



**35th ANNUAL GENERAL MEETING OF
INDIA CEMENTS CAPITAL LIMITED**

CHAIRMAN'S SPEECH

Ladies and Gentlemen,

It gives me a great pleasure in extending a warm welcome to all of you to the Thirty fifth Annual General Meeting of your Company being conducted through video conferencing and other audio-visual means to comply with the Government norms on social distancing and restrictions to prevent the spread of COVID -19 pandemic.

Before we proceed, I hope you and your loved ones are all safe and healthy. COVID -19 has created a very difficult and unprecedented situation. Your well-being is of utmost importance to us and this is amplified during these challenging times.

The Directors' report and the audited accounts for the year ended 31st March, 2021, have been with you for some time and with your consent, I shall take them as read.

ECONOMY

Whereas the World Economy recorded a marginal growth of 2.9% in 2019, it faced the worst ever downturn in 2020 in the wake of the spread of coronavirus (COVID-19) pandemic.

It is estimated by International Monetary Fund (IMF) that in 2020 Global GDP contracted by 3.3%, said to be the worst ever since World War II. Global trade volume contracted by 8.5% after a mere 0.9% growth in 2019. IMF expects the global economy to grow 6% in 2021.

In India, the virus which emerged from the 1st week of March 2020, resulted in complete lockdown of the entire country from March 25 that paralysed total economic activity.

Indian economy was the worst hit with the GDP growth shrinking by an unprecedented 23.9% in the first quarter of the year (April-June).

The second wave of COVID-19's impact on lives and livelihoods has been devastating. Unlike last year, when the government had imposed a nationwide lockdown to curb the spread of COVID infection, this

year States imposed lockdowns intermittently to deal with the second wave. There is also the threat of a third wave.

IMF moderated India's growth projection from 12.5 per cent to 9.5 per cent for fiscal 2021-22 down by three percentage points, following the severe second wave of COVID-19 pandemic in the country, even as the projected global economic growth rate has been maintained at 6 per cent.

OUTLOOK

The accelerating rollout of COVID-19 vaccines in many advanced economies has set the stage for rapid recovery in the second half of this year and into 2022. While, the global economy is expected to recover to its pre-pandemic level of output in 2022, the emerging-markets and developing economies are expected to take little longer. Our operations depend largely on International Travels which have been severely affected by absence of regular flight operations. Once normal operations of international flights resume, your company will see the uptick in its earning.

PERFORMANCE OF THE COMPANY

Fund based activity

As you are aware, your Company's main line of business is trading in currency.

For'Xchange, a full fledged money changing Division of the Company, is operating from 15 centers across India. Your Company continues to enjoy AD (Authorised Dealer –Category II) status issued by the Reserve Bank of India. This Division has achieved a gross income of Rs.124 lakhs for the year ended 31st March 2021 as compared to Rs.416 lakhs in the previous year. Due to Covid-19 impact both the bulk and retail segments have been affected very badly throughout the year. Your Company has taken many measures to reduce the cost of operations during these challenging times. During April - June 2021, this Division has made a gross income of Rs.24.08 lakhs as against Rs.19.08 lakhs during the corresponding period of previous year.

Fee based activities

Besides main business activity of foreign exchange, your Company is engaged in a small way in various fee based activities like travels, forex advisory etc. These

fee based activities are volume based business and showed mixed results during the year.

The share broking subsidiary, **India Cements Investment Services Limited**, has 4 branches and 8 business associates and has earned a gross income of Rs.116.55 lakhs as against Rs.125.08 lakhs during the previous year, reduction in the volume levels in both Cash market and Futures & Options segments has impacted the income earned by the Company.

During April - June 2021, the subsidiary earned a gross income of Rs.29.64 lakhs as against Rs.28.85 lakhs during the corresponding period of previous year.

I would like to thank all the stakeholders of the Company for their Co-operation and the confidence they have reposed in the Management.

Thank You

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