



**TRANSCRIPT FOR THE PROCEEDINGS OF THE 39<sup>TH</sup> ANNUAL GENERAL MEETING OF AMBUJA CEMENTS LIMITED HELD THROUGH VIDEO CONFERENCING ON FRIDAY, APRIL 29, 2022 AT 2.00 P.M**

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- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- I'm Rajiv Gandhi, Company Secretary and Compliance Officer of Ambuja Cements Limited. I'm pleased to welcome you all to this 39th Annual General Meeting of the members of the company held through video conferencing other audiovisual means in compliance with these circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India. In compliance with the MCA General circulars and SEBI circular, the notice of the AGM along with the audited financial statements for the financial year ended 31<sup>st</sup> December, 2021 together with the boards and auditor's reports have been sent through electronic mode to all the members whose email addresses are registered with the company, the registrar and transfer agent, and depositories. The condensed version of the annual report has been sent through physical mode to all the shareholders who have not registered their email ID.
- Before we commence, I would like to give you an overview of the process to participate at this meeting through video conferencing. The shareholders have been provided with the facility to join the meeting through video conferencing, other audiovisual means on a first come first serve basis. All the members joining this meeting are by default placed on mute mode to avoid any background noise disturbance and to ensure smooth and seamless conduct of the meeting. Once the question answer session starts the Chairman will announce the name of the registered speaker, shareholders one by one, speaker shareholders will thereafter be unmuted by the host of the AGM, and will be allowed to express their views, ask questions. Each speaker will be given a maximum of three minutes and I request each speaker to adhere to this limit.
- Before speaking, the shareholder is requested to click the audio video button and if the shareholders are unable to join through video mode due to any reason, the shareholders are advised to switch off the camera video and speak through audio mode. Speaker shareholders are advised to use earphones so that they are clearly audible and to minimize any background noises to avoid any disturbance ensure that Wi-Fi is not connected to any other devices, no other background applications are running, and proper light is available to have good video experience. In the event of a connectivity problem at the speaker shareholders end, we will ask the next speaker to join the meeting.
- Once connectivity improves, the previous speaker shareholder will be called back to speak. During the meeting, if members face any technical issue he or she may call the helpline number of CDSL as mentioned in the notice of the AGM. I would like to

inform you that the Board Chairman, Mr. Narotam Sekhsaria is unable to chair this AGM, Mr. Jan Jenisch, Vice Chairman is also unable to attend. Hence, he has requested the directors present to elect amongst themselves the chairperson for this meeting. Thank you very much.

- **Mr. Ranjit Shahani – Non-Executive, Non-Independent Director, Ambuja Cements Limited:**

- Rajan you are on mute.

- **Mr. Rajendra Chitale – Independent Director, Ambuja Cements Limited:**

- Hello thank you Rajiv. Sorry for this. Good afternoon, everyone. I'm Rajendra Chitale, an independent Director of the company and the Chairman of the Audit Committee and the Risk Management Committee and a member of the stakeholder relationship committee and CSR committee. I'm participating at this 39th AGM of the company from Mumbai. I would like to propose the name of Mr. Martin Kriegner to chair this Annual General Meeting. Further, I proposed the name of Mr. Shailesh Haribhakti, Director to the Vice Chairman of the meeting and to conduct the meeting in case for any reason the connection of the Chairman of this meeting is lost in the meeting. If agreed, I request the directors present to second the name of the Mr. Kriegner as the Chairman and Mr. Shailesh Haribhakti as the Vice Chairman of this committee.

- **Mr. Mahendra Kumar Sharma – Non-Executive, Non-Independent Director, Ambuja Cements Limited:**

- I second.

- **Mr. Ranjit Shahani – Non-Executive, Non-Independent Director, Ambuja Cements Limited:**

- I second.

- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**

- I now call upon the board members. Mr. Shailesh Haribhakti please.

- **Mr. Shailesh Haribhakti – Independent Director, Ambuja Cements Limited:**

- Yeah, I agree to the proposals that Rajendra Chitale has made. Thank you.

- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**

- Mr. Nassar Munjee.

- **Mr. Nassar Munjee – Independent Director, Ambuja Cements Limited:**
- I agree to the proposal by President.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Mr. Christof Hassig,
- **Mr. Christof Hassig – Non-Executive Director, Ambuja Cements Limited:**
- I agree also to the proposal made by Rajendra.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Ms. Then Hwee Tan.
- **Ms. Then Hwee Tan -- Non-Executive Director, Ambuja Cements Limited:**
- I agree to the proposal made.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Mr. Ranjit Shahani please.
- **Mr. Ranjit Shahani – Non-Executive, Non-Independent Director, Ambuja Cements Limited:**
- I agreed to the proposals made by Mr. Rajendra Chitale.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Mr. M K Sharma please.
- **Mr. Mahendra Kumar Sharma – Non-Executive, Non-Independent Director, Ambuja Cements Limited:**
- I agree to the proposal made by Mr. Rajendra Chitale.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Mr. Neeraj Akhoury please.

- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**

- I agree to the proposals made by Mr. Chitale.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you, Rajiv. Thank you, member directors, for choosing me as the chairperson for today's meeting. Good afternoon and a warm welcome to all shareholders and directors to this 39th Annual General Meeting being conducted through video conferencing mode without the physical presence of the members at the common venue. The meeting is being live streamed through webcast. I thank all of you for participating in today's meeting and sincerely wish that all of you and your family members are safe and healthy. As the requisite quorum is present, I call the meeting to order. Firstly, I would like to thank the founder of Ambuja and our Chairman Mr. Narotam Sekhsaria for his leadership and continuous support to Ambuja. His guidance and foresight has always strongly determined the positive evolution of Ambuja. I'm privileged to chair the company's 39th AGM on his behalf.

- With me in the room, Mr. Neeraj Akhoury, our Managing Director and CEO, Ms. Rajani Kesari our CFO, and Mr. Rajiv Gandhi our Company Secretary. During the current year and post the release of the AGM notice and the annual report, Mr. P. K. Molri, Non-Independent Director and LIC nominee resigned from the post. Person to officer nomination by LIC. Similarly, Mr. M.K. Sharma Non-Executive, Non-Independent Director, and Holcim nominee will step down from the board from the close of the business hours of today as he will be attaining the age of 75 years on 4th of May 2022. The Board of Directors places on record its appreciation for the services and guidance rendered by them during their tenure. Mr. A. K. Annan, LIC nominee and Mr. Mario Gross, representative of Holcim Group have joined the board as the Non-Executive Directors in place of Mr. P. K. Molri and Mr. M.K. Sharma respectively and we will soon approach to shareholders for their approval for the appointment of this new directors. I now call upon all that the directors on video conference to introduce themselves and confirm their participation in this meeting. I call now out the names of the directors. First Mr. Nasser Munjee please.

- **Mr. Nassar Munjee – Independent Director, Ambuja Cements Limited:**

- Yes, good afternoon. I'm Nassar Munjee. I'm an Independent Director and Chairman of the nomination and remuneration committee and also the compliance committee and the member of the audit committee, the risk management committee, the CSR committee, and sustainability committee. I'm joining this meeting from my office in Bombay.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you, Nassar. Next Mr. Shailesh Haribhakti please.

- **Mr. Shailesh Haribhakti – Independent Director, Ambuja Cements Limited:**
- Good afternoon. I'm Shailesh Haribhakti. I'm Independent Director of Ambuja Cements Limited and I served on the compliance committee as well as the nomination and regulation committee. thank you.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you Shailesh. Next, I call out Mr. Christof Hassig please.
- **Mr. Christof Hassig – Non-Executive Director, Ambuja Cements Limited:**
- Good afternoon, everybody. My name is Christof Hassig and I'm serving as a member of the board as a representative for Holism Group.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you, Christof. Next is Then Hwee Tan.
- **Ms. Then Hwee Tan -- Non-Executive & Non-Independent Director, Ambuja Cements Limited:**
- Hello. Good afternoon, everyone. I'm Then Hwee Tan a Non-Executive and Non-Independent Director and a member of the compliance committee. I'm joining this meeting from Singapore.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you Then. Next, I would request Mr. Ranjit Shahani please.
- **Mr. Ranjit Shahani – Non-Executive, Non-Independent Director, Ambuja Cements Limited:**
- Good afternoon. I'm Ranjit Shahani, Non-Executive, Non-Independent Director and Chairman of the stakeholder relationship committee joining this meeting from Mumbai. Thank you.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you Ranjit and then Mr. M. K. Sharma please.
- **Mr. Mahendra Kumar Sharma – Non-Executive, Non-Independent Director, Ambuja Cements Limited:**
- Good afternoon. This is M.K. Sharma, a Non-Executive, Non-Independent Director and a nominee of Holcim on the Board of Ambuja. I'm a member of the audit committee, CSR committee, and sustainability committee. I'm joining this meeting from my office in Mumbai. Thank you.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. I would like to express my gratitude to the Board of Directors of Ambuja Cement and for their leadership, strategic guidance, and valuable contribution that shaped their remarkable performance during the year 2021 in spite of all the challenges that arose due to the COVID situation. I would like to put on record and thank each member of the board for their support and participation during this period. Representatives of statutory auditor's M/s Deloitte, Haskins and Sells and secretarial auditors M/s Rathi & Associates are also present at this meeting. We also have to executive committee of the company and senior executives of the company present in the meeting. The company has received 4 letters from corporate shareholders appointing authorized representatives under section 113 of the Companies Act 2013 in respect of 126,34,59,779 equity shares representing 63.62% of the paid-up equity share capital of the company. Since there's no physical attendance of members, the requirement of appointment a proxy is not applicable. The register of directors and CMP and their shareholding, the register of contracts or arrangements in which they are interested are available electronically for inspection by the members during the continuance of the meeting on the investor tab of the company's website. Members who do not vote -- who did not vote earlier through remote e-voting may vote electronically during the course of this meeting.
- As the notice of the ATM is already circulated to all the members with your permission, I take the notice of the meeting as read. Further is the report of the statutory auditors and the secretarial auditors were unqualified and without any adverse observation or comments in the respective reports with your permission, I take the auditor's report and the report of the secretarial auditors as read. I'm now coming to the speech of the Chairman. Dear shareholders, the year 2021 will be remembered by all of us as a year in which we delivered an impressive all-round performance despite many challenges posed by COVID. I'm very proud of and thankful to our frontline workers whose tireless efforts ensured safety and well-being of not only our employees, but also for our customers and the communities in which we operate on behalf of all directors of the board, I would like to thank them for their resilience and commitment, which shaped our company, deliver such an outstanding performance. We remain very confident about the future of the Indian industry. This GDP growth rate for fiscal 2022-2023 expected to pay around 7%, our company is on a rapid growth path. This growth will be driven by a combination of government and private spending. The union budget 2022 for post several measures which will provide a strong stimulus to the country's economic growth which has been demonstrated by higher allocation of infrastructure spends for highways, multimodal logistics centres, cargo terminals, and the newly determined infra status for datacenters and energy storage systems. The Pradhan Mantri Aawas Yojana is which aims to build 8 million houses by 2023 is also a strong government initiative on affordable housing coupled with lower per capita consumptions, lower interest rates, and recovery of the real estate sector goes extremely well for cement industry and our cement business. You're path believes that these factors will very positively

impact cement demand in 2022 and many years beyond. Despite numerous challenges 2021 was a very successful year in Ambuja's history. Net sales increased by 23% year-on-year to reach an all-time high of ₹13,794 crores, while operating earnings before interest and tax increased by 25% year-on-year to 2,656 crores.

- This performance was highest ever in many areas including sales volume, EPDA, EBIT, and PAT. Credit rating agency CRISIL has affirmed the company's sound financial management and the ability to service financial applications on time with long term instruments rated as AAA saber and short-term instruments rated at A1 plus. We are pleased to report that our main subsidiary ACC Limited one of India's leading cement manufacturers also delivered a strong performance in 2021. ACC's EBIT increased by 40% to ₹2,397 crore. The board is pleased to recommend a final dividend of ₹630 per share for the year ended December 31<sup>st</sup>, 2021. The total payout ratio of 60% which is subject to shareholders approval at this general meeting. Ambuja is well poised to become the most innovative, sustainable, and competitive building solutions company in India. Your company's strategic priorities are structured on the four pillars and they mention all these four pillars, I mentioned now these four pillars. Accelerating gross, expanding solutions and products leading in innovation and sustainability and deliver superior performance. During 2021, we further accelerated our growth journey.
- Our plants are fully on track to deliver 50 million tons per annum capacity, which we have set as our near-term target. This has been clearly demonstrated to successful commissioning of our new major cement plant at Mava in Rajasthan. This project has enhanced Ambuja's capacity by 3 million tons per annum and cement sales potential barreled 5 million ton per annum. The plant was commissioned during the COVID time on 30<sup>th</sup> September 2021 and it's already operating at its peak capacity. We have also announced expansions of our grinding unit at Ropar in Punjab by 1.5 million ton per year. They are an advanced stage of obtaining the required regularly clearances to initiate the project. During the last quarter, we have further announced a massive expansion of 7 million tons per annum cement grinding capacity and 3.2 million tons per annum of clinker capacity in the eastern region of India. The expansion is it combination of Brownfield and Greenfield projects. An advanced stage of obtaining the required regulatory clearances to initiate this project -- this major project. With all these projects moving in execution mode, we are well on our way to achieve our ambition of 50 million ton per annum capacity in the near future. This was the first part on growth.
- I'm now coming to the next part. Ambuja remains committed to developing innovative products with superior performance. Ambuja Kawach a sustainable water repellent cement launched in 2020 has emerged as a preferred premium product is an over 300% increase in volume year-on-year. Currently 12 plants across the country supply Ambuja Kawach to 17 States and union territories. It gives us great pleasure to inform you that Ambuja Kawach is the first cement plant in India to be recognized by the global solar impulse foundation as a green building solution.

Ambuja cool walls or green solution for wall that helps keeps homes cool in the summer and warm in the winter is now manufactured in 18 plants across India with a 25% year-on-year volume growth. Alliance to Holcim's net zero ambitions, sustainability is at the core of our business strategy. Your company has developed 2030 carbon emission reduction targets that have been validated by the science-based targets initiative following a globally accepted science-based approach. There have a decarbonization road map in place to achieve this target.

- Our sustainability plans for 2030 focuses on four pillars -- four elements; climate and energy, circular economy, environment and people, and community. Let me walk you through performance in each of these levers. Our climate and energy lever, we continue to accelerate growth of green solutions and products such as earlier mentioned Ambuja Kawach. Ambuja has reduced its carbon emission during 2021 significantly supported by advanced manufacturing practices, which led to improved efficiencies. Ambuja is ranked 5th globally in sustainability industries under their construction materials category by the international renowned Dow Jones Sustainability Index for the second year in a row. The only Indian company to be among the five in the sector. Furthermore, the company has been recognized for its leadership in corporate sustainability by the global environmental agency called CDP and has secured a place on its prestigious A list for taking water security.
- Ambuja is the first and only cement company in the world to have accomplished this feat demonstrating our focus on corporate sustainability. On clean energy, 87 MW of waste heat recovery systems will be operational by 2023. Our Board of Directors has improved waste heat recovery systems in Ambuja Nagar in Maharashtra with which all our plants will have waste heat recovery system in place by 2023. Together with this, we are implementing other renewable energy projects and we remain on track to fulfill more than 1/3 of our energy needs through clean and green sources by 2025. At Ambuja we truly believe in and promote a circular economy. Geocycle or in-house waste management arm offers safe waste management solutions for use of industrial biomass and municipal wastes in our cement clinks. In 2021, we have handled close to 3 lakh tons of waste to generate alternative fuels. They've prioritized management of single use plastics for coprocessing which helps to keep them out of landfills and rivers. Geocycle is also working with municipalities to help remediate legacy terms by safely coprocessing their segregated compatible fractions in clink at Ambuja cement. They have been thriving increased use of waste derived resources such as fly ash and slag in the manufacturing of cement. Your company consumed 8.8-million-ton base derived resources only in 21.
- Our environment stewardship efforts focus on resource and water conservation. Our relentless efforts towards water conservation have been lauded globally this year. As I mentioned earlier, Ambuja is the only cement company to be recognized by CDP for taking water security. Ambuja hence is 8 times water positive and 3.5 times plastic negative, so coprocessing of plastic waste in our clinks as explained by me. The Ambuja Cement Foundation, our corporate social responsibility arm carried

out several interventions to address the COVID second waves impact on communities. Ambuja Foundation made a significant contribution by holding vaccination camps for employees and their families as well as our stakeholders such as trackers and third-party employees. During 2021, Ambuja Cement Foundation focused on key intervention areas such as water resource management, agro-based livelihood, skill-based livelihood, health and sanitation, women empowerment, and education. We have spent ₹64.41 crore on our CSR efforts and reached 2.8 million people in almost 3,500 villages in 50 districts across 11 Indian states in the year of 2021.

- I'm extremely proud to announce that the Ambuja Cement Foundation was recognized as a great place to work in the nonprofit and charity organization category and has received the third ACC Social Impact Award 2021 for women empowerment and healthcare. Delivering superior performance is everyday mantra at Ambuja. Our employees empowered by the I Can spirit are constantly working on ideas to deliver better performance each and every day. A key lever for superior performance is our digital transformation journey in manufacturing, logistics, sourcing, and customer engagement. To increase the efficiency of our cement plant, we focused on the digitalization through our plants of tomorrow initiative. This plant of tomorrow program is derived from Holcim Group knowledge under which we are implementing automation technologies, robotics, artificial intelligence, and predictive maintenance throughout the entire manufacturing process. To improve product quality, plant efficiency, and safety, we implemented predictive tools. The technical information system called TIS helps us in recording minute-by-minute performance data of our key assets. While the performance and collaboration tool called PACT analyzes this data and provides reports to manage day-to-day operational efficiency. In addition, we launched a digital AI program, which uses drones to inspect confined spaces.
- Our minds of tomorrow initiative has been introduced to improve the efficiency of mining operations and support sustainable mining practices. To optimize our logistics for road safety, enhanced efficiency, and sustainability, we have developed an industry-leading Transport Analytics Center called TAC. TAC is a digital platform that enables us to optimize the network by providing real time information across the value chain. It also improves the safety of our drives in tracks our trucks to help reduce CO2 emissions. Your company continues to focus on enhancing the interaction experience of its customers and influences, so various platforms and application such as Ambuja dealer connect for our dealers, Ambuja Darpan, and Ambuja Abhimaan for our contractors. Our dealer app provides one-stop shop for all dealer interactions right from all the booking, tracking, invoicing, loyalty payments, and so on. Abhimaan is an excellent platform for contractors to manage their loyalty programs with us. We have also enabled the digital first concept apps such as One Channel and My World for teams in the field. Our company is setting new benchmarks across all operational parameters to deliver superior performance.

- Our performance during the year was marked by strong growth in cement, sales volumes to achieve its best ever volume in 2021. Company cement volumes increased by 17% over 2020 to 26.5 million tons. We also achieved our best ever clinker in cement production. Trade and forwarding cost optimization was driven through reduction of lead distance and improvement of direct dispatch despite steep increase in diesel prices and our flagship I Can program, we have driven efficiencies across the organization enabling strong cost reductions. Various projects were undertaken across the plants to bring inefficiencies in our manufacturing process. Clinker factor, thermal energy, and thermal substitution rate improved over 2020. Under the Master Supply Agreement, the company is fully leveraged synergies between Holcim India's two operating companies; Ambuja and ACC to drive scale and performance.
- During the last two years, volume under the Master Supply Agreement have been significantly accelerated. MSA has facilitated the companies to achieve network optimization and cater to additional markets. Benefits of MSA are clearly visible in the evolution of logistics cost of post companies, which have trended lower despite increase of diesel prices. Ambuja launched a number of innovative initiatives to educate the general public about sustainability. Holcim India and its two operating companies Ambuja and ACC have launched their first joint integrated sustainability campaign changed the story to highlight India plastic removal efforts. It focuses on cleaning the Yamuna river using Geocycle's noninvasive bubble barrier technology to remove plastic waste in Agra. Ambuja also launched Leave Behind no Waste Campaign focused on cleaning all single use plastic generated in cricket stadiums to make sports more environmentally friendly. Ambuja has been ranked as India's most trusted friend by TIA research friend trust report 2022. The company is the only cement form to figure in the top five under their manufacturing category of the rankings.
- As a responsible cement plant, the cares for people entrepreneur, this is surely a moment of great pride for us. Ambuja's integrated annual report for 2020 was recognized by the institute of Chartered Accountants of India for excellence in financial reporting. We continue to have a very sharp focus on health and safety. Our boots on the ground initiative is an integrated part of the health and safety governance and assurance system. Boots on the ground focuses on visible leadership of our teams on the ground to enhance safety culture and discipline. At Ambuja, we are deeply conscious of the value of a diverse workforce. We are committed to providing equal opportunities and creating an inclusive work culture for all our employees. Our senior leadership has launched a program Orchard to support, nurture, and girl female colleagues. I'm very pleased to share that Business Today ranked the company #1 in the construction and infrastructure sector in its 2022 Best Companies to Work For Survey. On behalf of Ambuja I would like to extend my sincere thanks to all our stakeholders. Board members, employees, customers, vendors, shareholders who have believed in us and supported us to

deliver such a superior performance and shareholder value. I now request Prachi to carry out the remaining part of the proceedings. Thank you.

- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**

- Thank you, Sir. So, I will now go to the voting instructions. In compliance with the Companies Act 2013 and SEBI listing regulations read with MCA and SEBI circulars, since the AGM is held through video conferencing and other audiovisual means, the members were provided with the facility to cast their vote electronically through the remote e-voting on the resolutions mentioned in the notice convening this AGM, which has been facilitated and the service administered by CDSL. The members who have not casted their vote on the resolutions as mentioned in the AGM notice by remote e-voting prior to the AGM may cast their votes through e-voting system available on the voting page of CDSL NSDL during the AGM simultaneously while watching the proceedings of this meeting. The board has appointed Mr. Surendra Kastia; practicing Company Secretary to act as the scrutinizer to scrutinize the remote e-voting and the vote cast at the meeting and provide a consolidated result. Since the AGM is held through video conferencing and other audiovisual means and as the resolutions mentioned in the notice convening this AGM have already been put to vote through remote e-voting and the facility of voting is also available at the AGM, there will be no proposing or seconding of the resolutions. I will now request the Chairman.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you, Rajiv. Now, I shall invite the shareholders who have registered themselves as speakers to express their views, ask questions, and give their suggestions. I just would like to remind before we start that each shareholder speaker is kindly requested to limit his statement to maximum 3 minutes. We have 10 shareholders registered for this interaction and I would like to call out the first speaker shareholder, Mr. Raj Gandhi. He's a representative from SBI Mutual Fund. Mr. Gandhi please.

- **Mr. Raj Gandhi – Speaker Shareholder:**

- Hi, Raj Gandhi here representing SBI Mutual Fund. Thanks a lot for the opportunity. You have announced the road map to 50 million ton and also given the announced the 7 million expansion in east, so any further timelines on that 7 million tons and any further details on how you bridge the gap to 50 million tons. So that was one and second question is you know Holcim has increasingly focused on non-cement businesses solutions and you know building solutions and lot of other building products, so along with Ambuja pool walls that you're doing if you could highlight, how you are leveraging the Holcim global experience to develop and grow such business. Thanks.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you, thank you for this question. We will ask all speaker shareholders to make their statements and then we'll at the end answer all the questions. So the next speaker shareholder I would like to call out is Mr. Hrishikesh Bhagat from Kotak Mutual Fund. Please go ahead. We cannot hear you, can you unmute yourself please.
- **Mr. Hrishikesh Bhagat – Speaker Shareholder:**
- Apologies.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Yeah, now it working. Thank you.
- **Mr. Hrishikesh Bhagat – Speaker Shareholder:**
- Yeah, sorry. So congratulations on the great performance in 21. Now my question is firstly if I look at the Holcim global strategy of accelerating green growth and clearly the earlier participant also highlighted a focus on building material solution, so against that backdrop as a Indian shareholders do we have to worry about the growth plans for the Indian entity that's my number one question. The second question is on the MSA side, although you did touch during the presentation, but just wanted to understand how much further can as a group we can squeeze in, squeeze out the benefit from here onwards. Thanks.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you for this very relevant question. I would like now to call up the next shareholder, Mr. Madhav Marda from Fidelity Funds. Please go ahead.
- **Mr. Madhav Marda – Speaker Shareholder:**
- Hi, good afternoon. Thank you so much for your time. My name is Madhav representing Fidelity. I had just one question that was Ambuja has done a commendable job on improving its cost structure in the last two or three years. If you could just help us understand how much cost savings have you achieved via the MSA program and other internal initiatives and how much more potential is there to improve our cost structure in the next two years from here. Thank you.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you for this question. I call out the next speaker shareholder, Mr. Santosh Kumar Saraf please. Mr. Santosh Kumar Saraf.
- **Mr. Santosh Kumar Saraf – Speaker Shareholder:**

- Hello.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Yes.
- **Mr. Santosh Kumar Saraf – Speaker Shareholder:**
- Hello.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- We can hear you Sir.
- **Mr. Santosh Kumar Saraf – Speaker Shareholder:**
- You're listening. My voice is coming?
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Yeah, you are audible.
- **Mr. Santosh Kumar Saraf – Speaker Shareholder:**
- Respected Chairman and board member and my fellow shareholder, my name is Santosh Saraf, I am from Calcutta. Today, I am attending the meeting from the bungalow. I am a very old shareholder from the 1986 since IPO and holding more than 6,000 shares quantity. Hope our director came in person and all those are attending the today meeting are safe and good health. Sir I would thank the management and all managerial staff for a very good dividend in spite of COVID pandemic situation. It is very tough to declare a dividend of 630 I think for this. Again, Sir I thank to our modern person for receiving award and recognition for good work and with a hard work so we see this day. Sir my question to you what is the capacity of our rain water harvesting and solar energy Sir. Next Sir, you added last year 300 new employees Sir, but percentage of women in very low, only 3% out of and you are planning to increase by 22-25 to 10% Sir. Sir I hope 10% is very less Sir, you can increase more and more. Sir my question to you, you tell the Ambuja Kawach cement brand is increasing by 300% on yearly basis. So, my question to you is what are the factors driving this sale and Sir my one question to MD Neeraj Sir. There is a rumor in the market Sir that Mr. Neeraj Sir is leaving Ambuja Group and joining some other group Sir. If yes, what is the danger and please clarify on this Sir and management to vaccinate our people with a booster dose Sir, please clarify and last Sir, I think video conference is very good. I see that some of the directors attending from outside of the India. It is only possible due to Sir video conference. So, I hope in the future you will continue with video conference Sir. Sir (not audible)

- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Sir you are not audible.
- **Mr. Santosh Kumar Saraf – Speaker Shareholder:**
- (not audible) .
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Sir we cannot see you now.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Can you put your video on Sir.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- We could not hear your last statement Sir, can you repeat please.
- **Mr. Santosh Kumar Saraf – Speaker Shareholder:**
- Now it is coming Sir?
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- It's coming.
- **Mr. Santosh Kumar Saraf – Speaker Shareholder:**
- Okay Sir. Sir, why last question is to Mr. Neeraj. Sir there is a rumor in the market that Mr. Neeraj Sir is leaving our Ambuja Group and joining some other group Sir. Sir what – so please clarify on this. If yes, what are the reasons for this and Sir what is the reason that our Kawach cement sale is increasing by 300%, what are the factors behind this Sir and last Sir, I hope the video conference is very good because I listened from you, there are so many directors attending the meeting from outside of India. It is only possible due to video conference; other it is not possible Sir. So, I hope you will recommend to government to continue with video conference because it is less expenses, less, and very suitable Sir. Thank you Sir. Jai Hind.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you, Sir. Thanks a lot for your loyalty as a longtime shareholder and for your very constructive inputs, thanks, thanks a lot. Always a pleasure to interact with you. Next I'm calling out Mr. Aspi Behsania. Aspi Behsania please.

- **Mr. Aspi Behsania – Speaker Shareholder:**

- Chairman Sir can you see me and hear me?

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Yes very well.

- **Mr. Aspi Behsania – Shareholder:**

- Sir I am Aspi from Bombay. Sir congrats on excellent results. When the economy is growing by 7% or 8% and our company is growing by 25%, why is your promoter wanting to sell off. I had asked the same question in ACC, but I couldn't wait for the answers, but today I will be waiting for the answer. So please give a detailed answer. I had expected this answer in the Chairman speech, however, you are absolutely silent. Sir when is the Bhatapara expansion likely to be over and how much CapEx will be incurred and when do you expect full capacity utilization and after Bhatapara what? Where is the expansion going to be? Sir fuel prices have been going up water plants to mitigate the effects, fuel prices are not likely to reduce since central government does not want to reduce its share of taxes, but wants only states to reduce their taxes, Sir I would like to know from you on this point also.

- Sir next year please continue with the online AGM and Sir what they're doing about the heat in the country, do you have any proposals to increase the groundwater level because the groundwater level has been reducing from year-to-year and probably that's one of the reasons why the heat is increasing in India. So, water planes to increase the groundwater level around our plants because if you increase a groundwater level around our Gujarat plant, Ambuja plant then at least even the animals will feel the relief who are next to our plant. Sir thank you very much and all the best for the future.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thanks a lot Sir, very appreciated. I call out the next speaker shareholder, Mr. Dinesh Kotecha please. Dinesh Kotecha.

- **Dinesh Kotecha – Speaker Shareholder:**

- Good afternoon to all of you. I'm Dinesh Kotecha from Bombay. My folio number is 1201890000000564. Sir, first of all seeing the results of 2021, I think there is every reason to be euphoric because the growth has accelerated, the performance is superior, and you know it is there is a sustained thrust for the about 2, but seeing the first quarter results I think there is more reason to be cautious and watchful because as given in your page 27 of the presentation, all parameters are down, net sales is down compared to last quarter of the last year -- first quarter of last year, EBITDA is down, percentage is down, EBIT is down, percentage EBIT is down, PPT is

down, taxes down, PAT is down, EPS is down in the first quarter, so there is every reason to be cautious and watchful. I know you know the fuel and the cost and power cost has gone up tremendously in the first quarter, which we are feeling the heat of it in the results.

- Sir, I would like to know I mean are we going to increase the price in the selling price per bag and how much is envision when in the current year or in this particular quarter. Sir, my specific questions to the balance sheet now. First of all I appreciate the integrated annual report because integrated annual reports are nowadays to be given by large companies and you have started that trend from 2021 because the reporting is over and above the requirements of the Companies Act and I appreciate that transparency and that disclosure. Sir, second question and please continue with it, second question is you know there is a merger awaited with ACC much like HDFC and HDFC Bank, I mean when are we going to do that now because this is a demand which is being raised in both the companies year after year for the last several years and the management is not giving us any specific answer. I think the benefits will be more to the company you know because the related party transaction disclosures can be better more transparent, geographical locations of both the factories can come under one roof, better tax planning and GST planning can be done, there can be cost and manpower rationalization also with the merger. Sir, my third question is now, so please give a specific answer about the merger. Third question is the Brownfield Grinding Plant in Punjab Ropar is to the extent of 1.5 million tons per annum.
- I would like to know the CapEx, I would like to know the payback period and in which quarter of which year are we going to start it. Second is the and the Farakka Bihar expansion of cement grinding plant, 7 million tons, the same question what is the CapEx, what is the payback periods, and the quarter and the year in which you are going to start that. There's a brownfield clinker expansion of 3.2 million tons per annum at Bhatapara, Chhattisgarh, again the same question what is the CapEx, what is the payback period, and start of the quarter and the year. Sir I would like to know what is the planning of the requirements of the limestone reserves now undertaken because all these expansions will require huge limestone to be required for by the company, so what is the planning is in process for the limestone results. Sir, my next question is the pool walls, how is the plans for the next three years being scaled up from the present and how do you find the response from the market. Sir, lastly I find that some news were there in the newspaper a week ago or three-four days ago that Adani Group is trying to take over the controlling interest in both ACC and Ambuja from Holcim. What is the latest updates on it from you or from the parent company Holcim. I mean these are some of the questions, but again I appreciate the balance sheet -- integrated balance sheet very much and my sincere thanks to the Chairman of the audit committee, Mr. Haribhakti, Mr. Chitale, and all the entire team of your company secretarial team and I'm also -- I would like to even thank one Mr. Rajiv Gaur for helping me out with the annual report. He personally called me and he had

sent me the annual report which is fantastic full of knowledge for the cement industry. Thank you and wish you all the best.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you, thank you Sir. Thanks a lots for your prices for the integrated annual report which we will surely continue and even try to further improve. Thanks a lot. I call out the next speaker shareholder, Mr. Bharat Shah. Bharat Shah please.
- **Mr. Bharat Shah – Speaker Shareholder:**
- Hello, am I audible?
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Yes, yes.
- **Mr. Bharat Shah – Speaker Shareholder:**
- Hello.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Yes, Mr. Bharat Shah please go ahead.
- **Mr. Bharat Shah – Speaker Shareholder:**
- Respected Chairman Sir, MD Sir, and other respected directors. Sir my name is Bharat Shah. Sir I don't have any query. I am your shareholder for years. Sir you are managing the company very nicely. There is growth in all the things. So, I would like to thank you a lot and Sir you have given a good dividend and everything is really nice. I would like to thank you and let the company grow even further. I would like to pray this to the god. Sir your secretarial department work is very nice. They are giving very nice service. Rajiv Gandhi, company secretary and their assistant Gaur and their whole team I give my thanks to them. If there is any query of the shareholder, they solve it every time. So, I would like to thank the whole secretarial team. Sir, if possible in future, please arrange a factory visit after the pandemic is under control to see how the work is done. I would like to greet you for all the forthcoming festivals and I support all the resolutions. Next year if possible, we will have the GM face to face. Thank you very much sir. Thank you very much. Jai Shree Krishna. Thank you, thank you.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**

- Thank you, Sir.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you, Sir for your kind words. I am calling out next speaker shareholder Ms. Elizabeth Mascaranhes. Madam, please go ahead.
- **Ms. Elizabeth Mascaranhes – Speaker Shareholder:**
- Hello, can you hear me?
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Yes, yes.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**
- Yes, we can hear you. Please go ahead.
- **Ms. Elizabeth Mascaranhes – Speaker Shareholder:**
- Yeah, okay. Very nice thank you. Respected Chairman of today's meeting, other members of the board in the virtual, my fellow shareholders, I'm speaking from Mumbai. I am Mrs. C.E. Mascaranhes. First of all, I thank the company secretary and his team for sending me an e-annual report and also registering me as speaker at my request and also giving me this beautiful platform where I can speak also and I can see you all and you can see me. Thank you so much. Now come into the work Sir, working is definitely good, there's no any second thought on it, sales have gone up, profit is up, dividend of 6.50 per share is very good, also we have a very good CRISIL rating keep it up. I congratulate here for all the awards and applause and also I appreciate very much the CSR work done to the society. Now also I would like to know we have ESG rating, if so what is our rating and if not when we are going to go for it and I would like one full chapter next year or year after on ESG. So now my queries. First query is what is our market share and which state our market share is the highest. My second question is what is the CapEx for the next three years and the funding for the organic growth or any acquisitions for the inorganic growth, there are many cement plants like Andhra Cements etc., etc., which have gone or which are going to the IDC, so what about acquiring them and rewarding those shareholders there. Third question is the effect of the Ukraine-Russia war how much we have an effect on that and if so please throw light. Fourth, any supply chain bottlenecks and what is the position as of now. My fifth question is effect of crude oil rise, how much our margins are affected, do we get the availability of the coal, so please throw some light. My most important last one is, which is very important Holcim is holding 63% of the capital and I would like to know why such a good company that Holcim wants to exit, so if y'all could just Board of Director's are there

throw some light why is it and India is a very good growth story. I know the person who would come is equally very good and he will really reward the shareholders and market capitalization may go much, much more than what is today, but here my request is also our subsidiary that is ACC, we are shareholders there, there also we should be rewarded specially the small -- tiny shareholders should get a reward, this is my request. With this I support all the resolutions and I have one request I have still Ambuja is a great company and ACC, my shares are still in physical.

- I'm getting hell of a problem in getting it demated, various types give cancelled cheque, give this, give that please you industry heads at least support the old shareholders who are 70 plus and we can't even go with blood pressures, please you give us some support at least getting our shares demated and first all this was not there, we could go to my broker, okay 10% discount, he would give me whenever I need money, now it is not the question, you must be in demat, so please I need the secretarial help, your help, and whoever that at least making our life easy especially the senior citizens. With this I support all the resolutions. I wish my company all the best. I wish whichever promoters will come further they will reward all of us and we will be #1 cement company not only of India, but of the world. With this, thank you very much and wish you all, all the best. Namaskar.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you, Madam thank you. So on this issue of demat shares, we look into it and try what we can do. I call out the next speaker shareholder, Mr. Saket Kapoor. Saket Kapoor please.

- **Mr. Saket Kapoor – Speaker Shareholder:**

- Good afternoon Sir.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Good afternoon.

- **Mr. Saket Kapoor – Speaker Shareholder:**

- Namaskar Sir. Sir I won't be repetitive with the questions with the earlier speakers have already mentioned, but going about the numbers which we have seen for the first quarter, it is evident that inflation has dented the margins for all cement companies and so what is the line of action to maintain or even improve our margins going forward and what kind of resistance do cement companies are currently facing for increase in cement prices as the government have earlier also shown their displeasure with high with high cost of construction especially steel and cement. So how are we prepared with inflationary trends on one side and with resistance to increase the prices going forward. Sir, only point of Holcim exiting the cement business lot of talk has been there and I know you people have your own limitations

but definitely for investors like us it's a point of concern just to understand what's the thought process behind it and what's the way forward, how are the plans which we have been choked out by the current management will stay in the same -- will be trading the same track even with the new buyers if that happens and sir if you could give us some more color on what is our trade and non-trade mix out of the total sales and sir we did find it in the press release that we are running 100 million ton capacity, so if you could give a timeline by when that is achievable and also sir the request for investor -- regular handling of investor con call Sir. I think Sir it derives some merit and it must be looked into what are the merits of holding investor calls on a regular basis and not as an annual event only and these are my few suggestions and I hope that if they derive - deserve any merit they will be looked into. Kindly look into this con call part in particular because of the growing interest of investors in the cement space. That's all from my side and I wish all the best to the team going ahead. Thank you and namaskar.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you, thank you. We will take your suggestions and consider them, very good, thank you always very constructive. I call out now the last speaker shareholder, Mr. Yusuf Rangwala please. Mr. Yusuf Rangwala.

- **Mr. Yusuf Rangwala – Speaker Shareholder:**

- Can you hear me sir? Respected Chairman and my fellow shareholder. I'm speaking from Mumbai. My name is Mr. Yusuf Rangwala. Sir first I will thank dynamic secretary Board who's a very hardworking and very down to earth sir. He phoned me and also whether you're joining and he even sent me a link. I want to thank him a lot. Sir the dividend that you gave in December that is very excellent. I'm very happy. Sir this is the share to Ambuja Cement who cares for the shareholders sir. As Mrs. Mascaranhes had mentioned, we will as ACC and Ambuja are the joint partner. I would like to know that these two companies how many people are working at present in these two companies Sir and what that total number of staff and point #1, Sir when was the last bonus so this is a 59 year. This is 39<sup>th</sup> annual meeting Sir, sorry Sir I'm sorry, it is 40<sup>th</sup>, whether we can accept the bonus from your side.
- Sir many years passed I think around eight years back declared 2 in 1 bonus Sir. Many years has passed Sir and sir as far as COVID-19 as you mentioned our old staff and people have taken their vaccine, this how you're carrying for yourself staff Sir. Point #2, Sir we are having many manufacturing all our world, Sir I would like to know Sir July or August can you arrange a factory visit in Gujarat Sir and Sir around 200 e-mail I received a e-mail copy, sir my humble request can you send me a physical copy Sir - If you can send me a physical copy Sir and Sir as you I'm seeing on award, excellent award winning Sir. I'm very happy to see Sir. Can you see my photo Sir, I'm very happy to see. One more thing Sir, since you have got such a nice award, sir first advertising was coming, but you stopped the advertisement on TV Sir. Sir my

humble request if you our brand sir Tiger Shroff who is one of the leader at presents and a young dynamic film actor if you appoint Tiger Shroff as a brand ambassador, this will help our company in the process Sir and Sir we had a I would like to know Ultra Tech cement and ACC and how ultra tech and JK cement and there are many others who are in the same business. I would like who is the main competition in this business Sir, I would like to know Sir and nothing more to add.

- Sir next year if the physical meeting is Ahmedabad, so I would like to attend the meeting Sir. You please, if next year 40<sup>th</sup> annual meeting will be a physical Sir. Month July month will apply Sir. After July you can keep the physical meeting and as I came to know Sir, nothing more to add. I pray to god for a good health and all the staff and all people may god shower all the company staff and the people and may come next year, we will meet face to face sir. I would like to present a sher "to meet you sir one year has happened, next when 2023, then we will meet face to face and if possible Sir take us from Bombay to Ahmedabad, you call and because of this we can meet you Sir. Thank you very much. May god bless and one more thanks, I will thank Mr. Rajesh Gaur for giving me direct link and also joining me Sir. I would want to say hello. Namaste. Vande Mataram. Bharat Mata Ki Jai. Jai Hind Sir.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Namaste, namaste Sir. Jai Hind. Thank you, thank you for your constructive suggestions. With this we have received all the comments and suggestions and questions from all the registered speakers. So, we will now take these questions and answer them. There was a question around health and the safety in the COVID situation for employees especially and also our position on the booster vaccination. I would suggest it as MD and CEO Neeraj Akhoury is taking these questions.

- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**

- Good afternoon, ladies and gentlemen and thank you for participating today in Ambuja's Annual General Meeting. Last two years has been a difficult year for the entire world for our country and also for our company, but very happy to say that in this times as management and as employees and as family of Ambuja, we have taken all possible efforts, all possible steps to make sure that our employees, their families, our contract -- the contract workmen, our dealers, our suppliers, our communities, we are able to reach to all of them, all our employees now are vaccinated. Our employee families are vaccinated. We have taken all steps to make sure that even in 2022 when COVID is coming down still we are maintaining all precautions to make sure that we keep our people safe. So it is assured everyone that Abuja and our group company ACC we will do everything possible to make sure that our people are safe and they're healthy. Thank you.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you. Thank you, you know this is our utmost priority to keep our stakeholders healthy and safe. There was a question also -- several questions around organic capacity expansion and the 50 million target of cement capacity expansion. I would ask Neeraj to answer this kind of questions.
- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**
- Thank you, thank you Martin. I'm so delighted to see our shareholders are looking at our growth plan so closely. We have released what we call our strategy 2025 in which Ambuja we have a strategy to reach up to 50 million tons of capacity. In September 2021, we have already commissioned our Marwar plant which enhances our thinker capacity by 3 million tons and our cement capacity by about 5 million tons. Post Marwar our Brownfield capacity expansion announced in the northern region in Ropar by which we'll go up by about 1.5 million tons, we are already progressing on that. In addition, we are very happy to inform that the board as you are global has approved an expansion of 7 million tons of new capacity in our East India, in our Bhatapara plant, but also Brownfield expansion some of our branding units and a Greenfield in Bihar. As we progress and as we keep our studies on, we will continue to go back to the board with fresh plans for expansion and like to assure all of you that our plan to reach 50 million tons is on track. Thank you Martin.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. Then there was a question, it was mentioned that there was significant progress was made in 2021 also regarding improving the cost structure and there was a question on how we can further improve the cost and I would ask probably Neeraj also to answer this question, how we can further improve the competitiveness.
- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**
- So, thank you again. This is -- I'm happy that our shareholders are recognizing the efforts that we have taken to towards improving our cost structure in the past couple of years. As you are aware, we had initiated a plan called I Can 700 with the intent to improve our efficiencies but also to bring in new technology, new ways by which the cost structure can be improved. Going forward, we have few more initiatives that we are rolling out. I'll divide that into three or four parts. First is the focus on green energy. So Ambuja is continuously increasing his share of power through green energy sources as you may have seen even yesterday. I'm thankful to the board which has approved the last leg for Ambuja's waste heat recovery system, two more WHRS systems have been approved. With all these projects, Ambuja will have about 87 MW of WHRS Commission by next year and along with this we're also working on other renewable energy projects and remains on track which will meet more than 1/3 of our total energy requirement. In addition, Ambuja is leading and

Ambuja with other company ACC, we are leading on the use of alternate fuels, this is some area of which we have already reached about 10%, we want to reach 15% in the short term and then we also are working to reach to further to about 30%.

- The alternate fuel will make our reliance on fossil fuels less, but also will add to our cost competitiveness. In addition, we are -- as always we are focusing to enhance the usage of raw material. We are we are already leaders in terms of blended cement in the country. We are using a fly ash as well as slag now to make three types of different cement. In addition, now we are working on a new product, a very exciting product called calcine clay cement, this is yet to be ratified by the Government of India, but once it is Ambuja will work on introducing calcined clay cement to the market or we're also as you all have seen we are leading on innovation. There's a full R&D function which is working on innovation. Ambuja Kawach which has grown by several percentages in the last quarter is one example and we would continue to bring in advanced project products like Ambuja Kawach in the market. In addition, various logistics cost optimization projects are being implemented. We have already seen that for several quarters our logistic cost is coming down.
- We are now working on further enhancing our efficiencies reducing our lead distance, looking at more direct dispatches, and other actions to make sure that the logistic costs again continue to go down. Master supply agreement with ACC approved by the shareholders has been one of the major topics on which we are working. Ambuja is now also making strong efforts on digitalization to control cost and to improve our production efficiency in operations. Rest assured to all my shareholders that these various initiatives will help Ambuja to continue its cost efficiency journey. Thank you, Martin.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. There was one question Neeraj you also probably could take which was on the potential of going the non-cement business in the market please.
- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**
- So as you all are aware, our parent group Holcim is already working a lot globally on solutions and product. In India also, we believe there is good potential to grow our business beyond cement. Ambuja has been steadily growing our share in the solutions business. Ambuja cool walls which comes with a heat barrier technology very, very relevant for India is one of innovative products under this category is now as Ambuja was now we are manufacturing in about 18 locations across India with about 25% year-on-year growth. This is doing very strongly but very strongly in the market. In addition, we have Pura Sand and another product on which we are now losing to the market and I hope very soon you will find Pura Sand and also seeing the similar growth like what we are seeing in Ambuja cool walls. We are also developing

various products in R&D lab and trying to scale up this segment, so in years to come solutions and products business of Ambuja will grow at a much faster pace. Thank you Martin.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you. Then there was a question around the MSA, I would ask our CFO Rajani Kesari to answer this question please.

- **Ms. Rajani Kesari – CFO, Ambuja Cements Limited:**

- Our Chairman has already spoken about the MSA. It's a very, very powerful tool for us which allows us to significantly exploit the synergies that we have between ACC and Ambuja. During the last year, the MSA volumes have grown 70% and as we enter this year they're seeing a doubling up of volumes and also the benefits. It has helped us to optimize the logistics costs and also giving us an exposure into additional markets. So, this is a hugely beneficial agreement that we have with our group companies. Thank you, Chairman.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you. There was a question regarding recent rumors in the newspapers and there was also a question regarding and other rumors, so I take all the questions on the rumors. So in this context, there's nothing to add beyond what has been already said by Holcim and is in the public domain. We go to the next question there was a question on Ambuja Kawach our water repellent cement and I would like Neeraj to take this question please.

- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**

- Thank you, Martin. So indeed, Ambuja Kawach for last two years has been growing in a phenomenal way. Last quarter we saw a huge, very strong growth of Ambuja Kawach. Ambuja Kawach is a sustainable water repellent cement and it is one of its kind product in the country. It can be used in all kinds of applications right from foundation, to slabs, to plastering walls, and what it does is to ensure that your structure which stands the harsh weathers and more specifically it ensures that your structure can fight what we call damp walls or damp concretes. It's a superior product and I think it has been -- it is now slowly becoming the preferred cement for many of the consumers in many parts of the country and that explains the growth year-on-year. We will continue to grow Ambuja Kawach very strongly in Indian market.

- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**

- Thank you. There was a question regarding water harvesting and water management who is taking this, Rajani please.
- **Ms. Rajani Kesari – CFO, Ambuja Cements Limited:**
- Thank you for the question. Access to water has been one of our key priority areas. We work extensively on water with through our Ambuja Cement Foundation. Since inception water resource management is one of the key programs and we are creating an impact on the environment, on groundwater resources, on agriculture, and all the allied activities. Ambuja cement -- thanks to Ambuja cement work, we have been recognized as CDP A list for water security. We have done extensive work for creating infrastructure for water conservation, check dams, group harvesting structures etc. As an end of 2021, we had almost 550 tube wells that we have organized in water scarce areas and about 166 million cubic meters of storage capacity. It is very important for the shareholders also to know that Ambuja is 8 times positive and this has happened with all the work which we have done around the plants for increasing the water table level and this is also helping our farmers to sometimes turnaround from one to three crops in a year. So, it's a program which is very, very close to our heart and we work on very extensive. Thank you Chairman.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. There was a question on renewable green power, I think Neeraj is probably or Rajani is probably go this if we summarize this topic again on the whole green energy and green power topic yeah.
- **Ms. Rajani Kesari – CFO, Ambuja Cements Limited:**
- We have a strong strategy for moving towards non fossil based fuel. Our Chairman and MD have already highlighted the actions that we take on the waste heat recovery, which will help us to increase our share of green power. The waste heat recovery itself will bring us upwards of 30% of green power along with that we're also working on getting into renewable power sources, which is -- today we have a solar capacity about 35 MW. There are plans in place across each plants to increase the capacity of renewable whether it is solar or in some cases it's hybrid power to increase the load factor and thereby increase our share of green power so the overall energy, the journey path for 1/3 of our energy sources in the medium term to come by green power is well in place and on a execution mode today.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. There was a question about the potential merger between Ambuja and ACC. I take this question. Presently, there are no plans to merge Ambuja Cements and ACC. Then I would like that probably Neeraj take the question, there was a question on limestone resource for the expansion probably if you can give it.

- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**
- So there's a two prong strategy that we are following. One in our existing plants where we have a proposal to expand today or tomorrow there we are making sure that any limestone of auction that comes up we are the preferred bidder so we have done this in Maratha. We have done this in some other plants as well, but in addition now we are looking out for new limestone which is coming by the government in the auctions in Rajasthan, in Karnataka, in Madhya Pradesh, in East India and the intent is that we should become limestone secured, so that the future expansions do not stop because of limitations of limestone.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. There was a question regarding bonus shares. There is presently no plan to issue bonus shares. Then there was a question on the number of employees in Ambuja. Rajani, can you take this question.
- **Ms. Rajani Kesari – CFO, Ambuja Cements Limited:**
- In Ambuja we have about 5000 employees and in ACC we have 6000. So together as a group we have about 11,000 employees.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. There was a question of the impact of the Russian-Ukraine situation on the business and in the supply chain. So, I would request Neeraj to answer this.
- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**
- So, what we are seeing for the past several sub two quarters is a very rapid rise – unprecedented rise of the fuel prices. The Russian Ukraine conflict has totally disrupted the supply chain in many parts of the world and therefore the fuel process continues to go North month after month and week after week. This is a matter of great concern for us and this is the biggest impact on our company as well as on the economy on the total. We hope and pray that this conflict will soon be over and therefore the economic and then we stabilize. Thank, thanks Martin.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. There was one question on the trade versus nontrade segment and also on premium cement products.
- **Mr. Neeraj Akhoury -- Managing Director & Chief Executive Officer, Ambuja Cements Limited:**

- So trade, Ambuja has always been a strong player in the trade segment and we will continue to be a very, very will make all efforts to be a strong player there in the trade segment. Currently, we're at 80:20, 80% trade, 20% nontrade. On the premium product, we have now reached to a level of 11.64% closer to 12% and here also our strategy is to grow our share in the coming years.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- The last question I have on my list is the ESG rating probably, Rajani you can take this.
- **Ms. Rajani Kesari – CFO, Ambuja Cements Limited:**
- Today in terms of ESG rating we are number 5 in the Dow Jones sustainability index. The only company to be there, the Indian company to be there in #5 and the only cement company, so we are very, very proud of her achievement. We are highly focused on ESG on all legs of ESG. On environment, there's a lot of work which is done on CO2 reduction, on helping the environment through our Geocycle brand, on building sustainability, and we work -- also we have very high level of governance through our board structure and also our systems in the company, so we are -- all this has helped us to reach a ranking of #5 and we are very proud of that status. Thank you.
- **Mr. Martin Kriegner -- Non-Independent Director, Ambuja Cements Limited:**
- Thank you. I once again thank all the members and director's for attending this AGM through video conferencing. I would now like to conclude this meeting. The e-voting being though shall be open for another 15 minutes from now. After which the voting being do shall stand closed. The result of the voting will be announced on or before 2<sup>nd</sup> May, 2022 and the same will be intimated to the stock exchanges and also uploaded on the website of the company and CDSL. It's your consent and all other board members would like to leave the meeting and wish all shareholders and their families a very healthy and safe future. Thank you.
- **Mr. Shailesh Haribhakti – Independent Director, Ambuja Cements Limited:**
- Thank you.
- **Mr. Ranjit Shahani – Non-Executive, Non-Independent Director, Ambuja Cements Limited:**
- Thank you.
- **Mr. Rajiv Gandhi -- Company Secretary & Compliance Officer, Ambuja Cements Limited:**

# Ambuja Cement

- Thank you, Chairman Sir. Dear shareholders, I conclude this meeting with my sincere thanks for your support and cooperation. I would also like to thank all our esteemed board members for their participation and my colleagues for their hard work to make this event a successful one. Stay safe, stay healthy. Thank you. Thank you very much.

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