



# SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2018-19

27th September, 2018

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

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

Symbol: SAGCEM  
Series: EQ

Scrip Code: 502090

Dear Sirs

**Sub: Disclosure of the proceedings of the 37<sup>th</sup> AGM under Regulation 30 read with Para A (13) of the Schedule III of SEBI (LODR) Regulations 2015**

...

We refer to our Letter dt.3.9.2018 with which we had forwarded our Annual Report containing the Notice of our 37<sup>th</sup> AGM for, inter-alia, seeking the approval of our shareholders for passing the following resolutions mentioned therein.

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 <sup>st</sup> March, 2018
2	Confirmation of the Interim Dividend of Rs.2.50 per share (25%) on the 2,04,00,000 equity shares of Rs.10/- each of the company already paid to the shareholders and declaration of further dividend of Rs.1.50 per share (15%) on the said 2,04,00,000 equity shares for the year ended 31 <sup>st</sup> March, 2018..
3	Re-appointment of Dr.S.Anand Reddy, who retires by rotation and is eligible for re-appointment as Director.
4	Re-appointment of Shri John-Eric Fernand Pascal Cesar Bertrand, who retires by rotation and is eligible for re-appointment as Director.
5	Amendment to the Memorandum of the Association of the Company
6	Ratification of the remuneration payable to the Cost Auditors

Accordingly, the said AGM was held today and all the above said resolutions were duly deliberated.

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



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CIN : L26942TG1981PLC002887





# Sagar Cements Limited

## Chairman's Address

Speech delivered by Shri O.Swaminatha Reddy, Chairman at the  
37<sup>th</sup> Annual General Meeting of the Company held at Hyderabad on 27<sup>th</sup> September, 2018

### Dear Members

I extend a warm welcome to all the shareholders of the company and their representatives, who are here for the 37<sup>th</sup> Annual General Meeting of your company.

As the financial statements of the Company for the year ended 31st March 2018 together with the report of the Directors have already been with you, I would like to sharing of my views more on the current scenario that is relevant to you and to your Company.

### Economic Scenario

During the year the country's economy was trying to come out of the impact caused by two important decisions taken by the Government of India in the previous year, namely de-monetization and introduction of GST. Though the need for de-monetization continues to be a matter of discussion in the various forums, as regards the implementation of GST, with the removal of many of the procedural difficulties that were faced initially, I believe that it will now turn out to be much more easier in terms of compliance and tax administration. I hope that whatever problems that are still faced by the industry would be sorted out in due course by the GST Council through consensus.

Coming to the cement industry, as the monsoon is still active in certain areas, the current subdued trend in the infrastructural and real estate activities 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, has already started slowly picking up.

### Company Scenario

You might have noticed the detailed analysis from the 37<sup>th</sup> Annual Report that, your Company has successfully completed the expansion of the grinding unit at Bayyavaram from 0.181 MT to 1.5 MT which now enables the said unit to procure clinker from your Mattampally plant for grinding it as cement to meet the growing demand in North Coastal Districts of Andhra Pradesh, Odisha and West Bengal.

Further, to keep the energy cost to the minimum, the company has since installed a Waste Heat Recovery Plant, which now operates at 8.5 MW capacity. Further by focusing on utilizing renewal energy wherever opportunity is available, it has already installed an one M.W. capacity solar power plant at its Mattampally plant and has acquired two mini hydel power project of combined capacity of 8.3 MWs. A coal based 18 MW power plant is also under implementation by your company at its Mattampally plant.

I am sure that the expansion of the grinding unit and the efforts undertaken on the power front as mentioned above would go a long way in further reducing the power, fuel and logistics costs.

Your company is also keen on extending its marketing foot print and popularizes its 'Sagar' brand in newer areas. This is sought to be achieved by setting up of manufacturing facilities in places closer to these areas or through entering into marketing tie-ups with the local manufacturers, wherever it would make business sense.

### Subsidiary Company

I am happy to inform you that Sagar Cements (R) Limited, your wholly-owned subsidiary company, after overcoming its initial bottlenecks, is now operating at 70 % and its 25 MW power plant @ 87 % capacity. I am sure that this subsidiary will improve its performance further and earn reasonable profit before long.

### Future outlook

As the performance of your company and its subsidiary, being good in the five months of the year, I hope that with the current monsoon season in the second quarter coming to an end, 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. I am hopeful that the initiatives like development of smart cities as announced by the Government of India would also energize the infrastructure and housing sectors and strengthening the cement industry.

With the above positives in our country's economy, I am hopeful that your Company will continue to work with a much stronger commitment.

### 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 trust and confidence reposed on the management of the company.

I am sure that a number of shareholders would have already exercised their voting and I request those who have not done so, to exercise their voting by making use of the facilities made available at this venue.

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

Hyderabad  
27<sup>th</sup> September, 2018

**O.Swaminatha Reddy**  
Chairman