



## UTTAM SUGAR MILLS LIMITED

### TRANSCRIPT OF THE 25<sup>TH</sup> ANNUAL GENERAL MEETING OF UTTAM SUGAR MILLS LIMITED HELD AT 12.00 NOON ON FRIDAY, 25<sup>TH</sup> SEPTEMBER, 2020 THROUGH VIDEO CONFERENCING

**RAJESH GARG, GM legal & Corp**

On behalf of our Chairman & Managing Director, other Directors and myself, welcome all the shareholders to the 25<sup>th</sup> Annual General Meeting of the Company. I hope all of you are safe in this pandemic situation of COVID – 19.

Ministry of Corporate Affairs and SEBI in view of COVID-19 Pandemic have through various Circulars permitted Companies to carry out AGM through video conferencing mode. Accordingly, we are conducting this AGM through video conferencing. This is the first time we are conducting AGM on virtual platform.

I would also like to inform you that due to health issues, Mr. G. Ramarathnam, Company Secretary of the Company is not attending this AGM. In his absence I have been assigned the duty to conduct the proceedings of the meeting and it's my honour and privilege.

*Now, I would like to introduce other dignitaries to the members of the Company.*

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

I would request our ED Mr. Ashok Kumar Agarwal to introduce himself.

**Mr. Ashok Kumar Agarwal (ED)**

Good afternoon everybody. I am Ashok Kumar Aggarwal, ED of Uttam Sugar Mills Limited. I welcome all the shareholders to this AGM. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you sir, I would request our ID Mr. N. K. Sawhney to introduce himself.

**Mr. N. K. Sawhney (Independent Director)**

Good afternoon everybody. I am N. K. Sawhney, Independent Director of Uttam Sugar Mills Limited. I am attending the AGM from my residence at Delhi. I welcome all the shareholders to this AGM. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you sir, I would request our ID Mrs. More to introduce herself.

**Mrs. Rutuja Rajendra More (Independent Director)**

Good afternoon everybody. I am Rutuja Rajendra More, Independent Director of Uttam Sugar Mills Limited. I am attending the AGM from my residence. I welcome all the shareholders to this AGM. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you Madam, now, I would request our ID Mr. G. S. Matta to introduce himself.

**Mr. G. S. Matta (Independent Director)**

Good afternoon everybody. I am G. S. Matta, Independent Director of Uttam Sugar Mills Limited. I am attending the AGM from my residence at Delhi. I welcome all the shareholders to this AGM. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you Sir, now, I would request our ID Dr. R. Vasudevan to introduce himself.

**Dr. R. Vasudevan (Independent Director)**

Good afternoon everybody. I am R. Vasudevan, Independent Director of Uttam Sugar Mills Limited. I am attending the AGM from my residence at Chennai. I welcome all the shareholders to this AGM. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you Sir, now, I would request our COO Mr. S. L. Sharma to introduce himself.

**Mr. S.L. Sharma (Chief Operating Officer)**

Good afternoon everybody. I am Shankar Lal Sharma, COO of Uttam Sugar Mills Limited. I welcome all the shareholders to this AGM. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you Sir, now, I would request our CFO Mr. Sanjay Bhandari to introduce himself.

**Mr. Sanjay Bhandari (Chief Financial Officer)**

Good afternoon everybody. I am Sanjay Bhandari, CFO of Uttam Sugar Mills Limited. I welcome all the shareholders to this AGM. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you Sir, now, I would request Mr. Vipul Sharma, partner of M/s SSVS & Co. Statutory Auditors to introduce himself.

**Mr. Vipul Sharma (Statutory Auditors)**

Good afternoon everybody. I am Vipul Sharma, partner of M/s SSVS & Co. Statutory Auditors. I am attending the AGM from my residence at Ghaziabad. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you Sir, now, I would request Mr. N. K. Rastogi, proprietor of M/s N. K. Rastogi & Associates (scrutinizer) to introduce himself.

**Mr. N. K. Rastogi (Scrutiniser)**

Good afternoon everybody. I am N. K. Rastogi, proprietor of M/s N. K. Rastogi & Associates. I am attending the AGM from my residence at Ghaziabad. Thank you.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Before commencing the official proceedings, I would like to inform all the attendees about some important points –

- Attendees to this 25<sup>th</sup> AGM can post their queries, if any; in the Question Answer box available on the right-hand.

- All members who have joined this meeting are by default placed on mute mode to avoid any disturbance from background to ensure smooth conduct of the meeting.
- After the proceedings of the meeting, we will have a question answer session. I will announce one by one the name of the Shareholders who have registered to speak at the meeting. The speaker shareholder, if present, will thereafter be unmuted by the host. If such Shareholder is not able to join through video for any reason then that member can join through the audio mode. The Shareholders are advised to use headphones for Clear Audio and switch off other background applications.

If there is any connectivity issue from speaker shareholder's end, we will request the next speaker shareholder to join the meeting and he can join later. We would request a speaker shareholder to kindly limit their speech to 2 minutes.

- The Company had also provided the facility to the shareholders to cast the votes electronically from September 21, 2020 (9:00 a.m. IST) to September 24, 2020 (5.00 p.m. IST), on all resolutions set forth in the Notice. I hope all the members have successfully voted on all the resolutions contained in the Notice of AGM. Members who have not cast their votes through remote e-voting, will have an opportunity to cast their votes electronically during this meeting.
- As requisite quorum is being present, I, with the consent of Chairman declare the meeting in order.

I would also like to inform you that pursuant to Article 65 of the Articles of Association of the Company read with relevant provisions of the Companies Act, 2013 and Rules made thereunder, Mr. Raj Kumar Adlakha Chairman of the Board will preside over this meeting.

With this, I now hand over the proceedings to our dynamic and energetic CMD SH. Raj Kumar Adlakha Ji. Thank you.

**Mr. Raj Kumar Adlakha (Chairman)**

Thank you, Rajesh.

Dear Shareholders, I welcome all the members to the 25<sup>th</sup> Annual General Meeting of the Company. I wish that all of you and your families are safe in this Covid-19 Pandemic. Due to Covid-19 pandemic, social distancing norms this AGM is being convened through video conferencing. I would like to inform you that your company's performance is on continuous improving trend.

Company is continuously working in cane development activities like training of cane farmers, improved production technology to growers, soil testing facilities, development of Agri research center and encouraging the use of Bio fertilizer and bio pesticides.

Due to above continues efforts, the sugar recovery of your company during season 2014-15 were 9.73% and it increased in 2018-19 at 11.86% and 19-20 the recovery were 12.18%.

It is must to inform you that company produces one of the finest quality sugar in India and we are currently packing facility at our sugar plant situated at Libberheri, Roorkee. From last 3-4 years, your company has entered into various specialty products in sugar including Bura, Brown sugar, icing sugar, sugar sachet, pharma grade sugar, super fine sugar, candy, Invert syrup etc.

Company has also increased packing capacity of sugar at Libberheri from 3% in 2011-12 to 34 % in 2018-19 and 53% in 2019-20. Company expect that during 2020-21, 100% sugar will be sold in Branded /specialty from Libberheri plant.

With the Government initiatives in Ethanol blending program, your company is also manufacturing the Ethanol from B heavy molasses apart from C Hy Molasses. Further, your company also increased the capacity of ethanol manufacturing, it was 2.25 crore ltrs P.A. in 2018 .Now at present It is 4.50 crore ltrs and after the commissioning of both ongoing projects (Incineration Boiler at Barkatpur and 50 KLPD Distillery at Libberheri), the ethanol manufacturing capacity will be increased at the level of 7 crore ltrs p.a. in the financial year 2020-21

The Company is also exporting surplus power to Power companies. The Central government is providing various subsidies for export of sugar during the financial year 2019-20, your company has exported 9.74 lacs qntl of sugar, which is 23% of total sugar sales due to which the company is able to decrease inventory level of sugar.

On account of accumulated losses of 267 crore at the end of 2015-16, the company has improved the performance and losses were come down and as on 31st March 2020, the accumulated loss was 17 crores. We expect that during the financial year 2020-21, the accumulated losses be converted into profits and we are hopeful that we will be in the position of distribution of Dividend.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

Thank you Chairman Sir for giving insight about the company. Now, I take up rest of the proceedings. Pursuant to the provisions of Companies Act 2013 and the SEBI LODR regulations, the company has provided facility for voting by electronic means to all its members. For this purpose, the company has tied up with the e-voting system of Link Intime India Private Limited who is also our Registrar and Share Transfer Agent. The company provided remote e-voting facility to all the persons who were members on 18<sup>th</sup> September 2020, being the cutoff date for vote on all the resolutions set out in the notice of AGM. Member attending the AGM today who have not cast their vote by remote e-voting are entitled to exercise their right to vote by e-voting. M/s N. K. Rastogi and Associates, Practicing Company Secretaries has been appointed by the board as the scrutinizer for e-voting. Now, I would like to brief the agenda for this AGM :-

**Agenda**

1. Adoption of Audited Financial Statements for the year ended 31.03.2020 together with the Report of Board of Directors and Auditors thereof.
2. Re-appointment of Mr. Raj Kumar Adlakha (DIN: 00133256) as a Director liable to Retire by Rotation.
3. Further Issue of Securities (upto 300 Crores).
4. Remuneration of Cost Auditor.

The results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM. The declared Results, alongwith the Scrutinizer's Report, will be available on the Company's website i.e. [www.uttamsugar.in](http://www.uttamsugar.in) under the section 'Investors Lounge' as well as on the website of Link Intime India Private Limited. Such results will also be forwarded to the National Stock Exchange of India Limited & BSE Limited in compliance of SEBI Regulations.

Dear Shareholders, Since the Notice of this AGM, Directors' Report and Auditors' Report are already circulated in advance, it is proposed to take them as read.

Some of the shareholders have registered themselves as speakers for the AGM. I shall now invite them one-by-one to come forward and present their queries / suggestions:

## **QUESTION AND ANSWER SESSION**

Names of the Shareholders have been called out seriatim:

- 1) Ms. Sarika Jain – Could not join due to connectivity issue
- 2) Mr. Gaurav Kumar – Could not join due to connectivity issue
- 3) Mr. Gagan Kumar (Spoken in Regional language) – Good afternoon Chairman sahib, Board Members and shareholders. My name is Gagan Kumar. Due to Covid 19 Pandemic this AGM is conducted through Video Conferencing/ other audio visual means. Hope next year AGM will be conducted as usual so we can personally interact with the Management.

My question is that how much amount you have spent towards Covid 19 pandemic as CSR expenditure. Further Uttam Sugar Mills Limited has not declared any dividend since incorporation. When will you start paying dividend to the shareholders.

**Answer** :- Your company always takes social responsibility very seriously. The Company actively looking on all the areas in which CSR initiatives can be undertaken and directly benefit to the general public. We continuously spent CSR expenditure by providing health care at different villages, organizing of kisan ghosties, providing Manure and crop to the farmers. You company is also time to time organizing training to farmers for intercropping and general awareness about sugarcane farming.

Apart from this during the Covid 19 pandemic your company has taken steps for distributing hand sanitizer at different villages, hospitals, Govt. offices and among the farmers to fight with the Covid 19 pandemic.

Regarding Dividend, I would like to inform you that on account of accumulated losses of Rs. 267 crore at the end of F.Y. 2015-16, your company was not in the position to pay dividend. However, due to improvement in the overall performance of the company, the accumulated losses were came down to Rs. 17 Crores at the end of financial year 2019-20. We expect that during the financial year 2020-21, the accumulated losses will be wiped off completely and company will have surplus profits. We are hopeful that we will be in the position of distribution of Dividend from this financial year. We always take all necessary steps for the improvement of the performance of the Company and we are trying hard to grow our company and to make it a Blue Chip company.

Mr. S.L. Sharma, Chief Operating Officer of the Company confirmed the CSR expenses of Rs. 52 Lacs incurred by the Company towards Covid 19 pandemic.

- 4) Ms. Sweta Garg - Good Afternoon Board Members and all shareholders present

My name is Sweta Garg

First of all, I congratulate Uttam Sugar Mills Limited for conducting this AGM through Video Conferencing amidst this pandemic situation. Now, I would like to ask my question from Accounts team:-

Sir, As per the Sugar Production estimation released by ISMA for season 2020-21, there will be surplus production of sugar this year. How will it impact sugar prices and What are your projections for Sugar Season 2020-21?

**Answer** :- Yes you are right last year there was surplus sugar production and this year also there will be surplus sugar production in the Country. However, as far as our Company is concerned,

we have exported 10 Lacs Qtls. of sugar in the last sugar season. This year we will try to export 10 to 12 Lacs Qtls of sugar.

Your Company is doing sugar export as per our projections. We hope that after exporting 10 to 12 Lacs Qtls of sugar and selling of rest of the sugar in the domestic market as per the quota fixed by the Government, we hope we will be in a good position at the end of upcoming sugar season 2020-21. Thank You.

- 5) Mr. Pradeep Sood – Could not join due to connectivity issue.
- 6) Mr. Sunil Kumar Paswan – Could not join due to connectivity issue.

**Mr. RAJESH GARG (GM –LEGAL & CORP)**

We have received no. of requests from the members of the company to registered as speaker in the AGM, However all the queries is not possible to answer right now. Therefore all other queries may be raised on company's id [Investorrelation@uttamsugar.in](mailto:Investorrelation@uttamsugar.in) or through the chat box available in the AGM. All the queries will be answered promptly at the earliest.

Thank you. With this, we conclude the Q&A session from all the shareholders.

Thank you very much. Thank you everyone. Thank you, shareholders, for asking very insightful questions on this virtual AGM. In the last but not least members attending the AGM today who have not already cast their vote by remote e-voting may cast their vote on the e-voting platform now. You are given 15 minutes time for e-voting. I once again thank you all the participants for attending this AGM.

Now, the meeting is concluded with a vote of thanks to the Chairman Sir. I express my sincere gratitude to all the members for their co-operation.

Thank you, stay safe.