continue to be bright as the cement consumption, driven by higher off-take by all user segments, is likely to pick up before long.. The priority accorded by the Governments both at the centre and in the states to the development of infrastructure can only further speed up this process.

Company Scenario

With the successful completion of the expansion by your company of its grinding unit at Bayyavaram from 0.181 MT to 1.5 MT, the said plant, which is now grinding the clinker being sourced from your Mattampally plant meets the growing demand in North Coastal Districts of Andhra Pradesh and Southern parts of Odisha.

A coal based 18 MW power plant set up by your company at its Mattampally plant has since commenced its power generation. I am sure that this initiative would go a long way in further reducing the power costs.

Further details on your company's performance in the year 2019-20 have been provided in the Integrated Report for the said year.

Subsidiary Companies

I am happy to inform you that the Gudipadu unit of Sagar Cements (R) Limited, your wholly-owned subsidiary company, after overcoming its initial bottlenecks, is now on a stronger footing and is poised for further growth.

The other two subsidiaries of your company, Satguru Cement Private Limited and Jajpur Cements Private Limited, are in the process of setting up of a green field cement plant and a grinding plants at Madhya Pradesh and Odisha respectively and the progress in their implementation, though affected temporarily due to shortage of labour force caused by the prevailing pandemic, is expected to gather momentum soon.

Future outlook

I hope that the havoc caused by the Covid-19 would soon become a thing of past and with the current monsoon coming to an end in the second quarter, the cement prices would stabilize at reasonable levels in the months to come, which would enable your company to show a better performance in the current year.

Conclusion

I would like to express my sincere thanks to the Financial Institutions, Banks and various departments of Central and State Governments, Distributors and Dealers and all our other business associates.

Let me not forget to place on record my appreciation of the contribution made by the employees of your Company at all levels and of the unstinted support extended by my colleagues on the Board in all decisions taken at its Meetings and thereafter.

Before I conclude, I would like to thank the shareholders for their continued trust and confidence reposed on the management of the company.

I am sure many shareholders would have already exercised their voting through the process of remote e-voting and I request those who have not done so, to exercise their voting by making use of the facilities made available in this meeting.

Thank you all again for your participation in this meeting and your patient hearing.

Hyderabad
9th September 2020

K. Thanu Pillai
Chairman