

**Century Textiles and Industries Limited**  
**123<sup>rd</sup> AGM Recording (Transcript)**  
**(AGM held on 25<sup>th</sup> August, 2020 through Video Conferencing)**

**Company Secretary:** Good afternoon everyone. Chairman Sir, we have the required quorum for the meeting about more than 70 persons have joined, so you can start the proceedings of the meeting.

**Mr. Birla:** Okay, I will start. Dear fellow shareholders, ladies and gentlemen good afternoon to you. I welcome all of you to the 123<sup>rd</sup> Annual General meeting of your company. I hope all of you are safe and finding new ways to energize yourself in these unprecedented times. Before we start the proceedings of the meeting I would like my co-directors to introduce themselves, all of them are present through video conference.

**Mrs. Rajashree Birla :** Good afternoon. I am Rajashree Birla, non- executive director of your company and I am attending the AGM from my residence .

**Mr. Yazdi Dandiwala:** I am Yazdi Dandiwala here. I am an independent director of the company. I am also the Chairman of your Audit Committee, Nomination and Remuneration Committee, also member of the CSR Committee, Stakeholders Relationship Committee. I am attending this AGM from my residence in Mumbai. Thank you.

**Mr. S. K. Jain:** I am Advocate S. K. Jain, I am an independent director of the company, I am attending the AGM from my Pune office.

**Mr. Rajan Dalal:** Good afternoon everyone, I am Rajan Dalal, independent director of your company, I am the Chairman of Stakeholders Relationship Committee and member of few other committees including Audit Committee and Nomination and Remuneration Committee. I am attending the AGM from my residence in Mumbai.

**Ms. Preeti Vyas:** Good afternoon everyone, I am Preeti Vyas, independent director of your company. I am a member of Stakeholders Relationship Committee, I am attending this meeting from my residence in Mumbai.

**Mr. Rajendra Kumar Dalmia:** Good afternoon everyone, I am Rajendra Kumar Dalmia, Whole-time director of your company. I am a member of CSR Committee, Stakeholders Relationship Committee and Risk Management Committee. I am attending this meeting from my office in Mumbai, thank you.

**Mr. Jagdish Chandra Laddha:** Good afternoon dear members, I am Jagdish Chandra Laddha, I am the Managing Director of your company and member of Audit Committee, Corporate Social Responsibility Committee and Risk Management Committee. I am attending this meeting from company's office in Mumbai. Thank you.

**Mr. Birla:** On behalf of the Board of Directors and my colleagues at CTIL I thank you dear shareholders for your presence today at this virtual AGM, which is a testimony of not just the power of technology but also of your support and involvement with your company.

At the outset I express my gratitude to you for your continued trust and support. The Ministry of Corporate Affairs, Government of India and SEBI have issued circulars permitting companies to convene AGMs through video conferencing or other audio-visual means during the calendar year 2020 in view of the continuing restrictions on movement and gathering of persons at a common venue consequent to the outbreak of the Covid-19 pandemic. Accordingly, this AGM has been convened in compliance with the MCA and the SEBI circulars, your company has made all efforts under the circumstances to enable our shareholders to participate and vote on items being considered in the AGM. Based on registrations received, more than 30 shareholders being a requisite number required to constitute the quorum have joined the AGM and therefore I call the meeting to order.

I thank all our shareholders, my colleagues on the Board, representatives of the statutory and secretarial auditors and members of the management team for joining the AGM. Your company has engaged National Securities Depository Limited or NSDL for providing remote e-voting and for participating and voting at the AGM by all of you. Facility of joining the AGM has been made available on a first cum first serves basis, all the shareholders who have joined the AGM have by default been placed on mute mode to avoid disturbances and ensure the smooth conduct of the proceedings. Speaker-shareholders who have registered themselves will be unmuted by the moderator on their name being called out for speaking. Shareholders seeking any technical assistance that may be required during the AGM can call on the helpline number provided in the AGM's notice. Since the AGM is being held through video conferencing where physical attendance of shareholders is not required, there is no requirement of appointing proxies. The register of proxies is therefore not required to be maintained and made available for inspection. In accordance again with the provisions of the Ministry of Corporate Affairs and SEBI circulars, the AGM notice together with the Annual Report for the year ended 31<sup>st</sup> March 2020 have been emailed to shareholders who have registered their email ids with your company or the registrar and transfer agent Link Intime India Private Limited or the respective depository participant with whom their Demat account is maintained.

AGM notice and the annual report are uploaded on your company's website and also those of the BSE Limited, the NSE and NSDL. The register of directors and key management personnel,

register of contracts, the statutory auditor's report, the secretarial audit report are all available for inspection electronically during this meeting. Since the AGM notice dated 21st July 2020 has already been emailed, I am with your permission taking the same as being read. The performance of each business segment of the company has been comprehensively dealt with in the management discussion and analysis report. The reports of the statutory and secretarial auditors do not contain any qualifications, observations or comments on the functioning of your company and are therefore not required to be read.

In terms of the relevant provisions of the Companies Act 2013, and the rules made there-under and the SEBI Listing Obligations and Disclosure Requirement Regulations 2015, remote e-voting facility was made available through shareholders for all the seven resolutions proposed at this AGM to enable them to vote on the resolutions by the said facility. The remote e-voting commenced at 9am on the 21<sup>st</sup> of August 2020 and ended at 5pm on the 24<sup>th</sup> of August 2020. Shareholders who have not been able to vote so far can vote during this AGM by clicking on the button visible on their screens. Shareholders who have already voted through the remote e-voting mechanism can attend the AGM, though they will not be able to vote again. Mr. Gagan B Gagrani, practicing Company Secretary has been appointed the scrutinizer for the remote e-voting as well as the voting to be done during the AGM. Since the resolutions forming part of the notice have already been voted on through remote e-voting and as provided in the secretarial standard related to general meetings there will be no proposing and seconding of the resolutions.

Now I take up the agenda of the meeting as per items of businesses mentioned in the AGM notice. Item one relates to adoption of standalone and consolidated financial statements and the reports of the directors and auditors. Members can raise questions relating to accounts and performance of the company after completing all the other items of business. For items number 2 to 7, if any member has any query, he or she can raise the same at the end of all the questions being asked by the shareholders. Item number 2 relates to declaration of dividend on equity shares for the year 19-20. Since for item numbers 3 and 4, my relatives and I are interested, I will request Mr. Y P Dandiwala to take up the mike.

**Mr. Dandiwala:** Yes, the item number 3 relates to reappointment of Mrs. Rajashree Birla as Director who retires from office by rotation but being eligible offers herself for reelection. Item number 4 relates to the continuation of directorship of Mrs. Rajashree Birla as a non-executive director after she attains the age of 75 years. May I request Mr. Birla to resume the chair?

**Mr. Birla:** Thank you Mr. Dandiwala. The appointment of Mr. Jagdish Chandra Laddha as the Director of the company is item number 5. Item number 6 relates to approving the appointment and remuneration of Shri. Jagdish Chandra Laddha as a Managing Director of the company. Item number 7 relates to ratification of the remuneration of cost auditors, that is Messrs R. Nanabhoy and Company, for the Financial Year 2020-21. Let me now share with you some thoughts on the

prevailing circumstances, the economic scenario and the performance of your company during FY20.

Fellow shareholders, I am sure that all of you will agree that this has been a year like no other. The turn of the decade has been marked by an unprecedented pandemic that has upended all our lives and significantly impacted nations, economies and corporations. The crisis has also presented an opportunity for companies large and small to reform and transform. Amidst a challenging business environment your company delivered a stable performance in FY20 and is poised to resiliently overcome the destruction caused by this pandemic. Let me now briefly give you the broader macro-economic context in which your company is currently operating. The lockdowns necessitated by Covid-19 have caused an unprecedented economic shock globally. The IMF expects the world economy to contract by 4.9% in the current year 2020. This despite the infusion of over 10 billion dollars of stimulus by governments and central banks across the globe.

The Indian economy like most other economies is expected to contract during FY21 on account of the Covid-induced shutdowns in April and May this year. The gradual unlocking of the economy is reflecting in the improvement in some economic indicators like the GST collections and electricity consumption. However, they are yet to come back to pre-Covid levels. While '21 would remain a challenging year, I remain confident that the economy will revert to the 6 to 8% growth trajectory in the next fiscal year. Moving on to specifics of the standalone performance for the year 19-20 of your company revenue from operation of the company was Rs.3,468 crores and earnings before interest, tax and depreciation was Rs.695 crores. Net profit for the year was Rs.450 crores. Interest cost declined from 102 crores to 93 crores and depreciation rose from Rs.193 crores to Rs.228 crores as compared to the previous year.

As you are aware, to bring a sharper focus to the company's businesses we completed the restructuring exercise with the successful demerger of the cement business in FY20. I am confident that the shareholders of our company will reap the benefits of the economies of scale even going forward and will continue to participate in the growth of the cement industry through the UltraTech shares acquired by you pursuant to the scheme of demerger. In view of the prevailing economic environment and considering the demerger of the cement business, the Board of Directors have recommended a dividend of 30% that is Rs.3 per share of Rs.10 for your approval. Let me assure all the shareholders that your interest is always paramount to your Board.

Let me briefly talk about the performance of your company in the first quarter of this financial year. The total turnover during the June quarter was Rs.394 crores while ebitda stood at Rs.30 crores. These results must be seen in the context of the prevailing economic environment post the Covid-19 induced lockdowns. I would now like to give you a brief overview of the performance of our various lines of businesses. Start with Birla Real Estate, Birla Estates has firmly established itself in its key markets of Mumbai, Bengaluru and NCR through launches and new business

development deals. The company's residential projects in Kalyan and Bengaluru are progressing robustly on both sales and on the project execution fronts. Birla Alokya, which is the name of the project in Bengaluru launched in Q3 FY20, is advancing as per schedule. 28% of the launched inventory in terms of booking value has been sold till date with the project garnering 58% market share in the second half of FY20 in terms of sales in the micro-market. Construction work is also ongoing as per schedule with the foundation work now completed.

Launched in Q1 of FY20, Birla Vanya, which is the name of our project in Kalyan, is also progressing well on both new sales and on the project execution fronts. 92% of the launched inventory in terms of booking value in Birla Vanya has been sold till date. As per the planned structural work up to the third podium of phase 1 has been completed. Our first residential project in NCR named Birla Navya at Gurugram received RERA approval. We were successful in achieving a record go to market timeframe of five months from the date of signing at Birla Navya. This is against a market average of almost nine to ten months in the region. However, due to the outbreak of Covid-19, the launch of the project has been shifted to FY21. The progress of your company's project at Magadi Road Bengaluru and the flagship project at Worli in Mumbai are also on track. Discussions are on with other land owners to expand the footprint and keep focus markets of Mumbai, NCR, Bengaluru and Pune.

Now, two commercial assets in Worli Birla Aurora and Birla Centurion continue to operate at more than 93% occupancy. With the Covid-19 pandemic and the subsequent lockdowns having disrupted normal business activities and created a pressure on absorption and collections, it will at the same time, also open new opportunities for growth. Your company is alive to every such opportunity that creates value for our stakeholders. Moving on to Century Pulp and Paper, the division delivered a mixed performance in FY20, on the positive side the business utilized its capacity by over 100%. However there was a deep drop in sales volume by 4.4% and revenue fell by 9.8% during the year as compared to the last year. Muted demand in the international as well as domestic markets resulted in this fall in revenue. A focused strategy to meet export requirements helped increase volumes for the paper and packaging board vertical, export volumes for the paper and packaging board verticals increased by 35% and 165% respectively compared to the previous year. This was a strategic move to meet the EPCG compliance. India has one of the lowest per capita consumption of paper in the world, 13 kgs compared to 150 to 250 kgs for developed nations. The Indian Pulp and Paper market is poised for strong growth, with the paper and packaging board segment set to lead the change.

The growth and manufacturing of pharmaceuticals and the FMCG sectors, with rising demand for better and sustainable packaging materials, will provide a further impetus to the growth prospects of the paper industry. At Century Pulp and Paper we are seeing robust demand for tissue paper and packaging board products due to the renewed focus on hygiene and pharma products. Therefore our plants are consistently operating at over 100% capacity. Your company's value

added products development rate has also increased significantly this year. Going forward our focus will be to further diversify into new value added products. As part of renewed focus on new product development the business has recently launched new products as hospital bed roll, power hygiene kit, NovaFold and high BF Kraft, which will help tap emerging opportunities. The company's textile division, Birla Century, is facing headwinds on the volume and margin fronts due to the Covid-19 pandemic. This is primarily on account of retail operations getting impaired, a protracted lockdown and a liquidity crisis at the consumer end.

However during these testing times Birla Century has leveraged its research and development capabilities to develop a new global range of products. This new range of anti-microbial and anti-viral products have been developed at a competitive cost and will further enhance sustainability credentials of the brand. The textiles unit has also launched a health and hygiene category under the brand Birla Care. The business remains focused on cost competitiveness through improvement in productivity, efficiency and reducing rejections. Given the strong brand image of Birla Century, we expect a return to normalcy once global markets stabilize.

For over a century now, community spirit is closely embedded in the DNA of your company. Century, through its wide-ranging CSR activities, has left an indelible imprint in all the communities where it operates. Our endeavour has always been to take up meaningful projects that enhance the quality of life and economic well-being of the local people in the communities where we function.

Finally, on behalf of the Board of Directors and on my own behalf, I take this opportunity to thank all of you, our shareholders, for your continued trust, confidence and support. We would like to assure you of our commitment to strive for excellence in everything that we do. I would also like to acknowledge the cooperation and assistance received from banks, financial institutions and our value chain partners and, finally, I wish to place on record my deep appreciation for the unflinching commitment of our employees. I look forward as always to your continued support and patronage.

Thank you.

Let us now move on to the questions and answers and suggestions by shareholders. Some shareholders have registered themselves as speakers at the AGM, some queries and suggestions have also perhaps been received. I will address them after listening to all the speaker-shareholders. Before moving, I would request the speaker shareholders to call out their name, folio number or DP ID and Client ID as the case may be. If someone is unable to use the video mode they can use the audio mode. Please use earphones and do not be connected to any other device while speaking. If for any reason there is a connectivity issue at the speaker-shareholder's end, the speaker will be disconnected and the next speaker shareholder will be invited to speak. Once connectivity is

restored the earlier speaker will be asked to resume at the end of all the other speakers having spoken.

The moderator will call out the speaker-shareholder's name one at a time and will simultaneously unmute their audio. Once the speaker finishes, the moderator will again activate his mute mode. Before the moderator begins calling out the names may I, in the interest of time, request our shareholders to limit their queries to only three minutes per speaker and restrict the questions to the company's performance during the previous financial year only and not repeat questions asked by earlier speakers. I now request to the moderator to please call out the name of the first speaker.

**Moderator:** Thank you Chairman Sir, may I now request the first speaker Mr. Gautam Tiwari to please speak. Mr. Gautam Tiwari you have been now unmuted, you can speak. Thank you.

**Mr. Gautam Tiwari:** Honorable Chairman Sir, am I audible?

**Mr. Birla:** Yes, yes Mr. Tiwari.

**Mr. Gautam Tiwari:** Okay, thank you very much. Honorable Chairman Sir, a very, very good afternoon to all my very well-dignified, well-distinguished directors CTIL team and fellow shareholders. Sir, first of all I would like to place my special thanks to our MD, CEO, CFO and CS and full Secretarial and Accounts team and entire management and all the employees of the company for their outstanding excellent performance despite dreaded Corona virus epidemic environment throughout the world. Chairman Sir, in last few years the company has successfully restructured its businesses and accordingly in the financial year 2020 one of the restructuring exercises being its business and accordingly in the FY2020 one of the restructuring exercises being the demerger of our cement division and its merger into UltraTech was completed. Sir, shareholders of the company should get the benefit of this in due course of time.

Sir, now the company has three businesses namely real estate, pulp and paper and textile to focus upon with comfortable net debt equity and net debt to EBITDA ratios, the company has incurred capital expenditure on its businesses comfortably and particularly for the real estate. It is very heartening to mention that the company had launched two residential projects in FY2020. That is, first, at Kalyan namely Birla Vanya and the other one the second project Birla Alokya in Bengaluru in quarter two and execution of both these projects is progressing as per the schedule despite spread of Covid-19. Sir, the projects are likely to be completed as per schedule as mentioned in the Director's report. Now Sir, I would like to bring your attention to the following positive points. The finance cost of the company has come down by 85% in last five years that is from Rs.588 crore in 2015-2016 to Rs.87 crore in 2019-20. Sir, book value per share has increased to Rs.323 as against Rs.295 in FY19 and Sir, lastly, the net worth of our company has increased to Rs.3,600 crore in FY20 as compared to 3,300 crore in FY19 thus recording increase by 10%. Sir, it is very

heartening to note that our Madam, our very, very honorable Rajashree Birlaji, who is the Chairperson of our CSR Committee, and she is taking very good care of CSR activities and investment thereupon is very safe in her hands.

Sir, the company has virtually worked very hard in identifying the areas and projects for CSR, which are beneficial to the public at large. Sir, one small query I would like to know. Chairman Sir I would be grateful if you can please tell us about the plans of the company for its real estate business in the coming five years in terms of market share ranking and whether there will be a separate real estate company and independent listed company for real estate business in the years to come. Sir, at the same time I thank all the employee staff and the management once again for their excellent performance and their honesty, sincerity and efforts taken to build up the company under your able leadership and competence for all these years. Sir, I thank you, I give you compliments for all the festivals, which are there in the future and I wish you a very long life, happy and joyous life and a very bright future and shiny future for the company in the years to come. Thank you very much for patient listening. Thank you very much.

**Moderator:** Thank you Mr. Tiwari. May I now request the second speaker Hutokshi Patel. Sir Hutokshi Patel has not joined the meeting. So, we request the third speaker Ms. Humayun Pourdehi to please unmute herself and speak. I am not able to unmute Ms. Humayun, so may I request the other speaker Mr. Behruz pourdehi to please unmute and speak. Mr. Behruz you are unmuted. Can you please speak. Thank you.

**Mr. Behruz:** Sir, this is Behruz Pourdehi. Sir at the outset we are very proud that you have taken control of this company and the company is performing very well in all the three verticals real estate as well as paper and pulp and even textiles. Sir, textiles has been shifted to Bharuch and we would like to visit Bharuch actually, so you can arrange a visit after this pandemic is over. Sir, we are also very glad that the cement unit was demerged and the same has been amalgamated with UltraTech and in place of that we have got UltraTech shares. Sir, our share price is not very much fluctuating on the up side because it is stable at 330 only. Sir, Century Enka where your mother chaired the meeting that share price hardly Rs.180 and the company has given Rs.8 dividend and here the share price is 330 and we got only Rs.3. We would like to know why there is so much conservation of the profit EPS. Sir, you should have given more dividend over here because – and we are also very proud that Mr. Yazdi Dandiwala has replaced Mr. E. B. Desai because Mr. E.B. Desai was a very well known Birla solicitor. And Yazdi Dandiwala has taken over. Sir, we support all your resolutions, especially resolution number 3 and 4, and we are very proud of your mother because she chaired the meeting of Century Enka. Sir we would like to know whether all the employees are getting full salary, that I would like to know. It was mentioned that they are paying 50% salary as per the union's agreement. So, we would like to know over here also and we would like to know how many subsidiaries we are having under section to have what you call, 136 we would like to have the subsidiaries report if it is possible. And also what you call Related party transactions if any, under section 188. And under section 197, any employees drawing salary more

than one crore, if the statement is made available in the pdf, we would be glad. Sir, I support all your resolutions and give the phone, Humayun Pourdehi.

**Mrs. Humayun:** I am Humayun, just a few questions. You have shifted the plant from Prabhadevi to Bharuch. What are the items manufactured in Bharuch? And, we do not come under essential services act, or do any of our businesses come under essential services? Three, you mentioned opportunities for growth. We heard your speech, you mentioned, there is opportunity for growth, what are the opportunities available to a company now. Sir you mentioned about Birla Care Manufacture, which products. We thank you for the dividend which you have paid, we just do not know whether this year we will be able to get dividend because of pandemic. Sir, we once again appreciate your mother for all that she is doing, appreciate everybody and so now I close here for you to go ahead. Thank you very much sir.

**Mr. Birla:** Okay thank you, next speaker please.

**Moderator:** Next speaker Mr. Pramod Agnihotri. has not joined the meeting, so we will move on to the next speaker, Ms. Shobhana Mehta. Ms. Mehta you are unmuted. Can you please speak.

**Ms. Shobana:** Hello, can you hear me?

**Mr. Birla:** Yes Shobhanaji, how are you?

**Ms. Shobana:** I am fine, respected chairman, Kumar Mangalamji, Smt. Rajashreeji, Ms. Preetiji and all my well-known director brothers and shareholders, Shobhana Mehta from Surat, good afternoon everyone. Sir, our secretarial department has made the balance sheet very colorful and informative, so my company secretary and vice-president, Sri Atulji, and all his team, I thank you that you have used the colorful photograph method to tell the whole story of the company, very well done, keep it up. Sir, because of Covid 19 we are doing virtual AGM for the first time, so I can tell what is there in you is not there in your picture. In the UltraTech meeting also I could not talk because of the technical fault, my voice couldn't reach you. Now I tried, so that I can meet at least from a distance. I wish you good day, and you are at home and doing the meeting, just like me, and it is good, but if god willing then next time we can do a face to face meeting. It is showing satisfying performance and you have recommended 30% dividend, so I thank you and your entire team, I would say something is better than nothing. You have taken into account your minority shareholder and the various awards and certifications which we have received, I congratulate you and your entire team. CSR is also doing well. I have no queries, I just want to reach resolution and during the year company has spent Rs 5.11 crores in CSR that is good, because more than medicines prayers work well. The rest you have said in the MDA working I have full faith in you and your entire team because whatever you do will be in the best interest of the company and I will support all the resolutions. Resolution 4 and 5 is of Rajashreeji, special resolution, I would

propose her resolution that this year 15th September is your 75th birthday and on this golden occasion, chairman Sir why don't you declare a bonus. I pray that madam's health and wealth is always good, that you are happy everyday and successful every day. I wish all the best for all the festivals that is to come. Thank you.

**Mr. Birla:** Next speaker.

**Moderator:** Next speaker is Ms. Vasuda Dakwe.

**Ms. Vasuda:** Hello.

**Mr. Birla:** Please go ahead.

**Ms. Vasuda:** Respected chairman sir and the board of directors and my fellow shareholders. I would like to congratulate company secretary for sending soft copy of the report well in advance, which is very clear and transparent. I would also like to congratulate our CSR committee and his team for performing his duties very well. I would like to ask, there is unspent amount of 5.22 crores, the reasons also are there – but can you please throw some more light, which projects are pending and when it will be completed? Further please throw some light on R&D expenditure. With this I support all resolutions, thank you very much.

**Mr. Birla:** Thank you, next speaker please.

**Moderator:** Next speaker is Mr. Sarbananda Gattani

**Mr. Gattani :** Namaste Birla sir, I am a very great fan of yours, I don't know why the video is not working but still – Namaste to your mother Rajashree ma'am. You have done a lot of work, your honesty, integrity and charity, every. You are the richest and the powerful person of Maheshwari community. I am in a lot of executive committees of our community and we feel very proud of you. I am a chartered accountant also, and I have gone through your balance sheet. First of all let me thank the company secretary Atul Kediaji, and his team. He called me 6 to 7 times, telling me that Mr. Gattani this is your number and if you have a problem, and I sent him some questions, for which CFO Mr. Shah has given reply. Thank you Mr. Shah Sir, I am highly indebted, it is a very good company. The goodwill of Kumar Mangalam Birla matches with the company. First of all let me congratulate you for being chairman for 25 years, because at the sudden sad demise of your father in 1995 you became the chairman and it is 2020, 25 years. And I am person who looks into all the companies for the 25 years, I study it and you are great, I am a very big fan of yours, be it Hindalco, be it Grasim, UltraTech, Idea, any company you take brought it up well. I have seen your interviews in ET Wealth, and I like your view also. And if the company is in your hands, I will feel very safe.

**Mr. Birla:** Thank you, Mr. Gattani

**Mr. Gattani:** My account points, there are lot of positive things. The lowest per capita consumption of paper in the world, it is too good. Textile industry contributes significantly to India's overall growth, employment generation and export, it is too good. I have some queries as well. But first I would like to appreciate you, your company, staff and senior management. Namaste Laddaji. In 2019 textile business, attached into e commerce in the US through the emergence, our Birla estate is doing well. I liked it very much, that Birla Vanya,, Birla Alokya recorded booking worth 449 crores. It is good, and Birla Century also reduction of consumption of water was 17.45% which is very good. Company's net worth, 3612 crores which is up by 9.64%, dividend is good, and the Century Textiles step certification award for the Birla Century plant it is a wow thing. And our long term borrowing is also less, 549.92 crores, from 701 crores, which is a very good thing. Before I go to the question, my whole family is your fan and please send me an autograph at the back of your photograph. I have everybody's Ratan Tata, Narayan Murthy, Cyrus Mistry, it is my humble request. Now some of my queries. Simple queries, like you reduced the income, 3,458 crores from Rs. 4,053 crores, 14.67 % down, the reasons are because of the Covid lockdown from 21 March to 31 March. Only ten days, and in ten days we have 15% loss, my first question. My second question, your profit after tax, was 360.43 crores, against (inaudible). We have gained also in this year demerger in cement business which is 5593.46 crores. What is the reason for loss compared to last year, this year? I can tell you the nitty-gritties and your team will be with you and they will tell you in detail. You have 28 crores pending statutory liabilities. That may be for the sales tax etc. and I would like to give you a quote on ITC, Mr. Y. C. Deveshwar. That statutory liability he went and finished it in Singapore, like why it is disputed, what is the mistake we made. And I would request to tell the team also, - your grandfather B. K. Birla gave 3 crores to 10 crores in case of incidence of fire, and you also do so much. For Calcutta also you should do something and I support all your resolutions and I will meet you in the future and please do well. Finally my daughter is a very big fan of your daughter Ananya Birla, her singing and microfinance business which she is doing, my daughter sees those videos and please bring Ananya Birla on the board of directors. This is my request. Thank you very much.

**Mr. Birla:** Thank you, next speaker please.

**Moderator:** Next speaker is Mr. Yusuf Rangwala. Mr. Yusuf Rangwala can you unmute yourself and speak?

**Mr. Rangwala:** Very good afternoon sir. I am very happy with your company secretary, Mr. Atul sir for preparing a very excellent and colorful balance sheet, for excellent – we have a paper business which is one of the achievements and paper business here it is Kalyan. It is textile business. Why did you shift the factory to Bharuch, what are you manufacturing in Bharuch,

Bharuch textile business. And we have paper also, we have paper due to common (inaudible), you mentioned tissue paper and the plant is 100% - hospital paper also we have manufacturing. And I would like to know which are the other paper you are manufacturing. This is 123 years – next will be 125 years. So how will bonus 1:1 in the next two years, that is 2023. And nothing more add, my good wishes and Ganesh Chaturthi is going on so good wishes for the Ganesh Chaturthi. And nothing more to add, I end my speech, I also request for the Bharuch factory visit after the Covid 19 is over. So we shifted the textile if possible. Sir, I would like ask when is the Hindalco meeting, I would like to know the date of Hindalco meeting. Thank you very much, Jai Hind, Jai Maharashtra.

**Mr. Birla:** Thank you.

**Moderator:** Next speaker is Mr. Mahendra Kapadia.

Mr. Kapadia: Can you hear me?

Mr. Birla: Yes, please go ahead

**Mr. Kapadia:** To the chairman and the board of directors and the fellow shareholders, in spite of slowdown in the Indian economy, our company has performed well in 19-20, net profit was 356 crores on the capital of the (inaudible) for the year. Hats off to the management team of Century lead by our new managing director Mr. J.C. Laddha. All the divisions of the company are badly impacted in current year, due to spread of Covid from the mid-March. Demand for textile production is in fact a shutdown of retail outlet. Demand for paper was impacted due to close down in the education institution and commercial offices. Real estate market too is badly impacted. Sir, for the first quarter of 2021 company has incurred a loss of around 40 crores. This might be due to the closure of all operations during the Covid. I understand things are improving from July onwards, I hope we will come out with positive results in second quarter. Kindly throw some light on all our divisions working in second quarter and onwards, thank you.

**Mr. Birla:** Thank you, Mr. Kapadia.

**Moderator:** Next speaker is Mr. Dinesh Bhatia,

**Mr. Birla:** Hello Mr. Bhatia,

**Mr. Bhatia:** Firstly I would like to congratulate you and your team because even in this tough situation our company has kept the revenue. And net has increased from last year. In the Covid period, when textiles have slowed down, you have given us profit and I would like congratulate you and your team. And secondly I heard that the estate division is also doing well. And the Kalyan has 86% booking and in Bengaluru before it was 28 and now in the speech you said you have 58% booking, Bengaluru residential, it is very good. And you have given Rs. 3 dividend, I

am thanking you and your team for that. The secretarial department has done a good arrangement for video conference, so I congratulate the secretarial team. [broken audio] Worli even if you can't give the details, the secretarial department can send it to us later, so that we can know what is our position in buying and selling, what is the asset value. And lastly century, the grossing 600 crores royalty to be given within 15 years, is that true. Two years back in 2018, from 2018 you have not...

**Mr. Birla:** I think he has disconnected.

**Moderator:** May we have the next speaker is Mr. Ashish Bansal.

**Mr. Bansal:** Respected gentlemen, first I thank for giving us double dividend because project we must thank you for Rs. 3 dividend. In which area do you have your project now?

(inaudible).

**Mr. Bansal:** Thank you so much.

**Moderator:** May we have Mr. Agnihotri? Mr. Agnihotri is not able to connect. Sir with this we have given the opportunity to all shareholders to express their views. Over to you Chairman.

**Mr. Birla:** Well thank you for all your questions, I want to compliment you for your deep understanding of the company's working and moreover, your interest in the company. I am going to answer the questions that have been raised. What are the items that are manufacturing in Bharuch? There is home textiles, basically that means bed linen, mainly for export and there is fabrics for shirting and for bottom wear. Birla Care, what is this brand? This brand is for health and hygiene fabrics and for masks. Paper business is there, any essential services, any business of the company or the product that comes under essential services. So in the paper business, packaging board and tissue paper, comes under essential services as it relates to hygiene and pharma. What is the obligation towards CSR for FY21? The obligation is about 11 crores, for CSR, for the coming year, for this year. We also have an unspent amount of 5 crores from FY20. What has been the loss in the first quarter on account of Covid? Unfortunately our loss has been pretty high. The businesses lost around 50% in terms of revenue and around 5% on account of pricing, due to Covid. And the aggregate impact on this would be 400 crores on revenue. So we lost revenue of 400 crores and are EBITDA is lower by 70 crores in the first quarter on account of Covid. Income for 19-20 versus 18-19, I'd like to point out that 18-19 our income was 4053 crores. It included two one-time items, 160 crores of TDR sales, (inaudible) crores of credit, due to fulfillment of the export obligation and hence (inaudible) without one-time items would be 3459 crores for 19-20, as against 3767 crores for the year 18-19. Questions about which states are owned land banks in? All our land banks are in the state of Maharashtra. Question was about our

debt/equity and debt/EBITDA; both of these are very healthy levels. debt/equity at 0.39, debt/EBITDA at 2.37. A demerger? The cement division was demerged, and the shares of UltraTech with which it was merged were issued to all the shareholders of Century directly. So all of you would have got shares of UltraTech in the course of the year because of the cement demerger and merger with UltraTech. What is the vision for market share for the real estate division in the next five years? I believe that in the next five years, given the fact that we have pretty large well-located land banks and we are looking at a joint development model with other landowners, I believe that we can be amongst the top five real estate players in India in the next five years.

Why was the plant shifted to Bharuch? The plant was not shifted to Bharuch. As you are aware, a few years ago, the textile mill in Bombay was shut down because of high costs. The Bharuch plant already existed, and what does it produce? Like I said earlier, it produces from textiles, shirting and trouser fabric. A visit to Bharuch? I request our company secretary Atul Kedia to please look into that once the pandemic is over. Dividend has gone down, earnings have gone down because of the demerger, As you are aware, we demerged the cement business, which I spoke about a while ago. Are all employees getting full salary? I would say all management employees are definitely getting full salary. Do we have any subsidiaries? We have one subsidiary which is for our real estate business called Birla Estates. Are there any related-party transactions? No, there are no related-party transactions. Bonus? I think you know that your company and board always has your best interests in mind, we hear your request, and at the right time, I am sure that the board will take an appropriate decision.

What are the remaining projects for the company? All the remaining projects are in the real estate division, there is also a tissue expansion project in the pulp and paper division that will get completed sometime at the end of this calendar year and that will make us the largest producer of tissue paper in the country. R&D? R&D is not substantial, our businesses don't require R&D. The textile division does do some development work but the spends are not substantial, and these are done in house.

With that, I again thank you for your very incisive questions about the company's working and for your attendance at this online AGM. Shareholders please note that the e-voting window will now remain open for another 15 minutes so that those who have not voted, may do so now. I request the moderator to turn on the timer screen. The voting results will be announced, on or before 27th August 2020. It will be available at the registered office of your company and also be uploaded on your company website and those of the stock exchanges and NSDL. The business of the meeting is now complete and I declare the meeting closed.

I once again thank all our shareholders for their participation, please take care of your families and in these times stay well and stay healthy.

Thank you.

ENDS

Note:

Transcript for shareholders who have spoken in Hindi has been translated into English.

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