



## Orient Cement Chairman's AGM Speech FY 24

Good afternoon, everybody and welcome to this 13th Annual General Meeting of Orient Cement Limited. On behalf of the Board of Directors of your Company, I thank each one of you for being part of this meeting.

I am happy to share my thoughts with you at the end of another challenging year.

The year under review was marked by subdued demand in some of our key markets, particularly during the months that typically witness peak demand. This soft demand exerted pressure on cement prices. Despite the challenging market conditions, we demonstrated resilience and delivered a strong performance. In fiscal year 2024, we recorded total revenues exceeding Rs. 3,200 crores, reflecting an 8.5% growth over the previous year, along with a 6.5% increase in the volume of cement sold. An improved product mix has enabled this higher revenue growth.

We also achieved healthy growth in margins and profitability through effective cost management. Our commitment to industry-leading efficiencies has further intensified; and our strategy of superior products and a unique brand portfolio is yielding significant dividends, as reflected in our improved profitability.

Driven by a robust demand for our premium products in our operating markets, we have achieved a 31% growth in premium brand volumes this year. These premium products now account for approximately 21% of total trade sales by volume. Our premium products, such as "Birla A1 StrongCrete" and "Birla.A1 OrientGreen," have contributed significantly to our revenue, allowing us to capture larger market share of the premium cement segment. Their popularity underscores our commitment to quality and innovation in meeting customer demands.

From optimizing our product mix and enhancing quality to leveraging advanced technology across all operations and implementing innovative marketing initiatives, we aim to provide the most appropriate solutions to meet the evolving needs of our informed customers. For example, our recently launched premium product Birla.A1 Dolphin Cement provides a game

changing solution for structures persistently threatened by water ingress and moisture damage. It delivers comprehensive waterproofing that protects the entire structure from the inside out, surpassing conventional surface-level protection.

It is noteworthy that our product has been approved for use in the prestigious Ahmedabad-Mumbai bullet train project, a testament to its efficiency and reliability. More recently, it has also received approval for the Bandra-Versova sea-link in Mumbai.

We are strategically expanding our capabilities to capitalize on the growing demand for infrastructure development across rural and urban India. At the same time, we are placing a greater emphasis on Environmental, Social, and Governance (ESG) best practices and next-generation strategies. Through innovative initiatives, we are committed to achieving our goal of "Net Zero Carbon" by 2070.

One area where we have lagged is in capacity expansion, which has been hampered by delays beyond our control. But with the environmental clearance for our Chittapur plant nearing final approval and expected soon, we are preparing to initiate the project to double our capacity there. We have also made significant progress in securing forest clearance for the additional mines in Devapur. Positive developments are also underway for establishing a greenfield split grinding unit and in our mines in Rajasthan. Consequently, our journey toward capacity growth is now at an exciting take-off stage.

Sustainability has been a core principle at Orient Cement. In keeping with this guiding principle, we have embraced sustainable manufacturing and business practices throughout all our operations. Our focus on alternative energy solutions and raw materials has led us to optimize our energy costs this year while contributing to our environmental aspirations.

With a renewable energy mix of approximately 17%, primarily sourced from waste heat and the solar unit at Jalgaon, we have significantly reduced our carbon footprint. Our entire product range is designed with sustainability in mind, showcasing our commitment to responsible business practices. For example, our Birla.A1 OrientGreen is produced with a significantly lower carbon footprint.

Our strong foundation and ambitious goals reflect the dedication and creativity of our talented team. Their relentless efforts have established a solid foothold and positioned us for even greater achievements. We are committed to upskilling our employees to empower them to excel in a dynamic operating environment.

It is indeed a matter of great pride for us at Orient Cement to be certified once again as a 'Great Place to Work'. I am also happy to mention that our MD & CEO, Mr. Deepak Khetrpal

maintained his position as one of India's Most Trusted Leaders for the second consecutive year at GPTW.

I would like to conclude by expressing my sincere gratitude to all our shareholders for their consistent support and trust in Orient Cement. It is your confidence and belief in our vision that propels us to navigate the challenges, seize the opportunities and continue to create sustainable value.

Thank you for your continued encouragement and support