

## Board's Report

### Dear Shareholders,

Your Directors are pleased to present the 38<sup>th</sup> Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2025 ("FY 2024-25/ FY25").

### Financial Performance

The Audited Financial Statements of your Company as on March 31, 2025, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarised financial highlight is depicted below:

Particulars	2024-25	2023-24 (₹ in crore)
Revenue from operations	968.70	828.00
Other Income	38.70	5.95
<b>Total Income</b>	<b>1,007.40</b>	<b>833.95</b>
Expenditure other than Depreciation, Finance cost and Foreign Exchange (Gain) / Loss (Net)	901.72	909.16
Depreciation and Amortisation Expenses	218.32	107.03
Foreign Exchange (Gain) / Loss (Net)	-	0.23
Finance Cost	227.79	283.59
<b>Total Expenditure</b>	<b>1,347.83</b>	<b>1,300.01</b>
<b>Profit before share of Profit/ (Loss) from joint ventures, exceptional items and tax</b>	<b>(340.43)</b>	<b>(466.06)</b>
Share of loss from joint ventures	-	-
<b>Profit before exceptional items and tax</b>	<b>(340.43)</b>	<b>(466.06)</b>
Add/(Less):- Exceptional Items	(121.20)	17.47
Total Tax Expense	(36.74)	0.20
<b>Profit/{loss} for the year</b>	<b>(498.37)</b>	<b>(448.79)</b>
<b>Other Comprehensive income (net of tax)</b>	<b>(0.01)</b>	<b>0.45</b>
<b>Total Comprehensive Income for the year (net of tax)</b>	<b>(498.38)</b>	<b>(448.34)</b>
Attributable to:		
Equity holders of the parent	(289.46)	(270.98)
Non-controlling interests	(208.92)	(177.36)

### Operations and Performance of the Company

During the year ended March 31, 2025, the total income was ₹ 1,007.40 crore against ₹ 833.95 crore in previous year. The Company has incurred a net loss of ₹ 498.37 crore against the net loss of ₹ 448.79 crore in previous year. The Total Comprehensive loss for the year is ₹ 498.38 crore against the total comprehensive loss of ₹ 448.34 crore in previous year.

### Credit Rating

Your Company has an external rating as Long term IND AA/Rating Watch with Positive Implications and short term IND A1+ from India Ratings & Research Private Limited for proposed bank loan of ₹ 25 crore. The details of credit rating during the year are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

## Dividend

In view of losses, your Directors have not recommended any dividend for the year.

## Dividend Distribution Policy

The Dividend Distribution Policy, in terms of Regulation 43A of the SEBI Listing Regulations is available on your Company's website and the link for the same is given in **Annexure – A** to this report.

## Transfer to Reserves

In view of losses, your Directors have not recommended any amount for transfer to reserves during the year.

The closing balance of the retained earnings/(loss) of your Company for FY 2024-25 after all appropriations and adjustments, was ₹ (182.77) crore.

## Share Capital

During the period under review, your Company has issued and allotted 220 crore 8% Non-convertible Cumulative Redeemable Preference Shares (RPS) of face value of ₹ 10 each aggregating to ₹ 2,200 crore to Ambuja Cements Limited and as on date the total paid up capital of your Company is ₹ 2,458.33 crore divided into Equity Share Capital of ₹ 258.33 crore and Preference Share Capital of ₹ 2,200 crore. The Authorised Share Capital of your Company is also increased as well as reclassified and as on date the Total Authorised Share Capital is ₹ 2,550 crore divided into ₹ 350 crore as Equity Share Capital and ₹ 2,200 crore as Preference Share Capital.

## Non-Convertible Debentures (NCDs)

As on March 31, 2025 your Company has NIL outstanding Non-Convertible Debentures.

## Minimum Public Shareholding Compliance

In compliance with the requirement of Rule 19(2)(b) and 19(A) of Securities Contracts (Regulation) Rules, 1957 and Regulation 38 of SEBI Listing Regulations read with Section VI-A of the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/ 2023/120 dated July 11, 2023 ("Master Circular") your Company is required to comply with the provisions of Minimum Public Shareholding (MPS) within period of 12 months from February 7, 2024. As on March 31, 2024 Ambuja Cements Limited was holding 60.44% Equity Shares of the Company and overall Promoter/Promoter group holding was 78.52%.

During the year under review, in order to achieve the MPS, Ambuja Cements Limited and Mr. Ravi Sanghi, Promoter/Promoter Group have sold 60,92,000 Equity Shares and 30,00,000 Equity Shares respectively aggregating to

90,92,000 Equity Shares (representing 3.52% of the total issued and paid up Equity Share Capital of the Company).

Accordingly, the shareholding of the Promoters / Promoter Group in the Company has reduced to 75.00% of the issued and paid-up Equity Share capital of the Company which is in compliance with the MPS requirements.

As on March 31, 2025 Ambuja Cements Limited was holding 58.08% Equity Shares of the Company and overall Promoter/Promoter group holding was 75%.

## Shifting of Registered office from the State of "Telangana" to "Gujarat"

Your Company has received the Order from the office of Regional Director, Hyderabad, Telangana ("RD Order") on December 18, 2024 granting approval of shifting of its registered office from the State of Telangana to State of Gujarat and subsequently the Company has filed E form INC 28 for the RD Order and E form INC 22 for change in address of Registered Office.

Your Company has received the Certificate from the office of Registrar of Companies, Gujarat dated January 10, 2025 for shifting of Registered Office to "Adani Corporate House, Shantigram, Nr. Vaishnodevi Circle, S G Highway, Khodiyar, Ahmedabad – 382 421" and accordingly the CIN No. of your Company has been changed to "CIN: L18209GJ1985PLC157787".

## Scheme of Arrangement / Amalgamation

The Board has approved the Scheme of Arrangement ("Scheme") between Sanghi Industries Limited ("Transferor Company") and Ambuja Cements Limited ("Transferee Company") and their respective shareholders on December 17, 2024 in accordance with Sections 230 to 232 and other applicable provisions of the Act read with the rules framed thereunder w.e.f. appointed date April 1, 2024. The Company has filed applications with the Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSE) to obtain their No Objection Certificate.

## Public Deposits

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of FY24 or the previous financial years. Your Company did not accept any deposit during the year under review.

## Particulars of Loans, Guarantees or Investments

Your Company has not made any loans or provided any guarantee or has made any investments falling under purview of Section 186 of the Act during the year under review.

## Subsidiaries, Joint Ventures and Associate Companies

There are no subsidiaries, Joint Venture and Associate company of your Company.

## Directors and Key Managerial Personnel

As of March 31, 2025, your Company's Board had six members comprising of one Executive Director, two Non-Executive & Non-Independent Directors and three Independent Directors including one Woman Independent Director. The details of Board and Committee composition, tenure of directors, and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

In terms of the requirement of the SEBI Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of your Company's business for effective functioning. The key skills, expertise and core competencies of your Board of Directors are detailed in the Governance - Board of Directors - ESG Overview Section, which forms part of this Annual Report.

## Appointment/ Cessation/ Change in Designation of Directors

During the year under review, there were no changes in the board of directors of your Company.

## Re-appointment of Director(s) retiring by rotation

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr. Vinod Bahety (DIN: 09192400) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Mr. Vinod Bahety as Director for your approval. Brief details as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of AGM.

## Declaration from Independent Directors

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

## Key Managerial Personnel:

During the year under review the following changes took place in the Key Managerial Personnel:

- Mr. Manish Mistry resigned as a Company Secretary and Compliance Officer w.e.f. closure of business hours on March 31, 2024.
- Mr. Anil Agrawal was appointed as a Company Secretary and Compliance Officer of the Company w.e.f. April 1, 2024.

As on March 31, 2025, the following are Key Managerial Personnel ("KMPs") of your Company as per Sections 2(51) and 203 of the Act:

- Mr. Sukuru Ramarao, Whole Time Director and Chief Executive Officer
- Mr. Sanjay Kumar Khajanchi, Chief Financial Officer
- Mr. Anil Agrawal, Company Secretary

As on date of this report, following changes took place:

- In view of the ongoing talent development initiative across Adani Group, Mr. Anil Agrawal will be assuming another role within the Group effective from 1<sup>st</sup> June 2025. In view of the same, he will relinquish his position as Company Secretary and Compliance Officer (Key Managerial Personnel) of the Company effective from closure of business hours on May 31, 2025.
- Ms. Pranjali Dubey will assume the role of Company Secretary and Compliance Officer (Key Managerial Personnel) of the Company effective from June 1, 2025.

## Committees of Board

As required under the Act and the SEBI Listing Regulations, your Company has constituted following Statutory Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

Details of all the committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

## Number of meetings of the Board

The Board met 8 (Eight) times during the year under review. The intervening gap between the meetings did not exceed 120 days, as prescribed under the Act and SEBI

Listing Regulations. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

### Independent Directors' Meeting

The Independent Directors met on December 17, 2024 to consider and approve the Scheme of Arrangement/ Amalgamation between Sanghi Industries Limited ("Transferor Company") and Ambuja Cements Limited ("Transferee Company") and their respective shareholders. The Independent Directors also met on March 27, 2025, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Independent Directors were satisfied with the overall performance of the Board as a whole.

### Board Evaluation

Your Company engaged an independent external agency "Talentonic HR Solutions Private Limited" ("Talentonic") to facilitate the evaluation and effectiveness process of the Board, its committees and individual Directors for FY25.

A detailed Board effectiveness assessment questionnaire was developed by Talentonic based on the criteria and framework adopted by the Board. Virtual meetings were organised with the Directors and discussions were held on five key themes i.e. Fiduciary Role of the Board, Board involvement in strategy, quality of Board discussions, Board leadership and organisation health and talent and Board Structure & Capability.

The results of the evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The recommendations arising from the evaluation process were discussed at the Independent Directors' meeting, Nomination and Remuneration Committee meeting and Board meeting held on March 27, 2025. The suggestions were considered by the Board to optimise the effectiveness and functioning of the Board and its committees.

### Board Familiarisation and Training Programme

Your Board is regularly updated on changes in statutory provisions, as applicable to your Company. Your Board is also updated on the operations, key trends and risk universe applicable to your Company's business. These updates help

the Directors in keeping abreast of key changes and its impact on your Company. An annual strategy retreat is conducted by your Company where your Board provides its inputs on the business strategy and long-term sustainable growth for your Company. Additionally, your Directors also participate in various programmes / meetings where subject matter experts apprise your Directors on key global trends. The details of such programmes are provided in the Corporate Governance Report, which forms part of this Annual Report.

### Policy on Directors' appointment and remuneration

Pursuant to Section 178(3) of the Act, your Company has framed a policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") which is available on the website of your Company. The link of the same is available in **Annexure - A** of this report.

The Remuneration Policy for selection of Directors and determining Directors' independence sets out the guiding principles for the NRC for identifying the persons who are qualified to become the Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on review of achievements. The Remuneration Policy is in consonance with existing industry practice.

We affirm that the remuneration paid to your Directors is as per the terms laid out in the Remuneration Policy.

### Board Diversity

Your Company recognises and embraces the importance of a diverse board in its success. Your Board has adopted the Board Diversity Policy which sets out the approach to the diversity of the Board of Directors. The said Policy is available on your Company's website and link for the same is given in **Annexure - A** of this report.

### Succession Plan

Your Company has an effective mechanism for succession planning which focuses on orderly succession of Directors, Key Management Personnel and Senior Management. The Nomination and Remuneration Committee implements this mechanism in concurrence with your Board.

### Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from the management of your Company, confirm that:

- in the preparation of the Annual Financial Statements, the applicable accounting standards have been followed and there are no material departures;

- b) they have selected such accounting policies and applied them consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the loss of the Company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;
- e) they have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and operating effectively;
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **Internal financial control system and their adequacy**

The details in respect of internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Annual Report.

### **Risk Management**

Your Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. Your Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for your Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further details on the Risk Management activities, including the implementation of risk management policy, key risks identified and their mitigations are covered in Management Discussion and Analysis Section, which forms part of this Annual Report.

### **Compliance Management Mechanism**

Your Company has deployed a Statutory Compliance Mechanism providing guidance on broad categories of applicable laws and process for monitoring compliance. In furtherance to this, your Company has instituted

an online compliance management system within the organisation to monitor compliances and provide update to the senior management on a periodic basis. The Audit Committee periodically monitor the status of compliances with applicable laws.

### **Board Policies**

The link of various policies approved and adopted by the Board as required under the Act and SEBI Listing Regulations are provided in **Annexure - A** to this report.

### **Corporate Social Responsibility (CSR)**

The details of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report. The link of the CSR policy is provided in **Annexure - A** to this report. The Annual Report on CSR activities is annexed and forms part of this report as **Annexure - B**.

Due to losses during previous FY 2023-24 and the average net profits of preceding three financial years being negative, your Company was not mandatorily required to spend any amount towards CSR Expenditure. However, as a good corporate governance practice, Adani Foundation, the CSR arm of Adani Group, has voluntarily carried out CSR Activities and spent ₹ 100.20 lakhs towards CSR Expenses during FY 2024-25. Since the expenditure is incurred by Adani Foundation, this is not accounted for as CSR Expenditure in the books of your Company.

### **Management Discussion and Analysis**

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a Section forming part of this Annual Report.

### **Corporate Governance Report**

Your Company is committed to maintain highest standards of corporate governance practices. The Corporate Governance Report, as stipulated by SEBI Listing Regulations, forms part of this Annual Report along with the required certificate from Statutory Auditors, regarding compliance of the conditions of corporate governance, as stipulated.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company and the link for the same is given in **Annexure - A** to the report.

## Business Responsibility & Sustainability Report (BRSR)

In accordance with the SEBI Listing Regulations, the BRSR for the FY 2024-25, describing the initiatives taken by your Company from an environment, social and governance (ESG) perspective, forms part of this Annual Report. In addition to BRSR, the Annual Report of your Company provides an insight on various ESG initiatives adopted by your Company. The BRSR data is independently assured by an Independent assurance provider agency i.e. TUV India Private Limited.

### Annual Return

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on March 31, 2025 prepared in accordance with Section 92(3) of the Act is made available on the website and the link of the same is given in **Annexure – A** of this report.

### Transactions with Related Parties

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.

The Audit Committee comprises solely of the Independent Directors of your Company. The members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested.

During the year, your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

During the year, the materially significant Related Party Transactions pursuant to the provisions of SEBI Listing Regulations had been duly approved by the shareholders of the Company through Postal Ballot on June 2, 2024 and March 30, 2025. Your Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders. The Policy on Related Party Transactions is available on your Company's website and can be accessed using the link as given in **Annexure – A** of this report.

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions from time to time as applicable.

### Statutory Auditors & Auditors' Report

Pursuant to Section 139 of the Act read with rules made thereunder, as amended, M/s. S. K. Mehta & Co., Chartered Accountants (Firm Registration Number: 000478N) Delhi, were appointed as the Statutory Auditors of your Company for the consecutive term of five years to hold office till the conclusion of 40<sup>th</sup> AGM of your Company to be held in the year 2027. The Statutory Auditors have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company.

Subsequently, in order to align with the process of appointment of Statutory Auditors within the Cement Vertical of Adani Portfolio of companies, wherein audit of all listed companies within the cement vertical is to be conducted by Statutory Auditors of Holding Company (Ambuja Cements Limited), the existing Statutory Auditors of Company i.e. M/s. S. K. Mehta & Co., Chartered Accountants (Firm Registration Number: 000478N) Delhi tendered their resignation vide their letter dated July 16, 2024 to be made effective from closing of business hours on July 29, 2024.

Pursuant to Section 139 of the Act read with rules made thereunder, as amended, M/s. S R B C & Co. LLP, Mumbai, Chartered Accountants (Firm Registration Number: 324982E/E300003), were appointed as the Statutory Auditors of your Company to fill the casual vacancy caused due to resignation of the existing Statutory Auditors S K Mehta & Co., Chartered Accountants (FRN: 000478N) and they shall hold office until the conclusion of the ensuing 38<sup>th</sup> AGM of your Company to be held in the calendar year 2025. The Statutory Auditors have confirmed that they are not disqualified to act as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company. The Auditor's Report is enclosed with the financial statements forming part of this Annual Report.

As on March 31, 2025, M/s. S R B C & Co. LLP, Mumbai, Chartered Accountants (Firm Registration Number: 324982E/E300003) are the Statutory Auditors of your Company.

Your Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Act and the firm satisfies the criteria specified in Section 141 of the Act read with the rules framed thereunder. Accordingly, a

resolution seeking members' approval for their appointment as Statutory Auditors of your Company for a period of five consecutive years from the conclusion of this 38<sup>th</sup> AGM till the conclusion of 43<sup>rd</sup> AGM to be held in the financial year 2030 is included in the Notice convening the ensuing 38<sup>th</sup> AGM of your Company. The Board recommends passing of the proposed resolution.

Statutory Auditor have expressed their unmodified opinion on the Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks, or disclaimers. The Notes to the financial statements referred in the Auditors' Report are self-explanatory.

Representative from S K Mehta & Co., Chartered Accountants, the previous Statutory Auditors of your Company attended the previous AGM of your Company held on June 26, 2024.

### **Secretarial Auditors and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Act, read with the rules made thereunder, the Board re-appointed M/s. Parikh Dave & Associates, Practicing Company Secretary, to undertake the Secretarial Audit of your Company for FY25. The Secretarial Audit Report for the year under review is provided as **Annexure – C** of this report.

Further, pursuant to amended Regulation 24A of SEBI Listing Regulations, and subject to your approval being sought at the ensuing AGM, M/s. Parikh Dave & Associates, Practicing Company Secretary (C. P. No. 2413; Peer reviewed certificate no. 6576/2025) has been appointed as a Secretarial Auditors to undertake the Secretarial Audit of your Company for the first term of five (5) consecutive years from FY 2025-26 till FY 2029-30. Secretarial Auditors have confirmed that they are not disqualified to be appointed as a Secretarial Auditor and are eligible to hold office as Secretarial Auditor of your Company.

### **Secretarial Standards**

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India (as amended).

### **Cost Records and Cost Auditors**

During the year under review, in accordance with Section 148(1) of the Act, your Company has maintained the accounts and cost records, as specified by the Central Government. Such cost accounts and records are subject to audit by M/s. N D Birla & Co., Cost Auditors (Firm Registration Number: 000028) to conduct the cost audit of your Company for the financial year ending March 31, 2025.

Your Board has re-appointed M/s. N D Birla & Co, Cost Accountants (Firm Registration Number: 000028) as Cost Auditors of your Company for conducting cost audit for the FY 2025-26. A resolution seeking approval of the Shareholders for ratifying the remuneration payable to the Cost Auditors for FY 2025-26 is provided in the Notice of the ensuing AGM.

The Cost accounts and records as required to be maintained under Section 148 (1) of the Act are duly made and maintained by your Company.

### **Reporting of frauds by Auditors**

During the year under review, the Statutory Auditors and Secretarial Auditor of your Company have not reported any instances of fraud committed in your Company by Company's officers or employees, to the Audit Committee, as required under Section 143(12) of the Act.

### **Particulars of Employees**

Your Company had 256 employees as on March 31, 2025.

The information required under Section 197 of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) to the median of employees' remuneration are provided in **Annexure – D** of this report.

The statement containing particulars of employees, as required under Section 197 of the Act, read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. However, in terms of Section 136 of the Act, the Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure, which is available for inspection by the shareholders at the Registered Office of your Company during business hours on working days of your Company. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to the Company Secretary in this regard.

### **Prevention of Sexual Harassment at Workplace**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICs), at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and

make decisions at the respective locations. Your Company has zero tolerance on sexual harassment at the workplace. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. The employees are required to undergo a mandatory training/ certification on POSH to sensitise themselves and strengthen their awareness.

During the year under review, your Company has not received any complaint pertaining to sexual harassment.

All new employees go through a detailed personal orientation on POSH policy adopted by your Company.

### Vigil Mechanism

Your Company has adopted a whistle blower policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The vigil mechanism of your Company provides for adequate safeguard against victimisation of whistle blowers who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee in exceptional cases.

No person has been denied access to the Chairperson of the Audit Committee. The said policy is uploaded on the website of your Company and the link of the same is given in **Annexure – A** to this report.

During the year under review, your Company has not received any complaint under the vigil mechanism.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, as amended is provided as **Annexure – E** of this report.

### Environment and Pollution Control

The Company has established centralized Environmental Management Cell (EMC) for environment management and vigorously pursued its goal of sustainable development through exacting standard in environmental conservation, emission control, promotion of alternative fuel & raw materials and waste management. The Company has been certified with ISO:14001 standard since 2004.

The Company has installed state of the art air pollution control systems like ESP, Bag house with membrane technology, Fugitive emission control systems like Dust

extraction & dust suppression system in all required locations. The Company has also explored possibility to upgrade existing pollution control equipment's on the ground of present technology advancement and implement accordingly. The Company has concreting of internal roads, truck parking area and plant floors and carried out massive plantation in the entire complex. The Company has provided Clinker storage and state of the art loading system. The mining activities are being carried out by eco-friendly surface miner. The Company is committed for CO2 emissions abatement and implemented series of project for the same.

The Company has implemented series of measures for environment and pollution control. Some of the measures implemented during the year are:

- Enhancement in alternative fuel & raw material in manufacturing process.
- Real time monitoring of emission data through online continuous emission monitoring system.
- Enhancement of composite cement mix to enhance fly ash utilisation.
- Regular carbon footprint analysis for green-house gas emission reduction.
- Massive plantation in the plant & colonies.
- Internal Water audit has been carried out for optimisation of water consumption in all the units & increased the efficiency of cooling tower.
- Internal Energy audit has been carried out for the optimisation of plant process, energy conservation & enhancing the efficiency of compressors, blowers etc.

### Cyber Security

In view of increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in Cyber Security.

### Code for prevention of insider trading

Your Company has adopted a Code of Conduct ("Code") to regulate, monitor and report trading in your Company's shares by Company's designated persons and their immediate relatives as per the requirements under the

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/ dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarise with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on your Company's website and link for the same is given in **Annexure - A** of this report.

The employees are required to undergo a mandatory training/ certification on this Code to sensitise themselves and strengthen their awareness.

### General Disclosures

Neither the Chairman nor the CEO of your Company received any remuneration or commission from any of the subsidiary of your Company.

Your Directors state that during the year under review:

1. Your Company did not issue any equity shares with differential rights as to dividend, voting or otherwise.
2. Your Company did not issue shares (including sweat equity shares) to employees of your Company under any scheme.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and your Company's operation in future.

4. No application was made and no proceeding was pending under the Insolvency and Bankruptcy Code, 2016.
5. No one time settlement of loan was obtained from the Banks or Financial Institutions.
6. There were no revisions made in the financial statements and Directors' Report of your Company.

### Acknowledgement

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, concerned Government Departments, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in your Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that your Company continues to grow and excel.

For and on behalf of the Board of Directors

**Ajay Kapur**

Chairman

Place: Ahmedabad

Date: April 28, 2025

DIN: 03096416

## Annexure – A to the Directors' Report

Sr. No.	Policy Name	Web-link
1	Dividend Distribution and Shareholder Return Policy [Regulation 43A of the SEBI Listing Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Dividend-Distribution-Policy.pdf">https://www.sanghicement.com/wp-content/uploads/Dividend-Distribution-Policy.pdf</a>
2	Nomination and Remuneration Policy of Directors, KMP and other Employees [Regulation 19 of the SEBI Listing Regulations and as defined under Section 178 of the Act]	<a href="https://www.sanghicement.com/wp-content/uploads/Nomination-and-Remuneration-Policy.pdf">https://www.sanghicement.com/wp-content/uploads/Nomination-and-Remuneration-Policy.pdf</a>
3	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Board-Diversity-Policy-2.pdf">https://www.sanghicement.com/wp-content/uploads/Board-Diversity-Policy-2.pdf</a>
4	Corporate Social Responsibility Policy [Section 135 of the Act]	<a href="https://www.sanghicement.com/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf">https://www.sanghicement.com/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf</a>
5	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management.pdf">https://www.sanghicement.com/wp-content/uploads/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management.pdf</a>
6	Related party transactions [Regulation 23 of SEBI Listing Regulations and as defined under the Act]	<a href="https://www.sanghicement.com/wp-content/uploads/SIL_Related_Party_Txn_Policy-1.pdf">https://www.sanghicement.com/wp-content/uploads/SIL_Related_Party_Txn_Policy-1.pdf</a>
7	Vigil Mechanism / Whistle Blower Policy [Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act]	<a href="https://www.sanghicement.com/wp-content/uploads/Whistle-Blower-Policy-3.pdf">https://www.sanghicement.com/wp-content/uploads/Whistle-Blower-Policy-3.pdf</a>
8	Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information [Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Sanghi_Insider_Trading_Code_.pdf">https://www.sanghicement.com/wp-content/uploads/Sanghi_Insider_Trading_Code_.pdf</a>
9	Policy for procedure of inquiry in case of leak or suspected leak of unpublished price sensitive information [Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Leak-of-UPSI-Policy.pdf">https://www.sanghicement.com/wp-content/uploads/Leak-of-UPSI-Policy.pdf</a>
10	Terms of Appointment of Independent Directors [Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act]	<a href="https://www.sanghicement.com/wp-content/uploads/SIL_ID_Terms_Conditions_Appointment.pdf">https://www.sanghicement.com/wp-content/uploads/SIL_ID_Terms_Conditions_Appointment.pdf</a>
11	Familiarisation Programme [Regulations 25(7) and 46 of SEBI Listing Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Familiarization-Programme-Policy.pdf">https://www.sanghicement.com/wp-content/uploads/Familiarization-Programme-Policy.pdf</a>
12	Material Events Policy [Regulation 30 of SEBI Listing Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Sanghi_Material_Event_Policy.pdf">https://www.sanghicement.com/wp-content/uploads/Sanghi_Material_Event_Policy.pdf</a>
13	Website content Archival Policy [SEBI Listing Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/SIL_Website_Archival_Policy_.pdf">https://www.sanghicement.com/wp-content/uploads/SIL_Website_Archival_Policy_.pdf</a>
14	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Policy-on-Preservation-of-Documents.pdf">https://www.sanghicement.com/wp-content/uploads/Policy-on-Preservation-of-Documents.pdf</a>
15	Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders [Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations]	<a href="https://www.sanghicement.com/wp-content/uploads/Sanghi_Insider_Trading_Code_.pdf">https://www.sanghicement.com/wp-content/uploads/Sanghi_Insider_Trading_Code_.pdf</a>
16	Annual Return (MGT 7)	<a href="https://www.sanghicement.com/investors">https://www.sanghicement.com/investors</a>