

Management Discussion and Analysis



Prelude

Sanghi Industries Limited (SIL), a subsidiary of Ambuja Cements, has India's largest single-location integrated cement plant with a capacity of 6.1 MTPA.

Equipped with multi-fuel technology, it features a 143 MW power plant, all-weather port, and sea terminal. SIL holds one of India's largest limestone reserves, enabling seamless cement production at the lowest cost.

Committed to sustainability, it has transformed the surrounding arid landscape into a green zone while leveraging advanced manufacturing technology for high-quality cement production.

The Company achieved a remarkable turnaround post-acquisition by ACL, resolving liquidity challenges, reducing debt, and enhancing operational efficiency. The Master Supply Agreement with ACL and ACC, boosted capacity utilisation, driving growth. Now a key ACL and ACC supplier, SIL ensures steady demand for their products while advancing sustainability through eco-friendly practices.



Management Discussion and Analysis

Economic Scenario and Outlook

Economic performance during 2024 remained stable, with 3.3% growth in 2024, against 3.5% in 2023. The performance is supported by declining inflation, and easing of monetary policies. Global financial conditions were largely accommodative, though varied across geographies.

India's economy remained resilient, maintaining its decadal average annual growth of ~6%, supported by policy reforms and sustained government investments.

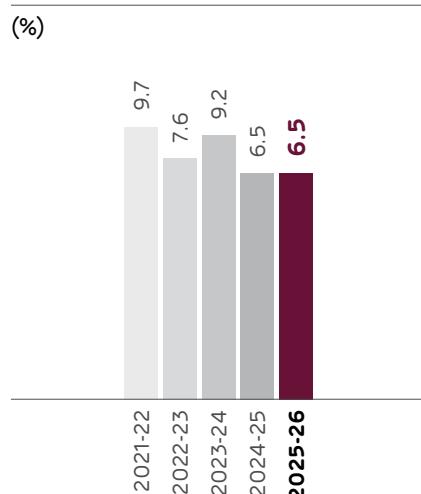


3.3%
Global Economic Growth
in 2024

In FY 2024–25, India witnessed key developments that shaped its economic trajectory, resulting in a GDP growth rate of 6.5%. Disinflation and rising disposable

incomes supported a recovery in urban demand, driving higher consumption. Meanwhile, strong rural demand was further boosted by the solid performance of the agriculture sector.

India's GDP Growth Trend



Outlook

India's economy is expected to grow moderately at 6.5% in FY 2025–26, underpinned by strong domestic demand, healthy rural and urban consumption, and continued infrastructure investments. A favourable monsoon and sustained focus on technology, innovation, and connectivity further strengthen this outlook.

The government remains committed to its vision of *Viksit Bharat* by 2047, which calls for consistent 8%+ GDP growth over the long

term. Reforms such as *Ease of Doing Business 2.0* and strategic support for the SME sector aim to unlock growth potential and foster a more competitive business ecosystem.

Globally, steady economic recovery and easing inflation offer a supportive backdrop for India's growth ambitions. However, risks from trade limitations and rising geopolitical tensions, particularly developments involving India and Pakistan, could pose headwinds to the macroeconomic environment.

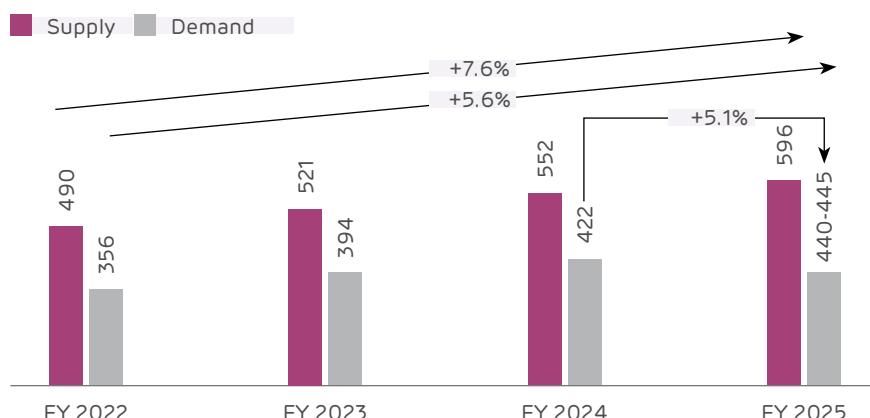
Cement Industry

The cement industry is a key driver of economic growth, providing employment and supporting various sectors through its extensive forward and backward linkages. India is the world's second-largest cement-producing country.

In FY 2024-25, the industry grew by 5%, owing to slowdown in construction activities due to the general election and extreme heatwaves.

Meanwhile, the supply-side expanded through greenfield and brownfield projects driven by capacity expansions and Mergers and Acquisitions (M&A), with major players investing in new plants to meet rising demand from housing, infrastructure, and commercial sectors.

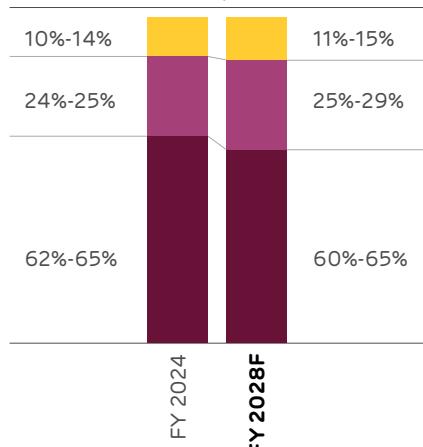
Demand and Supply Trend



The Government of India is committed to pushing the country's infrastructure growth by allocating ₹ 11.21 trillion capital outlay. Key initiatives such as the ₹ 1 trillion Urban Challenge Fund and ₹ 150 billion SWAMIH Fund 2 aim to accelerate urban development and housing. Additionally, ₹ 1.5 trillion in 50-year interest-free loans to states, 6 lakhs permanent housing approval

in FY 2024-25 under Pradhan Mantri Awas Yojana – Urban (PMAY-U) 2.0, ₹ 2.77 lakhs crore allocated during FY 2022-26 under Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme and projects worth ₹ 1.64 lakhs crore proposed till January 2025 under the Smart Cities Mission, will further drive cement demand.

Sector-wise Share of Cement Consumption

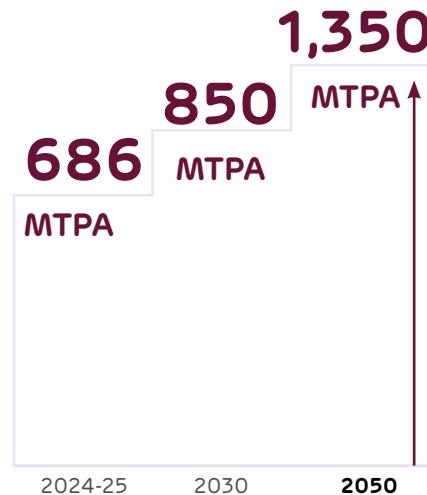


Outlook

India's cement industry is poised for sustained growth, driven by infrastructure projects, urban development, and strong economic fundamentals. Installed capacity is projected to reach 850 MTPA by 2030 and 1,350 MTPA by 2050, with a 6% CAGR¹ and utilisation nearing 70%. Income tax cuts and capital expenditure will further boost housing and infrastructure demand.

Capacity expansion and M&A will shape the sector's future, supported by the government's commitment to housing and infrastructure. To stay competitive, the industry must embrace innovation, enhance efficiency, and prioritise sustainability in an evolving landscape.

India's Installed Cement Capacity Ambition



¹CMA, ²ICRA

Management Discussion and Analysis

Cement Capacity Addition over the Decade (MTPA)



Source: CRISIL M&A Research, ICRA

Key Demand Drivers of the Indian Cement Industry

Urbanisation and Infrastructure Development	Rural Development Investments	Technological Advancements and Innovation	Industry Consolidation
Cement consumption as well as demand for residential, commercial, and infrastructure projects, is rising due to rapid urbanisation and government initiatives like Smart Cities Mission, PMAY and AMRUT.	Cement demand from rural areas is rising due to government projects for roads, schools, healthcare and sanitation, creating new market opportunities.	Advanced manufacturing technologies and digitalisation drive efficiency, reduce costs and enhance product quality. Innovations like green cement, ready-mix concrete, and specialty cement support evolving construction needs and long-term sustainability.	Mergers and acquisitions (~200 MT in 10 years) have streamlined operations, optimised production, and enhanced economies of scale.
>40% of India's population expected to live in urban areas by 2030 ¹	62,500 km of all-weather roads to be provided to unconnected habitats by FY 2028-29 under PMGSY - IV ²	~₹ 1.25 lakhs crore Planned CAPEX of Indian cement makers between FY 2024-25 and FY 2026-27 ³	~USD 4.5 billion in M&A deals by two leading players in 2024 and 2025 ⁴

¹PIB | ²Pradhan Mantri Gram Sadak Yojana (PMGSY) - IV | ³CRISIL | ⁴Moneycontrol

Business Review

Sustainable Development

SIL prioritises environmental stewardship with a focus on integrating alternative fuels, WHRS and renewables, circular economy, energy efficiency, while actively uplifting marginalised communities.

A. Environmental Policy and Management System

The Company follows a comprehensive environmental management system aligned with its parent company, Ambuja Cements' policies and practices. This approach enables SIL to proactively mitigate climate risks, minimise waste, promote recycling and adhere to water stewardship. The Company ensures compliance with environmental laws and has embraced ESG principles in its operations to enhance stakeholder value.

B. Climate and Energy

Aligning with the parent company, ACL, the Company is committed to reducing Scope 1 and Scope 2 GHG emissions through initiatives like alternative fuels, lower clinker factor, increased blended cement production, energy efficiency improvements, WHRS installation, and automation. It also addresses air pollutants like NOx, SOx, and particulate matter from fuel combustion.

Sustainability remains a priority, with a focus on minimising carbon and energy footprints.



C. Water Management

Water is one of the scarce natural resources and is one of SIL's primary material topics. The Company acknowledges the critical role of responsible water management in sustaining its operations and fulfilling the needs of local communities. The Company has implemented a robust water management system to ensure responsible management. The Company meets its water requirements from rainwater harvested in mine pits and from seawater and with zero reliance on competing water resources.

D. Circular Economy

The Company is committed to adopting a circular approach by integrating use of alternate fuels to reduce dependence on fossil fuels. It also uses waste materials like fly-ash to replace use of mined resources as part of its circular economy initiatives.

Management Discussion and Analysis

Performance Overview

Particulars	FY 2024-25	FY 2023-24
Sales Volumes (MT)	2.19	1.78
Revenue from Operations (₹ crore)	969	828
EBITDA before Exceptional Items (₹ crore)	106	(75)
EBITDA Margin (%)	11	(9)
PAT (₹ crore)	(498)	(449)

Key Financial Ratios

Ratios	FY 2024-25	FY 2023-24	% Variance	Reason for Variance
Current Ratio (in times)	0.98	0.94	4%	Reduction in negative net working capital
Inventory Turnover Ratio (in times)	3.06	2.83	8%	Increase in cost of goods sold
Trade Receivables Turnover Ratio (in times)	33.23	31.72	5%	Mainly because of increase in sales
Trade Payables Turnover Ratio (in times)	11.19	4.57	145%	Due to reduction in average trade payables
Debt-to-Equity Ratio	4.06	1.87	117%	SIL's holding company has infused additional funds in the Company by way of preference capital and Inter-Corporate Deposit (total borrowing is from the Company's Holding company) to support the Company's working capital requirement and improve operational efficiency. The other factor is the loss incurred by the Company reducing its equity.
Net Profit Ratio (%)	(52)%	(55)%	-5%	Due to higher Revenue
Operating EBITDA Margin (%)	7%	(10)%	17%	Due to operating EBITDA earned during the year
Return on Equity Ratio (%)	(58)%	(34)%	72%	Due to dip in equity led by losses during the year
Net Worth (₹ crore)	612	1,111	-45%	Due to loss incurred during the year

On a Path to Recovery

The Company's shareholders, in their EGM held on February 8, 2024, approved Related Party Transactions (RPTs) with Adani Enterprises Limited (AEL), Ambuja Cements Limited (ACL), ACC Limited (ACC) and its wholly owned unlisted subsidiaries for FY 2024-25.

Given the benefits of these RPTs, the Audit Committee, Board of Directors and Shareholders have approved an extension of these RPTs upto March 31, 2026. To ensure transparency and compliance, the Audit Committee, comprising independent directors, reviews and approves transactions as per legal requirements, ensuring they are at arm's length and in the ordinary course of business.

Approved RPTs with AEL, ACL and ACC

Acquisition of Solid Fuels

The Company encountered operational challenges, including delivery terms, supply delays, and quality issues when sourcing solid fuels from third-party vendors. To mitigate these, it entered into an agreement with AEL, an entity under common control, to procure solid fuels like coal for clinker production and captive thermal power plants. This ensures a steady supply of high-quality solid fuels, benefiting all stakeholders.

Shared Business Services

To enhance administrative efficiency, cost-effectiveness, and financial control, the Company will utilise AEL's shared business services, a standard offering across Adani Group companies.



Improved operational efficiency, consistent fuel quality, reduced logistics costs, and enhanced financial control – benefits of SIL and its stakeholders due to proposed transactions and shared business services with AEL.

Cement and Clinker

Pricing will be based on the previous quarter's cash cost of production with a 10% markup. ACL and ACC will purchase bulk clinker and cement from the Company. These prices for cement shall be reviewed after the quarter-end, substituting the previous quarter's cost with the current quarter's. For any resultant shortage/excess, a debit or credit note will be issued.

Sale/Purchase of Raw Materials and Spare Parts

Pricing will be determined by either the replacement cost at the manufacturing location, considering market rates, or the landed cost plus a 10% annual carrying charge for the holding period. Quantities will be based on demand.

Availing/Rendering of Services

Each company will reimburse actual expenses incurred on its behalf by the other entity, ensuring liquidity and seamless business operations. Assurance of bulk purchases will help the Company manage overheads and working capital efficiently, preventing liquidity challenges.

Management Discussion and Analysis

Key Benefits of Transactions with Ambuja Cements

- Synergies and economies of scale, optimising capacity utilisation, and lowering operational costs
- Strengthened business sustainability, including environmental conservation
- Cost optimisation and improved ESG (Environmental, Social and Governance) performance
- Maximised plant capacity utilisation, addressing financial constraints that have limited operations to ~25% in the past couple of years

Master Supply Agreement and Master Service Agreement

Following its acquisition by ACL, the Company has entered into a Master Supply Agreement and Master Service Agreement (collectively, 'MSA') with Ambuja Cements Limited and ACC. The MSA governs the purchase and sale of raw materials, spare parts, and service transactions. Under this agreement, ACL and ACC will bulk purchase clinker and cement produced by the Company, which will be marketed under the Ambuja and ACC brands.

Expected Benefits

- **Capacity Utilisation and EBITDA Growth:** The Company aims to improve capacity utilisation and has turned EBITDA (without exceptional items) positive in FY 2024-25 with operating EBITDA of ₹ 67 crore against negative EBITDA of ₹ 81 crore

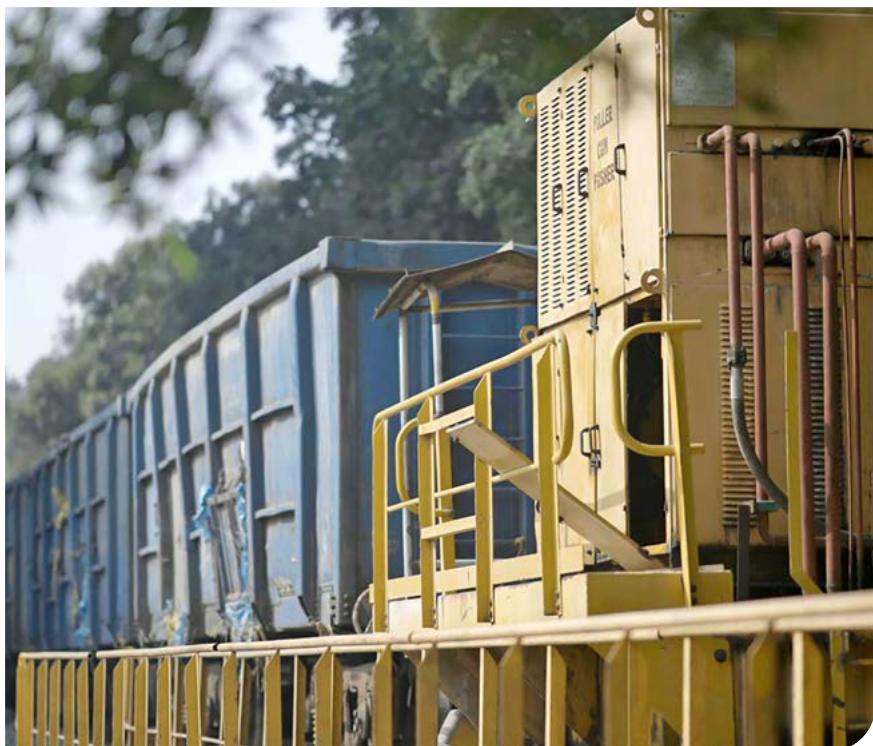
in FY 2023-24, strengthening operating cash flow

- **Financial Stability:** These transactions are expected to ease financial constraints, benefiting creditors, governments, shareholders, and employees
- **Elimination of Financial Constraints:** Agreements with ACL and ACC are designed to prevent future financial challenges
- **EBITDA Improvement:** Operating EBITDA margin (without exceptional items) rose to 6.9% in FY 2024-25 from -9.8% in FY 2023-24
- **Financial Assistance:** ACL invested

₹ 2,200 crore in 8% Non-Convertible Redeemable Preference Shares in July 2024, issued in five tranches.

These funds were used to partly prepay Inter-Corporate Deposits (ICD) from ACL and for working capital and corporate purposes. The ICD balance as of March 31, 2025 stands at ₹ 285 crore.

Overall, these RPTs and financial assistance from AEL and ACL are expected to enhance financial stability, improve EBITDA, and address liquidity needs in alignment with market standards.



Quality Management

The Company prioritises efficiency and precision in its operations through automation. SIL implements rigorous quality checks at every stage to maintain superior product standards. It utilises stackers and reclaimers for raw material homogenisation and employs centralised manufacturing process controls to ensure seamless production workflows. SIL's NABL-accredited laboratories uphold stringent quality standards, further reinforced by accreditations from the Bureau of Indian Standards (BIS) and BS-EN, underscoring its commitment to industry benchmarks and operational excellence.



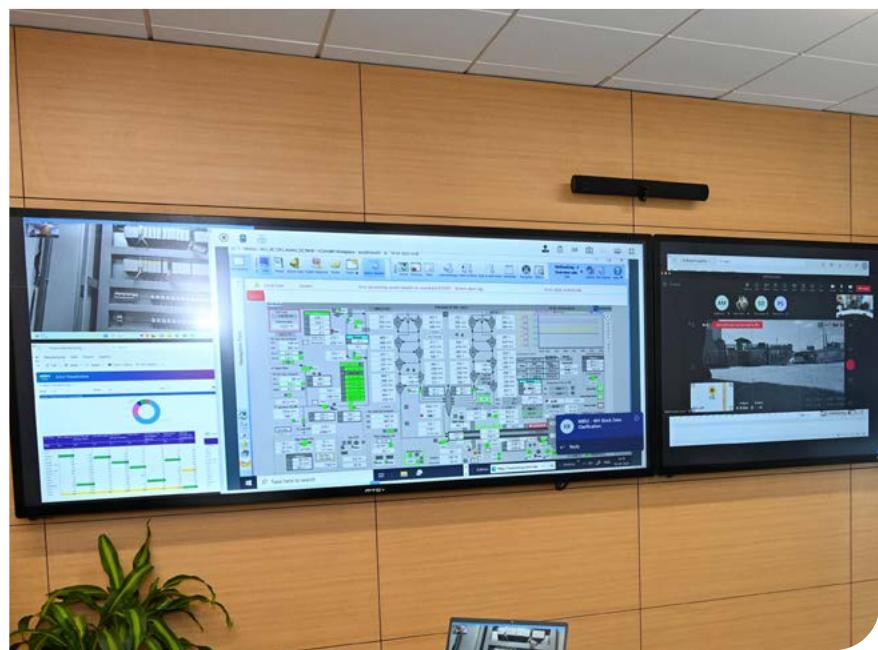
Certifications

- **ISO 9001:2015** (Quality management systems)
- **ISO 14001:2015** (Environmental management systems)
- **ISO 45001:2018** (Occupational health and safety management systems)

- **ISO/IEC 17025:2017** (National Accreditation Board for Testing and Calibration Laboratories' accreditation for chemical and mechanical testing)

Digitalisation at SIL

SIL acknowledges digitalisation as a key driver of sustainable business growth. The Company has progressively integrated digital technologies across critical functions such as sales, logistics, material management, manufacturing, control systems, and technology operations. With a structured digital transformation strategy, SIL focuses on improving process efficiency, optimising resource utilisation, and ensuring regulatory compliance. By aligning with Industry 4.0 principles and making substantial investments in digital initiatives, SIL strengthens its competitive position in the Indian cement manufacturing sector.



Management Discussion and Analysis

Strengthening Cybersecurity

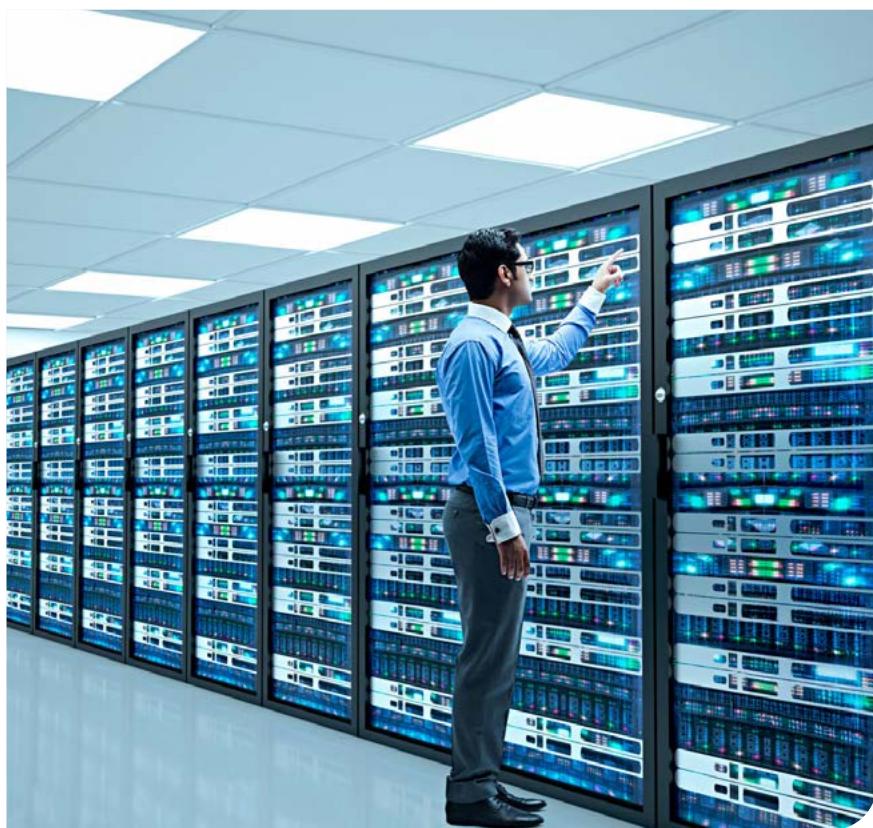
To ensure the Confidentiality, Integrity, and Availability of its digital infrastructure, SIL has enhanced its security framework by implementing IT-OT network segregation. This ensures secure data transition and communication between Information Technology (IT) and Operational Technology (OT) systems. Additionally, the deployment of an advanced OT observability solution enables real-time visibility and threat detection, strengthening cybersecurity and improving the reliability of industrial operations.

Legacy SAP Migration to SAP HANA (High-performance Analytic Appliance)

Committed towards innovation and operational agility, SIL successfully migrated from its legacy SAP system to SAP Suite on HANA in just six weeks. Aiming towards enhanced operational resilience, this transformation included establishing a robust data recovery system, transitioning to the Azure data centre, and implementing a comprehensive Business Continuity Plan.

Strengthening Network Infrastructure

Recognising the critical role of a robust digital infrastructure, SIL has implemented SD-WAN (Software-defined Wide Area Network) technology, reducing network deployment times by 50% and enhancing operational efficiency and security. The Wi-Fi modernisation project has extended coverage across multiple sites, facilitating seamless communication and improving productivity.



Application Modernisation

Enhancing Procurement Efficiency with the eNFA Portal

SIL has streamlined its procurement process by introducing the Note for Approval (NFA) portal aligned with its parent Ambuja Cements Limited. This centralised system enhances approval workflows, boosting efficiency through features, such as real-time tracking, traceability, and seamless document retrieval. Its swift adoption has significantly improved productivity, and planned upgrades will further strengthen procurement operations, reinforcing SIL's commitment to digital transformation.

Optimising Invoicing with ePOD

SIL has transformed its invoicing process with the Electronic Proof of Delivery (ePOD) system, ensuring greater accuracy and efficiency. Equipped with secure login authentication, an intuitive interface, and real-time status updates, the system allows transporters to generate and submit invoices effortlessly. By minimising human errors, expediting invoice processing by 30%, and reducing physical document management costs by 40%, ePOD has significantly enhanced operational efficiency and customer satisfaction.

 Read more on 48

Internal Control Systems and Adequacy

The Company has strong internal control systems and best-in-class processes commensurate with its size and scale of operations.

There are well formulated policies and procedures for all major activities. These procedures facilitate effective business operations with governance.

Well-defined delegation of power with authority limits are in place for approving revenue as well as capex expenditure at level of organisational hierarchy. This enables ease of decision-making in day-to-day affairs as well as long-term and short-term business plans.

Financial control is effectively managed through the Annual Budgeting process and its monitoring is conducted through monthly reviews for all operating and service functions.

The Company has a state-of-the-art ERP system to record data for accounting, consolidation and management information purposes and connects to various locations for efficient exchange of information. It continues its efforts to align all its processes and controls with global best practices.

The Company has a well-established online Compliance Management System in which technology is seamlessly integrated with laws. The system provides comprehensive coverage across all laws applicable on the business and its compliance update at each of operating units through the management dashboard.



There is a well-established multidisciplinary Management Audit & Assurance Services (MA&AS) that consists of professionally qualified accountants, engineers and SAP experienced executives who carry out extensive audit throughout the year across all functional areas and submits reports to Management and the Audit Committee about the compliance with internal controls and efficiency and effectiveness of operations and key process risks.

Internal Audit in collaboration with the Digital Team has rolled out several dashboards of critical audit exceptions which are of a recurring nature. This helps in identifying audit exceptions in real time basis.

MA&AS follows Risk Based Annual Internal audit plan. The audit plan and its scope are reviewed and approved by the Audit Committee of the Board.

Internal audit is conducted in accordance with auditing standards to review design effectiveness of internal control system and procedures to manage risks, operation of monitoring control, compliance with relevant policies and procedure, and recommend improvement in processes and procedures.

The Audit Committee of the Board regularly reviews the execution of audit plan, the adequacy and effectiveness of internal audit systems, and monitors the implementation of internal audit recommendations including those relating to strengthening of the Company's risk management policies and systems.

In terms of governance, there are independent Committees in place for monitoring and governance over efficiency and effective internal controls:

Risk Management Committee

The Company's risk management framework provides a process of identifying, assessing, monitoring, reporting, and mitigating various risks at all levels at periodic intervals. Under the framework, the Company has constituted a Risk Management Committee to continuously monitor, report and mitigate various risks faced. The outcome of this process is reported to the Audit Committee and to the Board on a quarterly basis.

Management Discussion and Analysis

Human Resources

The Company nurtures a workplace culture that supports individual potential while aligning with organisational goals. Aligned with the parent company, Ambuja Cements and guided by its six core pillars, SIL cultivates a resilient, adaptive, and inclusive environment where every team member feels valued and empowered. With these principles, the Company seamlessly integrates growth and achievement, enabling employees to thrive while driving its collective success.



Employee Care and Wellness

The Company has implemented various initiatives to enhance employee well-being, including health and wellness programmes, mental health support, and benefits that promote work-life balance. It actively empowers employees through a range of health-focused initiatives. Additionally, SIL has introduced the Adani Security Helpline to ensure employee safety and security.

M&A Seamless Integration

This year saw major mergers and acquisitions, with extensive efforts to seamlessly integrate them into the Adani Group's cement business. The process included leadership transitions, role realignments, skill gap assessments, and targeted training programmes. To support this, Leadership Connect sessions were conducted, keeping all stakeholders engaged and informed.

Performance and Productivity

SIL is enhancing employee performance and productivity through advanced strategies and digital tools. Performance management systems and productivity-enhancing solutions streamline operations, while the Cement Network Operating Centre (CNOC) dashboard leverages advanced analytics to optimise efficiency. Additionally, digital initiatives like the OneConnect app provide real-time workforce visibility, enabling proactive decision-making and effective resource allocation.

Aligning with Strategic Objectives

SIL sets goals in alignment with its parent company, Ambuja Cements' strategic objectives, ensuring that every employee's efforts contribute to Adani's broader mission and vision. The goal-setting process involves identifying key performance indicators (KPIs) critical to the organisation's success. This collaborative approach, involving managers and employees, ensures that goals are realistic, achievable, and aligned with individual roles and capabilities, fostering a sense of ownership and commitment. Performance management at SIL goes beyond annual reviews, incorporating continuous feedback and development. Managers provide regular guidance, helping employees recognise their strengths and areas for improvement.

Performance Management System (PMS)

SIL has a comprehensive Performance Management System (PMS) to streamline goal setting and performance evaluations. The PMS includes tools for tracking goals, performance reviews, and feedback, ensuring transparency and consistency in assessments. Adani Group remains committed to recognising and rewarding employees for their contributions. The performance management process identifies high performers and provides appropriate recognition and incentives, fostering motivation and a culture of excellence. To support employees in achieving their goals, SIL offers various training and development programmes designed to enhance skills and capabilities, promoting continuous learning and professional growth.

Digital Dexterity

SIL prioritises continuous learning and development through diverse training programmes, workshops, and initiatives. The Skill Development Centre plays a vital role in delivering high-quality training to rural youth. Additionally, the Company offers Digital Dexterity Certification Programmes through the Adani Institute of Digital Technology Management (AIDTM), covering key areas such as IoT, AI, and cloud computing.

Saksham

The Saksham initiative empowers employees and managers by leveraging technology. SIL utilises Oracle Fusion to streamline processes, enhance efficiency, and enable better decision-making. Recognised for its innovative approach to digital transformation, this initiative is further supported by various training programmes designed to strengthen its impact.

Global Capability Centre

The establishment of the Global Capability Centre (GCC) is a strategic move by SIL's parent company, Ambuja Cements to strengthen operational capabilities, drive innovation, and create a dynamic workplace. Supporting global operations, the GCC integrates decision-enabling analytics through digital tools, enhancing efficiency and effectiveness across the organisation.

Harmonious and Productive Employee Relations

SIL fosters positive and productive employee-management relationships through various initiatives and programmes. The 'Career Conversations' initiative enables employees to engage with leadership on rewards, role clarity, and career development. Additionally, workshops and training sessions are conducted to enhance communication and collaboration across teams.



Management Discussion and Analysis

Community Development



Sanghi Industries Limited (SIL) undertakes its community development initiatives under the aegis of the Adani Foundation. Since 1996, the Adani Foundation, the Adani Group's community outreach arm, has driven strategic social investments for sustainable impact nationwide. Its initiatives in education, health, livelihoods, skill development, and community infrastructure align with national priorities and UN SDGs. Known for its innovative problem-solving, the Foundation challenges norms to deliver lasting change. The Company remains fully committed to the Foundation's philosophy and priorities, actively implementing them in communities around its operations.

Bridging Healthcare Gaps in Underserved Communities

The Adani Foundation launched specialty health camps, offering free consultations, check-ups, and medicines, benefiting needy villages. The Adani Medical Centre in Sanghipuram, a state-of-the-art facility, is transforming healthcare with trauma care, diagnostics, and ambulance services. Specialised camps, TB screenings, and a flu relief drive provided critical medical aid, ensuring timely treatment, awareness and support for rural communities.

Key Highlights

- 29,004 beneficiaries reached through community health initiatives
- 1,300+ patients served in 13 villages through health camps
- 26,402 Outpatient consultations at Adani Medical Centre
- 1,185 patients received specialised care
- 7 TB cases diagnosed and treated
- 500 households supported during the flu epidemic

Enhancing Livelihoods through Sustainable Cattle Care

The Adani Foundation is addressing veterinary care gaps by launching vaccination and deworming drives, benefiting cattle and farmers across multiple villages. Partnering with the Animal Husbandry Department, it honoured farmers for contributions to cattle development. To boost livestock productivity, NB 21 fodder cultivation and organic farming training were introduced, ensuring better nutrition and sustainability.

Key Highlights

- 5,779 cattle vaccinated and 4,315 among them were dewormed
- 550 cattle owners reached in 10 villages
- 90 farmers honoured for cattle development
- 45 farmers provided with 500 NB 21 off-suits
- 848 beneficiaries impacted through Sustainable Livelihood Development

Empowering Education through Project Utthan

On its 28th anniversary, the Adani Foundation launched Project Utthan, enhancing education at the Sanghi site. Utthan Sahayaks support students in high schools, while Adani Evening Coaching Centres provide additional learning in key subjects. A dedicated transport service ensures uninterrupted schooling. Smart classes, new infrastructure, and educational kits enrich learning experiences, supporting academic excellence in rural communities.

Key Highlights

- 4 Utthan Sahayaks supporting 157 students
- 284 Students benefitting from evening coaching
- 65 students accessing school via transport service
- 10 primary schools equipped with smart classes
- 15 schools upgraded with new infrastructure & BALA paintings
- 1,150 students received educational kits
- 1,656 beneficiaries impacted through education initiatives

Strengthening Water Security through Climate Action

The Adani Foundation has deepened and desilted ponds, enhancing irrigation and sustainable water management. This initiative has significantly improved water storage capacity, benefitting local farmers and ensuring better agricultural productivity.

Key Highlights

- 16 ponds deepened and desilted
- 1,06,250 CUM additional water storage capacity created
- 750 acres of land irrigated
- 4,000+ beneficiaries impacted through climate action initiatives

Community Development

969 individuals linked to government schemes through 'Meri Sangini Meri Margdarshika', a community development initiative.

Enhancing Sustainability & Community Resilience

The Adani Foundation continues its commitment to environmental sustainability and disaster relief. Tree plantation efforts are improving biodiversity, while post-cyclone rehabilitation has helped families rebuild their homes, ensuring stability and security.

Key Highlights

- 1,200 native trees planted across 1.5 acres
- 55 households supported with roofing materials
- 337 cement roof sheets and 2,000 Mangalore tiles provided for home restoration

Management Discussion and Analysis

Risk Management

SIL's Enterprise Risk Management (ERM) is an annual process that identifies risks and opportunities, promoting a sustainable business and risk-aware ecosystem.

Risks are assessed using a 3x3 matrix (High, Medium, Low) based on severity and probability. A functional approach ensures each function evaluates current and future risks, which are then consolidated for an organisation-wide view.

Critical risks have mitigation plans monitored by senior management to ensure operational efficiency and regulatory compliance. ERM enables proactive decision-making, helping the Company navigate market uncertainties while strengthening resilience and sustainability.

Key Risks Identified for FY 2024-25

Key Risks	Description	Mitigation
 Market Volatility	<p>India's cement industry faces market volatility, economic uncertainty, demand-supply imbalances, and geopolitical shifts. Changes in government policies, economic cycles, and global trends influence the cement market and further contribute to short-term business uncertainty.</p>	<p>Future opportunities can help offset economic and market volatility. India's growing infrastructure, construction, and manufacturing sectors, supported by 'Make in India,' drive cement demand. Improved ease of doing business, industrial infrastructure, and FDI inflows further strengthen growth prospects. A stable government and pro-reform policies boost demand, benefitting the industry and the Company.</p> <p>We remain focused on infrastructure and housing projects, leveraging market growth for expansion. SIL's customer-centric initiatives, innovative products, and sustainable practices help reduce its carbon footprint and conserve natural resources and remain competitive.</p>
 Competitive Environment	<p>India's cement industry is highly competitive, with big and small players battling for market share, leading to price wars, squeezed profitability, and challenges for smaller firms. Rapid capacity expansion and consolidation are reshaping the landscape, making it crucial for the Company to defend its market position.</p>	<p>Amid shifting market dynamics, the Company remains committed to bold transformation for long-term sustainability. Since H2 2022, the Group's growth was driven by acquisitions and expansions, reaching nearly 100 MTPA. Now, the Company is also focusing on organic growth to meet Group's target capacity of 140 MTPA by FY 2027-28, enhancing capacity, Group's market share, and cost leadership. Aligned with the Group's ambition, SIL produces superior grades of cement while maintaining the lowest cost of production.</p>

Key Risks	Description	Mitigation
 Environmental Regulations	<p>Stricter environmental regulations and global standards pose reputational and financial risks, demanding significant investments in cleaner technologies and sustainable practices for compliance.</p>	<p>To tackle business challenges and meet environmental regulations, SIL drives transformation through innovation and upgrades. SIL's parent company Ambuja Cements Limited is the first signatory to the Alliance of Industry Decarbonization (AFID) and is committed to accelerating the Net Zero transition. With a bold 2050 Net-Zero target, the cement business of the Group has pledged ₹ 100 billion toward renewable energy and WHRS projects.</p>
 Sustainability - Climate Change	<p>As a significant contributor to GHG emissions, the cement industry faces climate risks, making sustainability essential. Cement companies must adopt greener practices to reduce emissions and align with global climate goals.</p>	<p>With a philosophy of 'Growth with Goodness', the Company drives sustainable and stakeholder-centric growth. It is advancing its decarbonisation, reducing environmental impact, and making significant strides in renewable energy.</p> <p>Operating in the hard-to-abate cement industry, the Company is committed to achieving Net Zero by 2050, with targets validated by SBTi. The cement business of the Group plans to invest ₹ 100 billion in 1 GW of renewable energy and 376 MW from WHRS, aiming to power 60% of its expanded capacity with green energy by FY 2027-28. This initiative will significantly cut SIL's carbon footprint while delivering strong economic benefits.</p>
 Cyber Security	<p>The Company enhances construction efficiency with digital innovation, leveraging secure, ISO 27k-certified cybersecurity and advanced technologies for customer-centric solutions and best-in-class products.</p>	<p>The Company proactively mitigates cybersecurity risks by blocking data leakage threats and ensuring a secure AI environment. Robust backups, firewalls, and regular system upgrades provide protection, while periodic policy updates and user training further reduce risks.</p>
 Health and Safety	<p>Health and safety of the employees are paramount to the Company's business.</p>	<p>SIL prioritises employee well-being through strict safety measures, regular training on hazard mitigation, and investments in advanced safety technology. Routine health check-ups and wellness programmes support both physical and mental well-being. Additionally, a Scaffolding Inspector Training programme by the Scaffold Training Institute (STI) enhanced employees' safety awareness, competency, and inspection skills. It invests in employee skills and knowledge to ensure a safer, more efficient workplace.</p>

Board's Report

Dear Shareholders,

Your Directors are pleased to present the 38th 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
Total Income	1,007.40	833.95
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
Total Expenditure	1,347.83	1,300.01
Profit before share of Profit/ (Loss) from joint ventures, exceptional items and tax	(340.43)	(466.06)
Share of loss from joint ventures	-	-
Profit before exceptional items and tax	(340.43)	(466.06)
Add/(Less):- Exceptional Items	(121.20)	17.47
Total Tax Expense	(36.74)	0.20
Profit/{loss} for the year	(498.37)	(448.79)
Other Comprehensive income (net of tax)	(0.01)	0.45
Total Comprehensive Income for the year (net of tax)	(498.38)	(448.34)
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 1st 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 40th 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 38th 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 38th AGM till the conclusion of 43rd AGM to be held in the financial year 2030 is included in the Notice convening the ensuing 38th 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]	https://www.sanghicement.com/wp-content/uploads/Dividend-Distribution-Policy.pdf
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]	https://www.sanghicement.com/wp-content/uploads/Nomination-and-Remuneration-Policy.pdf
3	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	https://www.sanghicement.com/wp-content/uploads/Board-Diversity-Policy-2.pdf
4	Corporate Social Responsibility Policy [Section 135 of the Act]	https://www.sanghicement.com/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf
5	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	https://www.sanghicement.com/wp-content/uploads/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management.pdf
6	Related party transactions [Regulation 23 of SEBI Listing Regulations and as defined under the Act]	https://www.sanghicement.com/wp-content/uploads/SIL_Related_Party_Txn_Policy-1.pdf
7	Vigil Mechanism / Whistle Blower Policy [Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act]	https://www.sanghicement.com/wp-content/uploads/Whistle-Blower-Policy-3.pdf
8	Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information [Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations]	https://www.sanghicement.com/wp-content/uploads/Sanghi_Insider_Trading_Code_.pdf
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]	https://www.sanghicement.com/wp-content/uploads/Leak-of-UPSI-Policy.pdf
10	Terms of Appointment of Independent Directors [Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act]	https://www.sanghicement.com/wp-content/uploads/SIL_ID_Terms_Conditions_Appointment.pdf
11	Familiarisation Programme [Regulations 25(7) and 46 of SEBI Listing Regulations]	https://www.sanghicement.com/wp-content/uploads/Familiarization-Programme-Policy.pdf
12	Material Events Policy [Regulation 30 of SEBI Listing Regulations]	https://www.sanghicement.com/wp-content/uploads/Sanghi_Material_Event_Policy.pdf
13	Website content Archival Policy [SEBI Listing Regulations]	https://www.sanghicement.com/wp-content/uploads/SIL_Website_Archival_Policy_.pdf
14	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	https://www.sanghicement.com/wp-content/uploads/Policy-on-Preservation-of-Documents.pdf
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]	https://www.sanghicement.com/wp-content/uploads/Sanghi_Insider_Trading_Code_.pdf
16	Annual Return (MGT 7)	https://www.sanghicement.com/investors

Annexure – B to the Directors' Report

Annual Report on CSR Activities

1. A brief outline of the Company's CSR Policy

The Company has framed the Corporate Social Responsibility (CSR) policy in compliance with the provisions of the Companies Act, 2013. The CSR policy enumerating the CSR Activities / projects / programmes undertaken / to be undertaken by the Company is in accordance with the Schedule VII of the Companies Act, 2013.

Policy of the Company: The CSR Policy is posted the Company's website at <https://www.sanghicement.com/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf>

2. Composition of CSR Committee

Sr. No	Sr. Name of Director	Designation/Nature of Directorship of CSR committee Number of meetings	Number of meetings of CSR committee held during the tenure	Number of CSR Committee meetings attended during the year
1	Mr. Ravi Kapoor	Chairman, Independent Director	2	2
2	Mr. Sudhir Nanavati	Member, Independent Director	2	1
3	Ms. Shruti Shah	Member, Independent Director	2	2
4	Mr. Ajay Kapur	Member, Non-Executive Non-Independent Director	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

<https://www.sanghicement.com/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf>

4. Details of the executive summary alongwith web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.

Not applicable

5. 1. (a) Average net profit of the Company as per Section 135 (5)

(₹ in crore)

Particulars
(239.18)

(b) Two percent of average net profit of the Company as per Section 135(5)

(₹ in crore)

Particulars
NIL

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

Nil

(d) Amount required to be set off for the financial year, if any.

Nil

(e) Total CSR obligation for the financial year (5b+5c-5d).

Nil

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Nil

(b) Amount spent in Administrative Overheads : Nil

(c) Amount spent on Impact Assessment, if applicable : N.A.

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Nil

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in crore)	Amount Unspent (₹ in crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount Transfer	Date
N.A.					

(f) Excess amount for set off, if any

Sr. No. Particular	Amount (in ₹ in crore)
1. Two percent of average net profit of the Company as per Section 135(5)	Nil
2. Total amount spent for the Financial Year	-
3. Excess amount spent for the financial year [(2)-(1)]	-
4. Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5. Amount available for set off in succeeding financial years [(3)-(4)]	-

7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding financial year (in ₹)	Deficiency, if any	1	2	3	4	5	6	7	8
								Amount (in ₹)	Date of transfer						
1.	FY 2023-24	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.							
2.	FY 2022-23	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.							
3.	FY 2021-22	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.							
	Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If yes, enter the number of Capital assets created/acquired

Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					(1)	(2)	(3)
					CSR Registration Number, if applicable	Name	Registered address
					Not Applicable		

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5).

Not Applicable

For and on behalf of Board of Directors

Place: Ahmedabad
Date: April 28, 2025

Ravi Kapoor
Chairman – CSR Committee
(DIN: 00003847)

Ajay Kapur
Chairman
(DIN: 03096416)

Annexure – C to the Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SANGHI INDUSTRIES LIMITED
CIN: L18209GJ1985PLC157787
Adani Corporate House, Shantigram,
Near Vaishnodevi Circle, S.G. Highway,
Khodiyar, Daskroi, Ahmedabad - 382421,
Gujarat, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SANGHI INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives whether electronically or otherwise during the conduct of secretarial audit; we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 and made available to us, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there were no reportable events during the financial year under review;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not applicable during the year under review;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- Not applicable during the year under review;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable during the year under review;
 - (g) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 - Not applicable during the year under review;
 - (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - As there is no fresh issue of any Listed Non-Convertible security during the year, the said provisions are not applicable in the reporting year.

We have also examined compliance with the applicable Standards/Clauses/Regulations of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and made effective from time to time.
- ii. The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

During the Audit period under review, the Company has generally complied with provisions of the applicable Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

Having regard to the Compliance system prevailing in the Company and on examination of Compliance Certificate(s) issued by Whole time Director & CEO/ respective functional heads and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the Company has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with following laws specifically applicable to the Company being engaged in the Cement Industry:

1. The Atomic Energy Act, 1962 read with Atomic Energy (Radiation Protection) Rules, 2004;
2. Indian Boiler Act, 1923 read with Gujarat Boiler Rules, 1966;
3. The Petroleum Act, 1934;
4. Mines Act, 1952;
5. The Mines and Mineral (Development and Regulations) Amendment Act, 2015;
6. Mineral Conservation and Development (Amendment) Rules, 2016;
7. Explosive Rules, 2008;
8. Ammonium Nitrate Rules, 2012;
9. Mineral (Auction) Rules, 2015;
10. The Minerals (Evidence of Mineral Contents) Rules, 2015;

- 11. Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008;
- 12. Bio-Medical Waste (Manufacturing and Handling) Rules, 2008.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Independent Director. There were no changes in the composition of the Board.

Adequate notice is given to all Directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further, Independent Director(s) were present at Board Meetings which were called at a shorter notice to transact business which were considered urgent by the management in compliance of Section 173(3) of the Act. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors and Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

The compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditors and other designated professionals.

We further report that:

During the Audit period under review:

- 1) The Company has received approval from shareholders by way of passing required resolutions through postal ballot on June 2, 2024 for:
 - a. Sub-division of Preference shares of face value of ₹ 100/- each into face value of ₹ 10/- each and increase in the Authorized Share Capital and alteration of the Capital Clause of Memorandum of Association of the Company. Consequently, the authorized share capital has been changed to ₹ 2550,00,00,000/- (Rupees Two Thousand

Five Hundred Fifty Crores Only) divided into 35,00,00,000 (Thirty-Five Crores) equity shares of ₹ 10/- (Rupees Ten Only) each and 220,00,00,000 (Two Hundred and Twenty Crores) Preference Shares of ₹ 10/- (Rupees Ten Only) each.

- b. Raising of funds by issue of up to 220,00,00,000 Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each on Private Placement basis to Ambuja Cements Limited, Holding Company.
- 2) 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 Obligations and Disclosures Requirements) Regulations, 2015 read with Section VI-A of the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/ 2023/120 dated July 11, 2023 ("Master Circular") the Company was required to comply with the provisions of Minimum Public Shareholding (MPS) within period of 12 months from 7th February 2024.

In order to achieve the MPS, Ambuja Cements Limited and Mr. Ravi Sanghi ("Sellers" / "Promoters") 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) through offer for sale through stock exchange mechanism in the month of June, 2024.

Accordingly, the shareholding of the Promoters and Promoter Group entities in the Company has reduced from 78.52% to 75.00% of the issued and paid-up Equity Share capital of the Company.

- 3) Pursuant to the approval granted by the Shareholders through Postal Ballot on June 2, 2024, the Finance Committee of the Board of Directors of the Company had made total allotment of 220,00,00,000 – 8% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each aggregating to ₹ 2200 Crore in five tranches.
- 4) Pursuant to the approval granted by the Shareholders through Postal Ballot on October 25, 2024, S R B C & Co. LLP, Chartered Accountants were appointed as Statutory Auditors of the Company to fill casual vacancy caused due to

resignation of the existing Statutory Auditors S K Mehta & Co., Chartered Accountants.

- 5) The Board of Directors of the Company at its meeting held on December 17, 2024, has approved the Scheme of Arrangement between Sanghi Industries Limited ("Transferor Company") and Ambuja Cements Limited ("Transferee Company") and their respective shareholders (herein after referred to as "Scheme") pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme, inter alia, provides for the amalgamation of the Transferor Company with the Transferee Company with appointed date as 01-04-2024.
- 6) The members of the Company at the Extra Ordinary General Meeting held on April 1, 2023 had approved alteration of clause II of Memorandum of Association of the Company (MOA) so as to shift the Registered Office (RO) from the State of Telangana to the State of Gujarat subject to the regulatory approvals. The Company has received the approval from Regional Director (SER), Hyderabad vide Order dated December 13, 2024, received on December 18, 2024, approved the alteration of Clause II of MOA from the State of Telangana to the State of Gujarat. The Registrar of Companies, Gujarat has issued Certificate of Registration of Regional Director order for Change of State under Section 13 (5) of the Companies Act, 2013 on January 10, 2025.

For Parikh Dave & Associates

Company Secretaries

Umesh G. Parikh

Practicing Company Secretary

Partner

ICSI Unique Code No.: P2006GJ009900

Peer review Certificate No.: 6576/2025

Place: Ahmedabad

FCS NO. 4152 C.P. NO. 2413

Date: April 28, 2025

UDIN: F004152G000213999

Notes:

1. This report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.

Annexure - A

To,

The Members,

SANGHI INDUSTRIES LIMITED

CIN: L18209GJ1985PLC157787

Adani Corporate House, Shantigram,
Near Vaishnodevi Circle, S.G. Highway,
Khodiyar, Daskroi, Ahmedabad - 382421,
Gujarat, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain responsible assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Parikh Dave & Associates
Company Secretaries

Umesh G. Parikh
Practicing Company Secretary
Partner
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 6576/2025
FCS NO. 4152 C.P. NO. 2413
UDIN: F004152G000213999

Place: Ahmedabad
Date: April 28, 2025

Annexure – D to the Directors' Report

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2024-25 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the FY 2024-25:

Name of Directors/KMP	Ratio of remuneration to median remuneration of employees	% increase in remuneration in the financial year
Executive Directors:		
Mr. Sukuru Ramarao*	N.A.	N.A.
Non-Executive Directors:		
Mr. Ajay Kapur*	N.A.	N.A.
Mr. Vinod Bahety*	N.A.	N.A.
Independent Directors:		
Mr. Sudhir Nanavati**	0.98	N.A.
Ms. Shruti Shah**	1.58	N.A.
Mr. Ravi Kapoor**	1.51	N.A.
Key Managerial Personnel:		
Mr. Sukuru Ramarao, CEO*	N.A.	N.A.
Mr. Sanjay Kumar Khajanchi, CFO*	N.A.	N.A.
Mr. Anil Agrawal, CS**	3.31	N.A.

* After the acquisition of the Company by Ambuja Cements Limited in December 2023 and change in management, the Executive Director & CEO i.e. Mr. Sukuru Ramarao, Non Executive Directors, Mr. Ajay Kapur, Mr. Vinod Bahety and Mr. Sanjay Kumar Khajanchi, CFO are not drawing any remuneration from the Company. They are getting their remuneration within Adani portfolio of companies.

** Due to change in management from December 2023, the remuneration paid to Independent Directors and Company Secretary are not comparable and percentage increase in remuneration is therefore not provided.

ii) The percentage increase in the median remuneration of employees in the financial year:

Nil

After the acquisition of the Company by Ambuja Cements Limited, in December 2023, due to Ongoing Talent Development Initiative within Adani portfolio of companies, many of the employees are internally transferred within the group during the year and therefore the remuneration paid to employees are not comparable with the previous year.

iii) The number of permanent employees on the rolls of Company as on March 31, 2025:

256 employees

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average increase in remuneration of employees excluding KMPs: Nil
- Average increase in remuneration of KMPs: Nil

Please refer the notes mentioned in point (i) and (ii) above.

v) Key parameters for any variable component of remuneration received by the Directors:

- Executive Directors: Nomination and Remuneration Committee determines the variable compensation (annual based) on their individual and organisation performance.
- Non-Executive Directors – Not applicable.

vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Ajay Kapur

Chairman

DIN: 03096416

Place: Ahmedabad

Date: April 28, 2025

Annexure – E to the Directors' Report

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

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

(a) Conservation of Energy

CU - Clinker unit, CU-1 - Clinker unit-1, CU-2 - Clinker unit-2, GU - Grinding unit, TPP - Thermal Power Plant

(i) The steps taken or impact on conservation of energy:

- **All Locations:** Process optimisation in Clinker and Cement plant as far as concern to quality & energy.
- **All Locations:** Optimisation of compressors by arresting air leakages & loading & unloading pressures.
- **All Locations:** Optimisation of Bag filters by adjusting the inlet damper without affecting the operation & dust emission.
- **All Locations:** Bag house bags replacement and reconditioning of ESPs for reducing pressure drop and energy saving.
- **All Locations:** Optimisation of Bag filters purging air by installation of DP transmitter
- **All Locations:** Minimise the false air across Preheaters, Raw mill & Coal mills in Clinker unit.
- **All Locations:** Installation of LED lights in place of conventional lights in different locations in plant.
- **All Locations:** Installation of LED lights in place of conventional lights in plant, colonies, street lights etc.
- **All Locations:** To avoid the idle running of transport equipment of additive, Limestone & coal circuits.
- **CU-1** Coal mill-2 feed chute modification done to reduce reject, increase TPH & save power.
- **CU-1** Raw Coal Feeder replaced by modified rotary air lock to increase coal mill efficiency & reduce power
- **CU-1** Installation of rotary air lock at raw mill cyclone discharge to restrict false air and save power
- **CU-2** Raw Mill Bag house running in DP mode to reduced air consumption & filter bag life enhanced.
- **CU-2** Raw Mill Bag house installation of modified purging pipes and nozzles
- **CU-2** Preheater down comer duct 5 no's expansion joint changed to reduce specific heat and power.
- **CU-2** New refractory installed with increased thickness (refractory thickness increased from 220 mm to 250 mm) which reduce shell radiation and improve heat losses.
- **CU-2** Additive weigh feeder hopper discharge chute modified which minimised jamming problem and improved material flow-ability.
- **CU-2** Both 4th stage cyclone new dip-tube installed which reduces return dust loss and reduces Specific heat.
- **CU-2** Alkali Bag house running in DP mode to reduce air consumption and improve filter bag life.

- **CU-2** Coal mill Dam-ring height increased by 20 mm which reduced mill vibration.
- **CU-2** Coal mill auto start and auto stop logic created to avoid idle running which reduces specific power consumption.
- **CU-2** Coal feeding system auto stop logic with minimum current to avoid idle running.
- **CU-2** SS liner installed in additive chutes which reduced jamming frequency.
- **CU-2** SS liner installed in Raw Mill Inlet chute which reduced jamming frequency and increased availability of Mill.
- **CU-2** Alkali dust handling Dumper Carrier body modified to reduce dust emission
- **CU-2** CLT extraction auto logic created for sequential gate opening to avoid heaping inside silo and reduces quality variation.
- **CU-2** CLT circuit, belt conveyor replaced with diverting gate to improve operational efficiency.
- **CU-2** Raw Mill section all 06 rollers sealing arrangement modified to reduce false air ingress.
- **CU-2** Raw Mill circuit, 332 BC-3 belt skirt extended near chute area to reduce dust emission.
- **CU-2** RMH circuit, 121 BC-5 belt discharge chute angle changed to reduce frequent chute jamming tendency.
- **CU-2** RMH circuit, 232 BC-3 belt discharge chute angle changed to reduce frequent chute jamming tendency.
- **CU-2** Two additional air blaster installed in ABC inlet to reduce snowman formation tendency.
- **CU-2** Cooler hydraulic room exhaust fan installed to reduce room temperature and ambient air recirculation.
- **CU-2** Liquid AFR system additional 2 firing point installed at calciner to improve firing efficiency.
- **CU-2** Alkali bag house circuit, DCS logic interlock provided to stop the rotary air lock when the load of corresponding chain conveyor increases. This avoid material spillage and overload tripping of circuit and save energy.
- **CU-2** Cooler ESP circuit, DCS logic interlock provided to stop the rotary air lock when the load of corresponding chain conveyor increases. This avoid material spillage and overload tripping of circuit.
- **CU-2** Kiln outlet Tip-casting refractory application modified to enhance refractory life.
- **CU-1** Up-gradation of Cooler ESP to maintain dust emission norms.
- **CU-1** Up-gradation of Bag house to maintain dust emission norms.
- **CU-2** Modification in the purging system of Raw Mill Line 2 bag house to enhance the collection efficiency.
- **CU-2** Installation of metallic expansion joint in preheater down comer duct to reduce in false air ingress and reduction in power consumption of fan.
- **CU-2** CLT area 2 nos. 37 KW Bag filter fans were running continuously after stopping of DPC. Optimisation done in the same circuit.
- **TPP-1** APH tubes cleaning & replacement done to avoid false air in the circuit.
- **TPP-1** ESP area heavy leakages arrested to avoid false air in the circuit & reduce load of ID fan.
- **TPP-1** ESP retrofitting to be improve the dust collection.
- **TPP-1** condenser cleaning to improve the condenser efficiency.

(a) Conservation of Energy

- **TPP-1** Cooling tower retrofitting to improve the cooling performance and increasing the turbine efficiency.
- **TPP-1** coalfeeder replacement to avoid the breakdown and improve the availability.
- **TPP-2** APH tube replacement for improving the boiler efficiency (2 to 3%).
- **TPP-2** Flue gas duct bellows replacement to reducing air ingress. Improve the boiler efficiency and reduce the auxiliary power consumption.
- **TPP-2** coal feeder replacement to avoid the breakdown and improve the availability.
- **GU** Packing plant under rated motors power connection changed from delta to star to save power.
- **GU** Minimise idle running of the equipment and there by conserving the energy in cement manufacturing process.
- **GU** Clinker factor reduction increased usage of fly-ash in manufacturing of PPC.
- **QC** Increased use of Dry Fly Ash in PPC to reduce Clinker factor.
- **QC** Increased production of PPC and Blended Cement to reduce CO₂ emission.
- **CU-II** Conda nozzle purging system replaced with IFJN type purging system at Raw mill baghouse.
- **CU-II** Conda nozzle purging systems replaced with IFJN at Coal Mill baghouse.
- **Mines** OLBC belt replacement & making operational on feed from all 03 nos. samsun feeder at a time
- **CU-II** Limestone reclaimer -II harrow drive arrangement modified in to VFD driven arrangement.
- **CU-I** Preheater 3,4,5th cyclone diptube replacement to reduce sp. heat consumption.
- **CU-II** Clinker cooler all grate plates replacement & major repairing work.

(ii) The Steps taken by the Company for utilising alternate source of energy:

- Obtained regular permission for co processing of different types of hazardous & non-hazardous waste in fifth three categories under Hazardous & Other Waste (Management & Trans-boundary Movement) Rules.

(iii) The capital investment on energy conservation equipments:

Nil

(b) Technology Absorption

(i) The efforts made towards technology absorption:

- The MIS Cell & Energy Steering Committee is working on energy accounting and conservation programme by handling issues associated with it.
- The Company strives to implement latest technologies for energy efficiency, alternative resources & minimise adverse impact on environment.
- The regular energy audit is carried out by the third party to identify the area for improvement.
- Participation in National / International seminar.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Product improvement, cost reduction, product development & import substitution.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	State of the art technology
a) The details of technology imported;	N.A.
b) The year of import;	N.A.
c) Whether the technology been fully absorbed;	N.A.
d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	N.A.
(c) Research and Development	
(i) Specific areas in which R&D carried out by the Company	<ul style="list-style-type: none"> ■ Safety enhancement ■ Improvement in existing production process ■ Energy conservation. ■ Pollution Control ■ Alternative Fuel and Raw Material ■ Water conservation ■ Improvement in slump retention of OPC ■ Use of TPP fly ash & bed ash in raw mix. ■ Alternative of Laterite.
(ii) Benefits derived as result of the above R&D	<ul style="list-style-type: none"> ■ All Locations Reduction in specific water consumption. ■ QC Slump retention improved ■ QC Proper Disposal of waste and conservation of Natural resources ■ CU Clinker quality improvement by raw mix optimisation. ■ CU Reduction in specific clay consumption. ■ CU Improvement in clinker factor by adding high ash coal. ■ CU Development of rain water harvesting reservoir. ■ Mines Installation of Lighting Transformers (Power supply midpoint zero 110-0-110) in lighting system to enhance the electrical safety. ■ CU-2 Raw mill Feeding Belt 332BC2 & BC3 Permanent Magnet Fixed to reduced frequently operation of Diverter and reduced mill stoppages. ■ CU-2 Earthing provided at all Flange of coal conveying lines to Prevent short circuit and fire in Coal mill area. ■ GU Enhance fly ash addition in PPC. ■ GU Conversion of weigh feeder DC motors to AC motors to ease maintenance & avoid breakdown. ■ TPP-1 Replacement of sonic soot blowers with steam soot blowers to reduce APH chocking. ■ TPP-1 Remnant life assessment of L1 boiler. Testing of all pressure parts of boiler for healthy and safe operation.

(c) Research and Development**(iii) Future Plan of Action**

- **All Locations** – 220 KV Overhead line renovation jobs to avoid Blackout.
- **All Locations** – Relay coordination of CU, GU & TPP to avoid blackout.
- **Mines** overhead line to replace with overhead cable to avoid unwanted stoppage in monsoon.
- **Mines** Installation of high mast towers 08 nos. in Mines pit to improve the illumination.
- **CU-1** Up gradation of main PLC with advance version to avoid unwanted stoppages.
- **CU-1** Replacement of Pond Ash by using waste material of Iron Industries i.e. iron sludge & iron oxide in Raw Mix.
- **CU-1** Replacement of DC motor to AC motor at raw mill hopper.
- **CU-1** Reduction in transmission line losses by replacement of old phase conductor.
- **CU-1** Process fans SPRS to replace with MV drive to increase the power saving.
- **CU-1** Replacement of high efficiency fans in place of conventional fans for plant process fans.
- **CU-1** Conventional motors to be replaced with high efficiency motors.
- **CU-1** Pre-heater across false air to be reduced by 10%.
- **CU-1** Raw mill & Coal mill across false air to be reduced by 15%.
- **CU-2** Upgradation of cooling system in drive room to avoid unwanted stoppages.
- **CU-2** Upgradation of plant Analyser for better analysis of gases.
- **CU-2** Upgradation of cooling system in drive room to avoid unwanted stoppages.
- **CU-2** Modification of trenches cable trays in Bag house & Preheater areas to avoid unwanted stoppages.
- **CU-2** Preheater 4th stages seameted type dip-tube replacement to reduce Sp. Heat consumption.
- **CU-2** Kiln inlet sector plate replacement work to reduce spillage of material at kiln inlet.
- **CU-2** Linking Clinker loading terminal (CLT) weighment with SAP through RFID.
- **GU** Reduction in clinker factor in PPC by 1%.
- **GU** Up-gradation of clinker feeding circuit.
- **GU** Separation of fine clinker before feeding to HRP to improve the reliability.
- **GU** Installation of VFD in Compressor to save power.
- **GU** Removal of 02 Belt conveyors by chute to improve reliability.
- **TPP** – 01 Cooling tower structure replacement with FRP to improve the cooling efficiency and reduce the power consumption.
- **TPP** – 01 HP Heater 1 Internal tube repair work to improve turbine efficiency and reduce the Plant heat rate.
- **TPP** – 01 ESP collecting and emitting electrodes. Roof plate, both side plates, inlet, outlet ducts and hoppers replacement to meet GPCB emission norms as well as reduced the ID fan load.
- **TPP** – 01 Boiler furnace PA air nozzle cap repair work to reduce PA flow and improve fluidisation as well as better control the O2 level and improve the boiler efficiency.

(c) Research and Development

- **TPP** – 01 Bed ash conveying pipe and bend with cast basalt repair work to avoid the dust emission.
- **TPP** – 01 ACW pipe line replacement work to increase the ACW pump discharge pressure and increase the cooling efficiency.
- **TPP** – 01 Provision of purging air line from PA discharge after APH for Boiler all Coal feeder RAV to Reduce the compressed air and power consumption.
- **TPP** – 01 Woodward Upgradation Job to better control of operation parameters and increase the performance.
- **TPP** – 02 Boiler ID fan common suction duct bellow replacement to avoid the air ingress.
- **TPP** – Upgradation of Woodward sensitivity system for both TPP to avoid black- out.
- **TPP** – Upgradation of DCS system to avoid unwanted stoppages.
- **QC** CBA (Cross belt analyser) in LS belt conveyor to minimise the Lime stone quality deviation.
- **QC** Plan to procure new XRF for betterment of quality of clinker.
- **QC** Moisture analyser to be procured to enhance the precision of moisture calculation.
- **QC** Plan to procure new auto sampler for Kiln-2 to get the representative sample of clinker.

(iv) Expenditure on R&D

₹ 20.42 lakhs

Foreign Exchange Earnings & Outgo:

During the year under review, Foreign Exchange Earnings was NIL and Outgo was ₹ 16.01 crore.

Corporate Governance Report

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. The Company is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. Our robust corporate governance structure is based on well-structured policies and procedures that are the backbone of our governance philosophy. Our policies are formulated to ensure business continuity and to maintain a high quality throughout our operations.

This report is divided into following sections:



Courage, Trust and Commitment are the main tenants of our Corporate Governance Philosophy -

- **Courage:** we shall embrace new ideas and businesses.
- **Trust:** we shall believe in our employees and other stakeholders.
- **Commitment:** we shall standby our promises and adhere to high standards of business.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of

environmental balances and significant contribution in economic growth. The cardinal principles such as independence, accountability, responsibility, transparency, fair and timely disclosures, credibility, sustainability, etc. serve as the means for implementing the philosophy of corporate governance in letter and in spirit.

Governance principles

At the heart of the Company, governance commitment is a one tier Board system with Board of Directors of the Company ("Board") possessing a disciplined orientation and distinctive priorities.

Ethics and integrity: The Board is committed to the highest integrity standards. Directors commit to abide by

the 'Code of Conduct', regulations and policies under oath, endeavoring to demonstrate intent and actions consistent with stated values.

Responsible conduct: The Board emphasise the Company's role in contributing to neighborhoods, terrains, communities and societies. In line with this, the Company is accountable for its environment and societal impact, corresponded by compliance with laws and regulations. As a mark of responsibility, the Company's business extends beyond minimum requirements with the objective of emerging as a responsible corporate.

Accountability and transparency: The Boards engage in comprehensive financial and non-financial reporting, aligned to best practices relating to disclosures; it follows internal and/or external assurance and governance procedures.

Key pillars of Corporate Governance

Philosophy of the Company

- Accurate, uniform and timely dissemination of disclosures of corporate, financials and operational information to all stakeholders.
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in guiding strategies.

- Board Governance through specialised sub-committees in the areas of Audit, Risk Management, HR & Nomination, ESG, Corporate Social Responsibility and Stakeholders' Relationship etc.
- Compliance with all relevant laws in both form and substance.
- Effective and clear Governance structure with diverse Board, Board Committees and Senior Management.
- Robust risk management framework, strong foundation of Code of Conduct and business policies & procedures.
- Well-defined corporate structure that establishes checks, balances and delegation of authority at appropriate levels in the organisation.
- Transparent procedures, practices and decisions based on adequate information.
- Oversight of Board on Company's business strategy, major developments and key activities.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), as applicable.



Board of Directors

The Board is the highest authority for the governance and the custodian who push our businesses in the right direction and is responsible for the establishment of cultural, ethical, sustainable and accountable growth of the Company. The Board is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

composition is in conformity with the applicable provisions of Companies Act, 2013 ("**Act**"), SEBI Listing Regulations, as amended from time to time and other applicable statutory provisions.

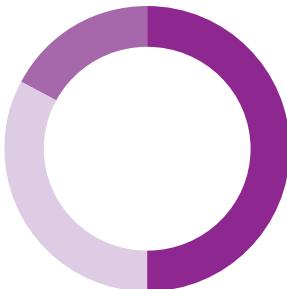
As on March 31, 2025, the Board consists of [Six] [(6)] Directors as follows:

S. No.	Category	Name of Director	% of Total Board size
1	Non-Executive Directors	i. Mr. Ajay Kapur, Chairman ii. Mr. Vinod Bahety	33.33%
2	Independent Directors	i. Mr. Sudhir Nanavati ii. Ms. Shruti Shah iii. Mr. Ravi Kapur	50.00%
3	Executive Director	i. Mr. Sukuru Ramarao	16.67%

Size and Composition

The Board of your Company comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors with 50% of the Board members comprising Independent Directors including an Independent Woman Director. The Board

Board Composition



● Independent Directors	50%
● Non-Executive Directors	33%
● Executive Directors	17%

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

No Director is related to each other.

Profile of Board of Directors

The profile of the Directors of the Company as on March 31, 2025 are as under:

1. Mr. Ajay Kapur (DIN: 03096416) (Non-Executive Chairperson, Non-Independent Director)

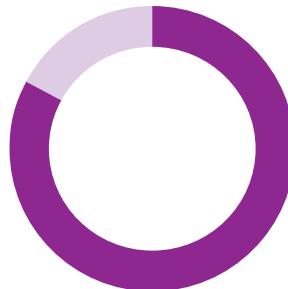
Mr. Ajay Kapur, aged 59 years, is a Non-Executive, Non-Independent Director of the Company w.e.f. December 7, 2023.

Mr. Ajay Kapur has 30+ years of experience in the cement and construction, power and heavy metals sector. He joined Ambuja Cement in 1993 as an Executive Assistant to the then Managing Director. He held various strategic positions over the last 2 decades and from 2014 to 2019, he served as the CEO and Managing Director of the Company. Prior to joining the Adani Group in June 2022, Mr. Ajay Kapur was CEO-Aluminium and Power and MD – Commercial at Vedanta Ltd. Most recently he served as CEO of Special Projects at Adani Ports and Special Economic Zone Ltd.

Mr. Kapur is an economics graduate from St. Xavier's University, Mumbai and an MBA from K.J. Somaiya Institute of Management. He has also attended the Advanced Management Programme at The Wharton School of the University of Pennsylvania. Mr. Kapur has been actively involved in various industry forums including CII, FICCI and ASSOCHAM.

Mr. Ajay Kapur does not hold any equity share of the Company as on March 31, 2025 in his individual capacity.

Board Gender Diversity



● Men	83%
● Women	17%

Mr. Ajay Kapur is on the board of the following public companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
1. Ambuja Cements Limited* (Whole Time Director & CEO)	1. Adani Cementation Limited (Non Executive Director)
2. ACC Limited# (Whole Time Director & CEO)	2. Adani Cement Industries Limited (Non Executive Director)
3. Sanghi Industries Limited (Non-Executive-Non-Independent Director-Chairperson)	

* appointed as the Managing Director w.e.f. 1st April 2025

ceased as Whole Time Director & CEO w.e.f. close of business hours on 31.03.2025

Mr. Ajay Kapur does not occupy the position of chairman of the audit committee and stakeholder relationship committee in any of the above companies.

Mr. Ajay Kapur is member of the following audit committee and/or stakeholders' relationship committee:

Name of the Companies	Name of the Committee
1. Ambuja Cements Limited	- Stakeholder Relationship Committee
2. ACC Limited	- Stakeholder Relationship Committee

2. Mr. Vinod Bahety (DIN: 09192400) (Non-Executive, Non-Independent Director)

Mr. Vinod Bahety, aged 49 years, is a Non-Executive, Non-Independent Director of the Company w.e.f. December 7, 2023.

Mr. Vinod Bahety has more than 26 years of corporate life at various leadership positions in manufacturing and finance industry. Prior to joining as CFO of Ambuja Cements Limited, he has been Group Head – Merger & Acquisition & Corporate Finance for Adani Group.

He has been instrumental in some of major M&A mandates for the Group. Earlier, in his stint in banking industry, Mr. Bahety has successfully led some of the largest mandates in infrastructure projects financing and contributed in nation building. He is a CA & CWA by qualification.

Mr. Vinod Bahety does not hold any equity share of the Company as on March 31, 2025 in his individual capacity.

Mr. Vinod Bahety is on the board of the following public companies:

Listed Public Companies	Other Public Companies
(Category of Directorship)	(Category of Directorship)
1. Sanghi Industries Limited (Non-Executive Director)	1. Marwar Cement Limited (Non-Executive Director)

Mr. Vinod Bahety does not occupy the position of a chairman in the audit committee and stakeholder relationship committee in any of the above companies.

Mr. Vinod Bahety is a member of following audit committee and/or stakeholders relationship committee

Name of the Companies Name of the Committee

1. Sanghi Industries Limited	- Stakeholder Relationship Committee
------------------------------	--------------------------------------

3. Mr. Sukuru Ramarao (DIN: 08846591) (Whole Time Director & CEO)

Mr. Sukuru Ramarao, aged 61 years is a Whole Time Director & CEO of the Company w.e.f. December 7, 2023.

Mr. Sukuru Ramarao has about 38 years of strong professional experience in building material space. Ramarao is a Chemical engineer from SV University Tirupati.

On February 2023 he was appointed as the Chief Operating Officer, Cement Business of Adani Group. Mr. S. Ramarao joined Ambuja Cements Limited in 1996 and in his twenty eight years of manufacturing experience in Ambuja Cements Limited he successfully managed multiple roles of increasing significance in entire spectrum of manufacturing such as production, quality control, efficiency/productivity improvement, Capex projects, plant operations etc.

Mr. Sukuru Ramarao is responsible for leading plant teams towards higher productivity through combination of capex/ opex initiatives/ adapting latest manufacturing practices and aim towards maximising productivity through process re-design/ optimised resource deployment. He is also responsible for defining strategy and lead Clusters/Plant teams in execution of all plant performance parameters to achieve manufacturing excellence.

He has played a key role in executing and delivering manufacturing excellence and cost savings through I CAN at Ambuja Cement.

Mr. Sukuru Ramarao does not hold any equity share of the Company as on March 31, 2025 in his individual capacity.

Mr. Sukuru Ramarao is on the board of the following public companies:

Listed Public Companies	Other Public Companies
(Category of Directorship)	(Category of Directorship)
1. Sanghi Industries Limited (Whole Time Director & CEO)	1. Pioneer Cement Industries Limited (Non-Executive Director)
	2. Penna Cement Industries Limited (Non-Executive Director)
	3. Ambuja Shipping Services Limited (Non-Executive Director)
	4. ACC Mineral Resources Limited (Non-Executive Director)
	5. Bulk Cement Corporation (India) Limited (Non-Executive Director)
	6. Adani Cement Industries Limited. (Non-Executive Director)
	7. Singhania Minerals Private Limited (Wholly Owned Subsidiary of ACC Limited) (Non-Executive Director)

Mr. Sukuru Ramarao does not occupy the position of a chairman in the audit committee and stakeholder relationship committee in any of the above companies.

Mr. Sukuru Ramarao is a member of the following audit committee and/or stakeholders' relationship committee:

Name of the Companies	Name of the Committee
1. Sanghi Industries Limited	- Stakeholder Relationship Committee
2. Pioneer Cement Industries Limited	- Audit Committee

4. Mr. Ravi Kapoor (DIN: 00003847) (Independent Director):

Mr. Ravi Kapoor, aged 62 years is an Independent Director of the Company w.e.f. December 7, 2023.

Mr. Ravi Kapoor, is a post graduate in commerce, a Fellow Member of ICSI, Post graduate diploma on Intellectual property from National Law School of India, Bangalore, an Insolvency Professional and has also cleared CAIIB examinations. With initial exposure as bank employee he shifted to private job as Company Secretary in 1989. After working with corporate for seven years started his independent practice in 1996. In his professional career he has been involved in handled various corporate level assignments, restructuring, mergers, including cross border merger and is also a Trade mark agent and advises his clients on IPR. Widely travelled has visited Frankfurt, Korea, London, Hong Kong, Dubai, Singapore, Indonesia on professional assignments. Has not only handled assignments as IRP/RP and Liquidator but has also submitted resolution plans for the clients.

He has been involved in institute activities since 1989 and had been Chairman of Ahmedabad Chapter of ICSI and also Chairman of Western India Regional Council.

Mr. Ravi Kapoor does not hold any equity share of the Company as on March 31, 2025 in his individual capacity.

Mr. Ravi Kapoor is on the board of the following public companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
1. Sanghi Industries Limited (Independent Director)	1. Spinel Energy & Infrastructure Limited (Non Executive Director)
2. Concord Biotech Limited (Non-executive/Non Independent)	2. S Surajkiran Renewable Resources Limited (Non Executive Director) 3. Adani Green Energy (UP) Limited (Non Executive Director)

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
---	--

4. Marine Infrastructure Developer Private Limited (Subsidiary of Public Limited Company) (Non Executive Director)
5. Wardha Solar (Maharashtra) Private Limited (Subsidiary of Public Limited Company) (Non Executive Director)
6. Kodangal Solar Parks Private Limited (Subsidiary of Public Limited Company) (Non Executive Director)

Mr. Ravi Kapoor does not occupy the position of a chairman in the audit committee and stakeholder relationship committee in any of the above companies. Mr. Ravi Kapoor is a member of the following audit committee and/or stakeholders relationship committee:

Name of the Companies	Name of the Committee
1. Sanghi Industries Limited	- Audit Committee
2. Sanghi Industries Limited	- Stakeholder Relationship Committee
3. Concord Biotech Limited	- Stakeholder Relationship Committee
4. Spinel Energy & Infrastructure Limited	- Audit Committee
5. Marine Infrastructure Developers Private Limited	- Audit Committee
6. Surajkiran Renewable Resources Limited	- Audit Committee
7. Adani Green Energy (UP) Limited	- Audit Committee
8. Wardha Solar (Maharashtra) Private Limited	- Audit Committee
9. Kodangal Solar Parks Private Limited	- Audit Committee

5. Ms. Shruti Shah (DIN: 08337714) (Independent Women Director):

Ms. Shruti Shah aged 45 years is an Independent Director of the Company w.e.f. December 7, 2023.

Ms. Shruti Shah is a Chartered Accountant by profession. She is a partner of Pravin P. Shah &

Company since August 2006. Earlier she worked as a manager with Haribhakti & Company and prior to that with Aneja Associates. She is engaged in providing Tax Advisory and Estate Planning Services. Shruti has over 15 years of rich and diverse experience in a various fields. Shruti has a degree in commerce from the NM College and a degree in law from JCCL, both under the University of Mumbai.

Ms. Shruti Shah does not hold any equity share of the Company as on March 31, 2025 in her individual capacity. Ms. Shruti Shah is on the board of the following public companies:

Listed Public Companies	Other Public Companies
(Category of Directorship)	(Category of Directorship)
1. Sanghi Industries Limited (Independent Director)	
2. Kalyani Investment Company Limited (Independent Director)	
3. Balkrishna Industries Limited (Independent Director)	
4. Jai Corp Limited (Independent Director)	
5. Kalyani Steels Ltd. (Independent Director)	
6. Ajmera Realty & Infra India Ltd. (Independent Director)	

Ms. Shruti Shah is a chairperson in the audit committee and/or stakeholder relationship committee of following companies :

Name of the Companies **Name of the Committee**

1. Sanghi Industries Limited	- Audit Committee
------------------------------	-------------------

Ms. Shruti Shah is a member of the following audit committee and/or stakeholders' relationship committee:

Name of the Companies **Name of the Committee**

1. Sanghi Industries Limited	- Stakeholder Relationship Committee
2. Balkrishna Industries Limited	- Audit Committee - Stakeholder Relationship Committee
3. Kalyani Steels Ltd.	Audit Committee
4. Kalyani Investment Company Ltd.	Audit Committee
5. Ajmera Realty & Infra India Ltd.	- Audit Committee - Stakeholder Relationship Committee

6. Mr. Sudhir Nanavati (DIN: 00050236) (Independent Director):

Mr. Sudhir Nanavati aged 78 years is an Independent Director of the Company w.e.f. June 23, 2022.

Mr. Sudhir Nanavati is a Commerce and Law Graduate (B.Com & L.L.B), Senior Advocate by profession. He is multifaceted, magnanimous, and charismatic personality shouldering responsibility as the President of GLS University. He is a Senior Advocate in the Gujarat High Court and the Supreme Court, with more than 50 years of legal experience. While he is widely known for his expertise and acumen in the legal domain, he has broad institution-building capabilities. One of the leading educationists, the Gujarat Law Society has made significant progress under his leadership. He is also an Honorary Doctorate recipient from Gujarat University for his noble service in the fields of legal education and social welfare. He is actively involved in various educational associations, including Forum of Private Universities, GSFC University, Shreyarth University, and National Law University, Delhi, to name a few. He is also appointed as Ambassador of Gujarat for "Swachh Bharat Abhiyan" by the Hon'ble Chief Minister of Gujarat State and the Government of India. He has been awarded "The Contemporary Achiever Award" by Divya Bhaskar, the "Gold Star Award" by the Indian Achievers Forum for Excellence in Education and the "Indian Achiever Award" by the Indo-Thai Business Community Forum.

Mr. Sudhir Nanavati does not hold any equity share of the Company as on March 31, 2025 in his individual capacity.

Mr. Sudhir Nanavati is on the board of the following public companies:

Listed Public Companies **Other Public Companies**

(Category of Directorship) **(Category of Directorship)**

1. Sanghi Industries Limited (Independent Director)	Sterling Abrasives Limited (Non-Executive Director)
---	---

Mr. Sudhir Nanavati is a chairman in audit committee and/or stakeholder relationship committee of following companies :

Name of the Companies **Name of the Committee**

1. Sanghi Industries Limited	- Stakeholder Relationship Committee
------------------------------	--------------------------------------

Mr. Sudhir Nanavati is a member in the audit committee and/or stakeholder relationship committee of following companies:

Name of the Companies **Name of the Committee**

1. Sanghi Industries Limited	- Audit Committee
------------------------------	-------------------

Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.	Financial Expertise Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.	Risk Management Ability to understand and assess the key risks to the organisation. Legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.	Global Experience Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition Ability to assess 'build or buy' & timing of decisions, analyse the fit of a target with the Company's strategy and evaluate operational integration plans.	Corporate Governance & ESG Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the Company and protecting stakeholders interest.	Technology & Innovations Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, datacentre, data security etc.	Industry and Sector Experience Knowledge and experience in the business sector to provide strategic guidance to the management in fast changing environment.

Please refer Governance - Board of Directors - ESG Overview Section of this Annual Report for the key skills, expertise and core competencies of the members of Board.

Directors' selection, appointment and tenure:

The Directors of the Company are appointed / re-appointed by the Board on the recommendation of the Nomination and Remuneration Committee and approval of the Shareholders at the General Meeting(s) or through means of Postal Ballot. In accordance with the Articles of Association of the Company and provisions of the Act, all the Directors, except the Managing Director and Independent Directors, of the Company, are liable to retire by rotation at the Annual General Meeting ("AGM") each year and, if eligible, offer their candidature for re-appointment. The Executive Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of employment with the Company.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and Listing Regulations.
- In keeping with progressive governance practices, it has resolved to appoint all new Independent Directors for a maximum term of up to 3 (three) years for up to 2 (two) such terms.

None of the Independent Director(s) of the Company resigned during the year before the expiry of their tenure.

In compliance with Regulation 26 of the SEBI Listing Regulations, none of the Directors is a Director of more than 10 (ten) Committees or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Board is a member of more than 10 (ten) committees and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies.

Any person who becomes Director or Officer, including an employee who is acting in a managerial or supervisory capacity, shall be covered under Directors' and Officers' Liability Insurance Policy. The Policy shall also covers those who serve as a Director, Officer or equivalent of an subsidiaries / joint ventures / associates at Company's request. The Company has provided insurance cover in respect of legal action against its Directors under the Directors' and Officers' Liability Insurance.

Independent Directors

The Independent Directors are the Board members who are required to meet baseline definition and criteria on 'independence' as set out in Regulation 16 of SEBI Listing Regulations, Section 149(6) of the Companies Act, 2013 read with rules and Schedule IV thereto and other applicable regulations. In terms of Regulation 25(8) of Listing Regulations, Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

Accordingly, based on the declarations received from all Independent Directors, the Board has confirmed that Independent Directors of the Company fulfill the conditions specified in the Companies Act, 2013 and SEBI Listing Regulations and are independent of the management. Further, the Independent Directors confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs. As mentioned earlier in this report, the Board included 3 (three) Independent Directors as on March 31, 2025.

The Company issues formal letter of appointment to the Independent Directors at the time of their appointment / re-appointment. The terms and conditions of the appointment of Independent Directors are available on the Company's website at

https://www.sanghicement.com/wp-content/uploads/SIL_ID_Terms_Conditions_Appointment.pdf.

Board Meetings and Procedure

Meetings Schedule and Agenda

The schedule of the Board meetings and Board Committee meetings are finalised in consultation with the Board members and communicated to them in advance. The Board Calendar for the financial year 2025-26 has been disclosed later in this report and has also been uploaded on the Company's website. Additional meetings are called, when necessary, to consider the urgent business matters.

All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

The Board devotes its significant time in evaluation of current and potential strategic issues and reviews Company's business plans, corporate strategy and risk management issues based on the markets it operates in and in light of global industry trends and developments to help achieve its strategic goals.

The Chief Financial Officer and other Senior Management members are invited to the Board and Committee meetings to present updates on the items being discussed at the meeting. In addition, the functional heads of various business segments/ functions are also invited at regular intervals to present updates on the respective business functions.

Availability of information to the Board

The Board has complete and unfettered access to all relevant information within the Company, to the Senior Management and all the auditors of the Company. Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information is circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. In order to transact some urgent business, which may come up after circulation of agenda papers, the same is placed before the Board by way of Table Agenda

or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering Finance and operations of the Company, terms of reference of the Committees, business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly/ half yearly/ annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

During the year under review, Board met **8 (Eight)** times on:

1 April 22, 2024	2 April 27, 2024	3 May 1, 2024	4 July 29, 2024
5 October 26, 2024	6 December 17, 2024	7 January 27, 2025	8 March 27, 2025

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum gap between two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The attendance of the Board members at the Board meetings and the Annual General Meeting of the Company held during FY 2024-25, is as follows:

Name of Director	AGM held on June 26, 2024	Board Meetings								Total Board meetings held during tenure	Board meetings attended	% of attendance
		1	2	3	4	5	6	7	8			
Mr. Ajay Kapur										8	8	100%
Mr. Vinod Bahety										8	8	100%
Mr. Sukuru Ramarao										8	8	100%
Ms. Shruti Shah										8	8	100%
Mr. Sudhir Nanavati										8	5	62.5%
Mr. Ravi Kapoor										8	8	100%



Attended through video conference



Leave of absence



Attended in Person

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10 (j) of schedule V of the SEBI Listing Regulations.

Meeting of Independent Directors

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. They also have separate meeting(s) with the Chairman of the Board, to discuss issues and concerns, if any. The Independent Directors met twice during the Financial Year 2024-25, on December 17, 2024 and March 27, 2025. The Independent Directors

inter alia discuss the issues arising out of the Committee Meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors..

Independent Directors meeting held 2 (two) times during the Financial Year 2024-25 on:

1

December 17, 2024

2

March 27, 2025

Name of Director	Independent Director Meeting		Held during the tenure	Total Attended	% of attendance
	1	2			
Ms. Shruti Shah			2	2	100%
Mr. Sudhir Nanavati			2	2	100%
Mr. Ravi Kapoor			2	2	100%

Attended through video conference
 Leave of absence
 Attended in Person

The Company appointed an independent external agency Talentionic HR Solutions Private Limited ("Talentionic") for carrying out performance evaluation of Individual Directors including Chairperson, Committees of the Board and Board as a whole.

Talentionic conducted the One-O-One meetings with all the Directors of the Company and prepared a detailed performance evaluation report of Individual Directors, Chairperson, Committees and the Board as a whole and placed before the meeting of Independent Directors and the same was discussed at length at their meeting.

The Independent Directors appreciated the initiative taken by the Management of the Company for opting to conduct the Evaluation of Performance of Individual Directors, Committees and the Board as a whole from Independent external agency in a professional manner and they were satisfied with the overall functioning of the committees and the Board as a whole.

Further, Statutory Auditors also have independent access to the members of the Audit Committee to discuss internal audit effectiveness, control environment and their general

feedback. The Independent Directors also have access to Secretarial Auditor, Cost Auditor and the management for discussions and questions, if any.

Directors' Induction and Familiarisation

The Board Familiarisation Programme comprises of the following:

- Induction Programme for Directors including Non-Executive Directors
- Immersion sessions on business and functions; and
- Strategy sessions

All new directors are taken through a detailed induction and familiarisation programme when they join the Board of the Company. The induction programme is an exhaustive one that covers the history and culture of Adani portfolio of Companies, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Deep dives and immersion sessions are conducted by senior executives on their respective functions. Key aspects that are covered in these sessions include:

- Industry / market trends
- Company's operations including those of major subsidiaries
- Growth Strategy
- ESG Strategy and performance

As part of familiarisation programme, the Company conducts Directors' Engagement Series where the Board is apprised about critical topics such as global trends in the domain of ESG, Capital Market, Risk Management, Credit Profile, Financial Controls beside general awareness about other Adani portfolio companies and key developments. During the year 6 (six) such events were conducted with sessions on Cyber Security, IT Initiatives, ESG Trends in India, Customer Centricity, HR Initiatives, Internal Audit Framework, Communication Strategy and Artificial Intelligence. Each event has a minimum of two sessions followed by Q&A session. Site visits are also organised during one or two such events.

Apart from the above, the Company also organises an annual strategy meet with the Board to deliberate on various topics related to strategic planning, progress of ongoing strategic initiatives, risks to strategy execution and the need for new strategic programmes to achieve the Company's long-term objectives. This serves the dual purpose of providing the Board members a platform to bring their expertise to various strategic initiatives, while also providing an opportunity for them to understand detailed aspects of execution and challenges relating to the specific theme.

In summary, through above events/meetings, members of the Board get a comprehensive and balanced perspective on the strategic issues facing the Company, the competitive differentiation being pursued by the Company, and an overview of the execution plan. In addition, this event allows the members of the Board to interact closely with the senior leadership of the Company.

Remuneration Policy:

The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivise them to develop and implement the

Group's Strategy, thereby enhancing the business value and maintain a high-performance workforce. The Policy ensures that the level and composition of remuneration of the Directors is optimum.

i) Remuneration to Non-Executive Directors:

The Non-Executive Independent Directors are paid sitting fees of ₹ 75,000 for attending each Board and Audit Committee meeting and ₹ 35,000 each for attending other committee meetings along with actual reimbursement of expenses, incurred for attending such meeting of the Board and Committees.

In addition to Sitting fees, the Non-Executive Independent Directors are also paid Participation fees for attending Directors' Engagement Series events as approved by the Board of Directors in their meeting held on October 26, 2024 and by shareholders through postal ballot on March 30, 2025.

The Company has adopted a Directors' & Officers' Liability Insurance Policy.

ii) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

iii) Remuneration to Executive Directors:

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organisations. The pay structure of Executive Directors has appropriate success and sustainability metrics built in. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), to its Executive Directors

within the limits prescribed under the Act is approved by the Board of Directors and by the Members in the General Meeting.

The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committee.

Details of Remuneration:

i) Non-Executive Directors:

The details of sitting fees for attending Board and Committee meetings and participation fees for attending Directors' Engagement Series events paid to Non-Executive Independent Directors during the financial year 2024-25 are as under:

(₹ in lakhs)

Name	Sitting Fees	Participation Fees *	Total
Ms. Shruti Shah	13.15	5.50	18.65
Mr. Sudhir Nanavati	9.10	2.50	11.60
Mr. Ravi Kapoor	14.30	3.50	17.80
Total	36.55	11.50	48.05

- Participation fees for attending Directors' Engagement Series events as approved by the Board of Directors in their meeting held on 26th October 2024 and by shareholders through postal ballot on March 30, 2025.

Other than sitting fees and participation fees to Non-Executive Independent Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive Directors of the Company. The Company has not granted stock options to Non-Executive Directors.

ii) Executive Directors:

There is no sitting fee and participation fees for attending Directors' Engagement Series events paid to Executive Director. The Company has not paid any remuneration to Executive Directors.

iii) Details of shares of the Company held by Directors as on March 31, 2025 are as under:

Name	No. of Shares held
Mr. Ajay Kapur	Nil
Mr. Vinod Bahety	Nil
Mr. Sukuru Ramarao	Nil
Ms. Shruti Shah	Nil
Mr. Sudhir Nanavati	Nil
Mr. Ravi Kapoor	Nil



Board Committees

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good

governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

As on March 31, 2025, the Board has constituted the following committees / Sub-committees:



The Summary of Board committee wise membership as on March 31, 2025 is as under:



*Chairperson of respective committee

Statutory Committees:

Audit Committee (AC)

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Audit Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. A detailed charter of the Audit Committee is available on the website of the Company at <https://www.sanghicement.com/wp-content/uploads/Audit-Committee-Charter.pdf>

The Audit Committee comprise solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

Terms of Reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

Sr. No.	Terms of Reference	Frequency
1	To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.	
2	To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the Company.	
3	To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof.	

Sr. No.	Terms of Reference	Frequency
4	To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:	
A	Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013.	
B	Changes, if any, in accounting policies and practices and reasons for the same.	
C	Major accounting entries involving estimates based on the exercise of judgement by the management.	
D	Significant adjustments made in the financial statements arising out of audit findings.	
E	Compliance with listing and other legal requirements relating to financial statements.	
F	Disclosure of any related party transactions.	
G	Modified opinion(s) in the draft audit report.	
5	To review, with the management, the quarterly financial statements before submission to the board for approval.	
6	To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.	
7	To review and monitor the Auditor's independence and performance, and effectiveness of audit process.	
8	To approve all related party transaction and subsequent material modifications, thereof.	
9	To scrutinise inter-corporate loans and investments.	
10	To undertake valuation of undertakings or assets of the Company, wherever it is necessary.	
11	To evaluate internal financial controls and risk management systems.	
12	To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems.	
13	To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.	
14	To discuss with internal auditors of any significant findings and follow up there on.	
15	To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.	
16	To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.	
17	To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.	
18	To review the functioning of the Vigil Mechanism / Whistle Blower Policy of the Company.	

Sr. No.	Terms of Reference	Frequency
19	To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.	
20	To review financial statements, in particular the investments made by the Company's unlisted subsidiaries.	
21	To review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 atleast once in a financial year and verify that the systems for internal control are adequate and are operating effectively.	
22	To review the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.	
23	To oversee the Company's disclosures and compliance risks, including those related to climate.	
24	To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.	
25	To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon.	
26	To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines.	
27	To review and recommend to the Board for approval – Business plan, Budget for the year and revised estimates.	
28	To review Company's financial policies, strategies and capital structure, working capital and cash flow management.	
29	To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee.	-
30	To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations.	
31	To review management discussion and analysis of financial condition and results of operations.	
32	To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors.	
33	To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.	

Frequency				
	Annually	Quarterly	Half yearly	Periodically

Meetings, Attendance & Composition of the Audit Committee:

The Audit Committee met 8 (Eight) times during the Financial Year 2024-25 on:

 1	 2	 3	 4
April 22, 2024	April 27, 2024	July 29, 2024	September 26, 2024
 5	 6	 7	 8
October 26, 2024	December 17, 2024	January 27, 2025	March 27, 2025

The intervening gap between two meetings did not exceed 120 days.

The composition of Audit Committee and details of attendance of the members during FY 2024-25 are given below:

Name of Director	Audit Committee Meetings								Held during the tenure	Total attended	% of attendance
	1	2	3	4	5	6	7	8			
Ms. Shruti Shah									8	8	100%
Mr. Sudhir Nanavati									8	5	62.5%
Mr. Ravi Kapoor									8	8	100%

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Finance Controller and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Audit Committee also meets the Internal and Statutory Auditors separately, without the presence of Management representatives.

Chairperson of the Audit Committee attended the last AGM held on June 26, 2024 to answer the shareholders' queries.

Nomination and Remuneration Committee

All the members of the Nomination and Remuneration Committee ("NRC") are Independent Director. A detailed charter of the NRC is available on the website of the Company at:

<https://www.sanghicement.com/wp-content/uploads/Nomination-and-Remuneration-Committee-Charter.pdf>

Terms of reference:

The powers, role and terms of reference of Committee covers the areas as contemplated under the Listing Regulations and Section 178 of the Act. The brief terms of reference of NRC are as under:

Sr. No.	Terms of Reference	Frequency
1	To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.	
2	To evaluate the balance of skills, knowledge and experience on the Board while appointing an Independent Director and based on such evaluation, prepare a description of the roles and capabilities required of an Independent Director. For the purpose of identifying suitable candidates, the Committee may:- a) Use the services of an external agencies, if required. b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and c) Consider the time commitments of the candidates.	
3	To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of directors.	
4	To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.	
5	To devise a policy on diversity of Board of Directors.	
6	To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.	
7	To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.	

Sr. No.	Terms of Reference	Frequency
8	To review and recommend remuneration of the Managing Director(s) / Whole - time Director(s) based on their performance.	○
9	To recommend to the Board, all remuneration, in whatever form, payable to senior management.	○
10	To review, amend and approve all Human Resources related policies.	○
11	To ensure that the management has in place appropriate programmes to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system.	○
12	To oversee workplace safety goals, risks related to workforce and compensation practices.	○
13	To oversee employee diversity programmes.	○
14	To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management).	○
15	To oversee familiarisation programme for Directors.	○
16	To recommend the appointment of one of the Independent Directors of the Company on the Board of its Material Subsidiary.	○
17	To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.	○

Frequency	○	○
Annually	○	○
Periodically	○	○

Meeting, Attendance & Composition of NRC:

NRC met 5 (Five) times during the Financial Year 2024-25 on:

1	2	3	4	5
April 27, 2024	July 29, 2024	October 26, 2024	January 27, 2025	March 27, 2025

The composition of NRC and details of attendance of the members during FY 2024-25 are given below:

Name of Director	NRC Meetings					Held during the tenure	Total attended	% of attendance
	1	2	3	4	5			
Mr. Ravi Kapoor	○	○	○	○	○	5	5	100%
Ms. Shruti Shah	○	○	○	○	○	5	5	100%
Mr. Sudhir Nanavati	✗	✗	✗	○	○	5	2	40%

 Attended through video conference	 Leave of absence	 Attended in Person	 Chairman
---	--	--	--

The Company Secretary acts as the Secretary to the NRC. The minutes of each NRC meeting are placed in the next meeting of the Board.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of Directors ("SRC") comprises of 3 (three) members, with a majority of Independent Directors. A detailed charter of the SRC is available on the website of the Company at:

<https://www.sanghicement.com/wp-content/uploads/Stakeholders-Relationship-Committee-Charter.pdf>

Terms of Reference:

The powers, role and terms of reference of SRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of SRC are as under:

Sr. No.	Terms of Reference	Frequency
1	To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.	
2	To review the measures taken for effective exercise of voting rights by shareholders.	
3	To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.	
4	To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.	
5	To review engagement programmes with investors, proxy advisors, etc. and to oversee investors movement (share register).	
6	To review engagement with rating agencies (Financial, ESG etc.).	
7	To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts / unclaimed shares to the IEPF.	
8	To suggest and drive implementation of various investor-friendly initiatives.	
9	To approve and register transfer and / or transmission of securities, issuance of duplicate security certificates, issuance of certificate on re-materialisation and to carry out other related activities.	
10	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.	

Frequency	Annually	Quarterly	Half yearly	Periodically
				

Meeting, Attendance & Composition of the SRC:

SRC met 4 (Four) times during the Financial Year 2024-25 on:

			
April 27, 2024	July 29, 2024	October 26, 2024	January 27, 2025

The composition of SRC and details of attendance of the members during FY 2024-25 are given below:

Name of Director	NRC Meetings				Held during the tenure	Total attended	% of attendance
	1	2	3	4			
Mr. Sudhir Nanavati	☒	☒	☒	☒	4	2	50%
Mr. Ravi Kapoor	☒	☒	☒	☒	4	4	100%
Mr. Sukuru Ramarao	☒	☒	☒	☒	4	4	100%
Mr. Vinod Bahety	☒	☒	☒	☒	4	4	100%

 Attended through video conference	 Leave of absence	 Attended in Person	 Chairman
---	--	--	--

The Company Secretary acts as the Secretary to the Committee. The minutes of each SRC meeting are placed in the next meeting of the Board.

Compliance Officer

In terms of the requirement of Listing Regulations, Mr. Anil Agrawal, Company Secretary is the Compliance Officer of the Company.

Details of Investor Complaints

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

During the Financial Year 2024-25, twenty four complaints were received.

24

Complaints

Investor Complaints at the beginning	Investor Complaints Received	Investor Complaints Disposed	Investor Complaints Unresolved
1	24	23	2

Corporate Social Responsibility Committee

The Corporate Social Responsibility ("CSR") Committee comprise of 3 (three) members, with a majority of Independent Directors. A detailed charter of the CSR Committee is available on the website of the Company at:

<https://www.sanghicement.com/wp-content/uploads/Corporate-Social-Responsibility-Committee-Charter.pdf>

Terms of reference:

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

Sr. No.	Terms of Reference	Frequency
1	To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof.	
2	To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy.	

Sr. No.	Terms of Reference	Frequency
3	To recommend to the Board the amount of expenditure to be incurred on the CSR activities.	
4	To monitor the implementation of framework of CSR Policy.	
5	To review the performance of the Company in the areas of CSR.	
6	To institute a transparent monitoring mechanism for implementation of CSR projects/activities undertaken by the Company.	
7	To recommend extension of duration of existing project and classify it as ongoing project or other than on-going project.	
8	To submit annual report of CSR activities to the Board.	
9	To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board.	
10	To review and monitor all CSR projects and impact assessment report.	
11	To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.	

Frequency			
Annually			
Half yearly			
Periodically			

Meeting, Attendance & Composition of the CSR Committee:

CSR Committee met 2 (two) times during the Financial Year 2024-25 on:



The composition of CSR Committee and details of attendance of the members during FY 2024-25 are given below:

Name of the Director	CSR Meetings	Held during the tenure	Total Attended	% of attendance
	1	2		
Mr. Ravi Kapoor			2	2
Mr. Sudhir Nanawati			2	1
Ms. Shruti Shah			2	100%
Mr. Ajay Kapur			2	100%
Attendance (%)				

	Attended through video conference		Leave of absence			Attended in Person		Chairman
--	-----------------------------------	--	------------------	--	--	--------------------	--	----------

The Company Secretary acts as the Secretary to the Committee. The minutes of each CSR meeting are placed in the next meeting of the Board.

Risk Management Committee

The Risk Management Committee ("RMC") comprises of 3 (three) members, with all Independent Directors. A detailed charter of the Risk Management Committee is available on the website of the Company at:

<https://www.sanghicement.com/wp-content/uploads/Risk-Management-Committee-Charter.pdf>

Terms of reference:

The powers, role and terms of reference of RMC covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of RMC are as under:

Sr. No.	Terms of Reference	Frequency
1	To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan.	
2	To review and approve the Enterprise Risk Management ('ERM') framework.	
3	To formulate a detailed risk management policy which shall include: <ul style="list-style-type: none"> a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee. b) Measures for risk mitigation including systems and processes for internal control of identified risks. c) Business continuity plan Oversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks. d) Oversee regulatory and policy risks related to climate change, including review of state and Central policies. 	
4	To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company.	
5	To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.	
6	To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action.	
7	To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity.	
8	To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration.	
9	To review and approve Company's risk appetite and tolerance with respect to line of business.	
10	To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions.	
11	To review and recommend to the Board various business proposals for their corresponding risks and opportunities.	
12	To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed.	
13	To form and delegate authority to sub-committee(s), when appropriate.	

Sr. No.	Terms of Reference	Frequency
14	To oversee suppliers' diversity.	
15	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.	-

Frequency	 Annually	 Quarterly	 Half yearly	 Periodically
-----------	--	---	--	--

Meeting, Attendance & Composition of the RMC:

RMC met 4 (four) times during the Financial Year 2024-25 on:

	April 27, 2024		July 29, 2024		October 26, 2024		January 27, 2025
---	----------------	---	---------------	---	------------------	---	------------------

The composition of RMC and details of attendance of the members during FY 2024-25 are given below:

Name of Director	NRC Meetings				Held during the tenure	Total attended	% of attendance
	1	2	3	4			
Ms. Shruti Shah					4	4	100%
Mr. Sudhir Nanavati					4	2	50%
Mr. Ravi Kapoor					4	4	100%

 Attended through video conference  Leave of absence  Attended in Person  Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each RMC meeting are placed in the next meeting of the Board.

The Company has a risk management framework to identify, monitor and minimise risks.

Senior Managerial Personnel

As on March 31, 2025, following are the Senior Managerial Personnel (SMP) who are also the Key Managerial Personnel of the Company:

Sr. No.	Name	Designation
1	Mr. Sukuru Ramarao	Whole Time Director & Chief Executive officer
2	Mr. Sanjay Kumar Khajanchi	Chief Financial Officer
3	Mr. Anil Agrawal	Company Secretary & Compliance Officer



General Body Meetings

Annual General Meetings:

The details of last three Annual General Meetings ("AGMs") are as follows:

Financial Year	Location / Mode	Day, date and time (IST)	Special resolution passed
2023-24		Wednesday June 26, 2024 at 2:00 PM	No Special Resolution was passed in the Annual General Meeting held on June 26, 2024.
2022-23		Thursday September 14, 2023 at 11:00 AM	<ul style="list-style-type: none">Affirmation of the payment of existing remuneration to Shri Ravi Sanghi holding DIN: 00033594, Chairman and Managing Director of the Company with effect from September 1, 2023, for his remaining tenure of appointment.Re-appointment of Shri Nirubha B. Gohil holding DIN: 05149953 as a Whole Time Director for further period of three years with effect from December 22, 2023Alteration of the Articles of Association of the Company by addition of the new Article 81A providing for appointment of a person nominated by the debenture trustee as a director on its Board.
2021-22		Saturday September 17, 2022 at 11:00 AM	<ul style="list-style-type: none">Re-appointment of Shri Aditya Sanghi (holding DIN: 00033755) as a Whole Time Director for further period of five years and to fix the remuneration for a period of three years with effect from September 6, 2022.Re-appointment of Shri Alok Sanghi (holding DIN: 00033506) as a Whole Time Director for further period of five years and to fix the remuneration for a period of three years with effect from September 6, 2022Re-appointment of Smt. Bina Engineer (holding DIN: 01653392) as a Whole Time Director for further period of five years and to fix the remuneration for a period of three years with effect from September 6, 2022.Re-appointment of Shri Sundaram Balasubramanian (holding DIN: 02849971) as an Independent Director for a further period of five years with effect from November 9, 2022 and to continue to avail his services as an Independent Director on his attaining the age of 75 years.Appointment of Shri G. M. Yadwadkar (holding DIN: 01432796) as an Independent Director for a period of five years with effect from June 23, 2022.Appointment of Shri Sudhir Nanavati (holding DIN: 00050236) as an Independent Director for a period of five years with effect from June 23, 2022 and to continue to avail his services as an Independent Director on his attaining the age of 75 years.



Held through video conference

All the resolutions proposed by the Directors to shareholders in last three years are approved by shareholders with requisite majority.

Voting results of the last AGM is available on the website of the Company at: <https://www.sanghicement.com/investors/>

Postal Ballot:

Whether special resolutions were put through postal ballot last year, details of voting pattern:

Following special resolution was put through postal ballot during (FY 2024-25):

a) **Approval for raising of funds by issue of Non Convertible Cumulative Redeemable Preference Shares on Private Placement basis to Ambuja Cements Limited, Holding Company.**

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of Shares held	20,28,36,040	10,03,663	5,44,86,297	25,83,26,000
No. of Votes polled	18,65,95,402	1,82,399	1,94,871	18,69,72,672
No. of Votes – in favor	18,65,95,402	1,82,399	1,92,368	18,69,70,169
% of Votes in favor on votes polled	100.00	100.00	98.72	100.00
No. of Votes – against	-	-	2,503	2,503
% of Votes against on votes polled	-	-	1.28	0.00

Scrutinizer for postal ballot:

The Board had appointed Mr. Chirag Shah, Practicing Company Secretary (Membership Number FCS: 5545 COP: 3498) as the Scrutinizer for conducting the postal ballot (e-voting process) in a fair and transparent manner.

b) **Approval for payment of participation fees to Non Executive & Independent Directors for attending Directors Engagement Series Events**

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of Shares held	19,37,44,040	30,02,534	6,15,79,426	25,83,26,000
No. of Votes polled	15,00,45,102	7,64,574	6,76,813	15,14,86,489
No. of Votes – in favor	15,00,45,102	7,64,574	6,17,673	15,14,27,349
% of Votes in favor on votes polled	100.00	100.00	91.26	99.96
No. of Votes – against	-	-	59,140	59,140
% of Votes against on votes polled	-	-	8.74	0.04

Scrutinizer for postal ballot:

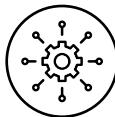
The Board had appointed Mr. Raimeen Maradiya, Partner, Chirag Shah and Associates, Practicing Company Secretary (Membership No. 11283 & C.P. No. 17554) as the Scrutinizer for conducting the postal ballot (e-voting process) in a fair and transparent manner.

Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing of a resolution through postal ballot.

Procedure for postal ballot:

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time shall be complied with, whenever necessary.



Key Codes, Policies and Frameworks:

Code of Conduct:

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company <https://www.sanghicement.com/policies/>. All Board Members and Senior Management Personnel have affirmed compliance of the Code. A declaration signed by Whole Time Director & CEO to this effect is attached to this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Act.

Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical or improper activities and financial irregularities. No person has been denied access to the chairman of the Audit Committee. The Audit Committee monitors and reviews the investigations of the whistle blower complaints. The said policy is uploaded on the website of the Company at:

<https://www.sanghicement.com/policies/>

O

Whistle Blower Complaints

During the year under review, no cases were reported under the whistle blower policy.

Anti-Corruption, Anti-Bribery & Conflict of Interest Policy

It is Company's endeavor to conduct its business in an honest and ethical manner. Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever it operates. Company's designated personnel are strongly prohibited from engaging in any form of unethical activity. This includes a prohibition against direct bribery and indirect bribery, including payments that can be routed through third parties. If any employee, partner vendor, supplier, stakeholder suspects or becomes aware of any potential bribery involving the employee, it is incumbent upon the person to report it to the Vigilance and Ethics Officer.

A copy of the said Policy, is available on the website of the Company at:

<https://www.sanghicement.com/wp-content/uploads/Anti-Corruption-and-Anti-Bribery-Policy-1.pdf>

Code on prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has formulated the Code of Conduct for Prevention of Insider Trading ("Code") to regulate and monitor trading by Designated Persons ("DPs") and their immediate relatives.

The Code, inter alia, lays down the procedures to be followed by DPs while trading/ dealing in Company shares/ derivatives and while sharing Unpublished Price Sensitive Information (UPSI). The Code includes the obligations and responsibilities of DPs, obligation to maintain the structured digital database, mechanism for prevention of insider trading and handling of UPSI, process to familiarise with the sensitivity of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall be carried out etc.

A report on insider trading, covering trading by DPs and various initiatives/ actions taken by the Company under the PIT Regulations is also placed before the Audit Committee on quarterly.

The Company periodically circulates the informative e-mails along with the FAQs on Insider Trading Code, Do's and Don'ts etc. to the employees (including new employees) to familiarise them with the provisions of the Code. The Company also conducts frequent workshops/ training sessions to educate and sensitise the employees / designated persons.

Policy on Related Party Transactions

The Company has adopted the Policy on Related Party Transactions ("RPTs") in line with the requirements of the Act and SEBI Listing Regulations, as amended from time to time, which is available on the website of the Company at:

https://www.sanghicement.com/wp-content/uploads/SIL_Related_Party_Txn_Policy-1.pdf

The Policy intends to ensure that proper reporting, approval, disclosure processes are in place for all transactions between the Company and related parties. This Policy specifically deals with the review and approval of Material RPTs, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All RPTs by the Company and RPTs by the subsidiary companies, exceeding their respective standalone turnover, were placed before the Audit Committee for review and prior approval. Prior omnibus approval is obtained for RPTs on a yearly basis, for the transactions which are of repetitive nature and/ or entered in the ordinary course of business and are at arm's length. All RPTs entered during the year were in ordinary course of business and on arm's length basis.

The Company had also obtained the prior approval of shareholders for the material RPTs entered into during the Financial Year 2024-25.

Risk Management Framework

The Company has established an Enterprise Risk Management ("ERM") framework to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks. In line with the Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organised approach to evaluate and manage risks. Risk assessment monitoring is included in the Company's annual Internal Audit programme and reviewed by the Audit Committee / Risk Management Committee at regular intervals. In compliance with Regulation 17 and 21 of the SEBI Listing Regulations, the Board of Directors has formulated a Risk Management Policy for framing, implementing and monitoring the risk management plan for the Company.

The Board is periodically updated on the key risks, steps and processes initiated for reducing and, if feasible, eliminating various risks. Business risk evaluation and management is an ongoing process within the Company.

Detailed update on risk management framework has been covered under the risk section, forming a part of the Integrated Annual Report.

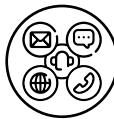
Policy on Material Subsidiary

Your Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The Policy on Material Subsidiary is available on the website of the Company at

https://www.sanghicement.com/wp-content/uploads/SIL_Material-Subsidiary_Policy_.pdf

Apart from above, the Company has adopted many other mandatory and non-mandatory policies, which are available on Company's website at

<https://www.sanghicement.com/policies/>



Key Codes, Policies and Frameworks:

Website:

The Company has dedicated "Investors" section on its website viz. www.sanghiment.com/, wherein any person can access the corporate policies, Board committee charters, Annual Reports, financial results, investor presentation and shareholding details etc.

Announcement of material information:

All the material information, requisite announcements and periodical filings are being submitted by the Company electronically through web portals of NSE and BSE, where the equity shares of the Company are listed.

Media Releases:

All official media releases are submitted to NSE and BSE and also being uploaded on the website of the Company.

Quarterly financial results:

The financial results were published in prominent daily newspapers viz. Financial Express (English daily) and Financial Express (Gujarati daily – vernacular) and were also uploaded on the website of the Company.

Annual Report and AGM

Annual Report containing audited standalone financial statements together with Report of Board of Directors, Management Discussion and Analysis Report, Corporate Governance Report, Auditor's Report and other important information are circulated to the Members. In the AGM, the Shareholders also interact with the Board and the Management.

Registrar and Share Transfer Agent:

MUFG Intime India Private Limited (earlier known as Link Intime India Private Limited) are acting as Registrar and Share Transfer Agent of the Company. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

Name, Designation and Address of the Compliance Officer:

Mr. Anil Agrawal,

Company Secretary and Compliance Officer
"Adani Corporate House", Shantigram,
Near Vaishno Devi Circle, S. G. Highway,
Khodiyar, Ahmedabad – 382 421
E-mail ID: companysecretary.sil@adani.com

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Integrated Annual Report to Shareholders at their e-mail address previously registered with the depositories or the Company's Registrar and Share Transfer Agent.

In line with the SEBI Listing Regulations, the Company has emailed soft copies of its Integrated Annual Report to all those Shareholders who have registered their email address for the said purpose. With reference to MCA General Circular No. 20/2020 dated May 5, 2020 and MCA Circular dated May 5, 2022 and MCA General Circular No. 11/2022 dated December 28, 2022, 9/2023 dated September 25, 2023 and 9/2024 dated September 19, 2024 read with the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, Companies have been dispensed with the printing and dispatch of Annual Reports to Shareholders. Hence, the Annual Report of the Company for the financial year ended March 31, 2025, would be sent through email to the Shareholders who have registered their email address(es) either with the listed entity or with any depository.

We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the RTA/Company, to receive soft copies of the Annual Report and other information disseminated by the Company. Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA/Company, by sending KYC updation forms duly signed by the shareholder(s) with required details.

Please note that all documents relating to Annual General Meeting shall be available on the Company's website.



General Shareholder Information

38th Annual General Meeting:



Date & Time

Thursday, June 26, 2025
at 4.30 PM (IST)



Mode: Video Conferencing / Other Audio Visual Means

Instructions for attending AGM/ Remote e-voting:

Refer notice of AGM

E-voting details

Starts: Monday, June 23, 2025 from 9.00 AM (IST)
Ends: Wednesday, June 25, 2025 at 5.00 PM (IST)

E-voting at AGM

E-voting facility shall also remain open during the AGM and 15 minutes after AGM

Cut-Off Date

Thursday, June 19, 2025

Dividend Distribution Policy:

The Dividend Distribution Policy of the Company is available on the website of the Company at:
<https://www.sanghicement.com/policies/>

Company Registration Details:

The Company was registered in the State of Telangana, India and had its registered office at Sanghinagar PO. Hayatnagar Mandal, Ranga Reddy District, Telangana – 501 511.

During the year, the 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 the Company is also changed to "CIN: L18209GJ1985PLC157787".

Financial Year - 2025-26

Quarter
ending on

Tentative
and Subject
to change

June,
2025

Monday,
July 28,
2025

September,
2025

Tuesday,
October 28,
2025

December,
2025

Tuesday,
January 27,
2026

March,
2025

Monday,
April 27,
2026

Listing on Stock Exchanges:

Equity Shares

The Equity Shares of the Company are listed with the following stock exchanges:

Name and Address of Stock Exchange	Code
BSE Limited (BSE) Floor 25, P. J Towers, Dalal Street, Mumbai – 400 001	526521
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	SANGHIIND

The annual listing fee for the Financial Year 2025-26 has been paid to both NSE and BSE.

ISIN of your Company is INE999B01013.

Listing of Debt Securities:

As on March 31, 2025, no Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures were outstanding on the Wholesale Debt Market Segment of BSE Limited.

Details of Debenture Trustees (for privately placed Debentures):

None

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments conversion date and likely impact on equity:

There were no outstanding GDRs/ ADRs/ Warrants or any convertible instruments as at March 31, 2025.

Name of Depositories	Address of Depositories
National Securities Depository Limited (NSDL)	Trade World, 4 th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
Central Depository Services (India) Limited (CDSL)	25 th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400 013

Registrar and Transfer Agents:

M/s. MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) is appointed as Registrar and Transfer Agent ("RTA") of the Company for both Physical and Demat Shares. The registered office address is given below:

Address: C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai - 400 083

Tel: +91-22-4918 6270 | **Fax:** +91-22-4918 6060

E-mail: rnt.helpdesk@in.mpms.mufg.com | **Website:** <https://in.mpms.mufg.com>

They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

The Shareholders are requested to correspond directly with the R&T Agent for transfer/transmission of shares, change of address, queries pertaining to their shares, dividend etc.

Transfer of unpaid / unclaimed amounts and shares to Investor Education and Protection Fund (IEPF):

In terms of the Section 125 and 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividend amount that remains unclaimed for a period of seven years or more is required to be transferred to the IEPF administered by the Central Government, along with the corresponding shares to the demat account of IEPF Authority.

Since the Company has never declared dividend, there is no instance of transfer of unpaid / unclaimed dividend amounts and shares to IEPF.

Share Transfer System Dematerialisation of Shares and Liquidity thereof:

As on March 31, 2025, the entire equity share capital of the Company i.e. ₹ 258.33 crore divided into 25,83,26,000 Equity Shares of ₹ 10/- each is held in dematerialised form. The Company's shares are compulsorily traded in dematerialised form and are available for trading with the Stock exchanges i.e. BSE and NSE. The shareholders can hold the Company's shares with any depository participant, registered with the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited.

The demat security (ISIN) code for the equity share is INE999B01013

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtain certificates from a practicing Company Secretary (i) on a yearly basis to the effect that all the transfers are completed within the statutory stipulated period and (ii) on a quarterly basis regarding reconciliation of the share capital audit of the Company confirming that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. A copy of these certificates so received are submitted to both the Stock Exchanges viz. NSE and BSE.

All share related communication should be addressed to RTA of the Company at the address given above.

There was no instance of suspension of trading in Company's shares during FY 2024-25.

Details of Shareholding

Distribution of Shareholding as on March 31, 2025:

No. of shares	2025				2024			
	Equity Shares in each category		Number of shareholders		Equity Shares in each category		Number of shareholders	
	Total Shares	% of total	Holders	% of total	Total Shares	% of total	Holders	% of total
1-500	85,25,771	3.30	70,346	84.89	58,98,441	2.28	49,128	84.62
501-1000	49,23,091	1.91	6,100	7.36	34,10,327	1.32	4,147	7.15
1001-2000	48,10,678	1.86	3,147	3.80	31,49,350	1.22	2,039	3.51
2001-3000	27,73,072	1.07	1,081	1.30	20,92,805	0.81	811	1.40
3001-4000	17,24,617	0.67	478	0.58	14,07,091	0.54	389	0.67
4001-5000	20,88,663	0.81	439	0.53	19,51,525	0.76	408	0.70
5001-10000	52,68,632	2.04	698	0.84	42,44,154	1.64	553	0.95
10001 & above	22,82,11,476	88.34	579	0.70	23,61,72,307	91.43	584	1.00
Total	25,83,26,000	100.00	82,868	100.00	25,83,26,000	100.00	58,059	100.00

Category-wise shareholding Pattern as on March 31, 2025:

Category	Total No. of Shares	% of holding
Promoter and Promoter Group	19,37,44,040	75.00
Total (A)		
Mutual Funds	5,14,081	0.20
Alternative Investment Funds	13,78,300	0.53
NBFCs registered with RBI	64,000	0.02
Foreign Portfolio Investors	9,24,472	0.36
Non Resident Indians	13,57,373	0.53
Clearing Member	1,007	0.00

Category	Total No. of Shares	% of holding
Bodies Corporate	1,08,11,772	4.19
Indian Public and others	4,95,30,955	19.17
Total (B)	6,45,81,960	25.00
Total (A) + (B)	25,83,26,000	100.00

Commodity Price Risk/Foreign Exchange Risk and Hedging:

Commodity Risk

Commodity price risk for your Company is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of your Company. Since the energy costs is one of the primary cost drivers, any fluctuation in fuel prices can lead to a drop in operating margin. To manage this risk, your Company take following steps:

1. Optimising the fuel mix, pursue longer term and fixed contracts where considered necessary.
2. Consistent efforts to reduce the cost of power and fuel by using both domestic and international coal and petcoke.
3. Use of alternative Fuel and Raw Materials (AFR) and enhancing the utilisation of renewable power including its onsite and offsite solar, wind, hydro power and Waste Heat Recovery System (WHRS).

Foreign Currency Risk

The Company's payables and receivables are partly in foreign currencies and due to fluctuations in foreign exchange rates, it is subject to Currency risks. The Company has in place a robust risk management framework for identification and monitoring and mitigation of foreign exchange risks. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework. For further details on the above risks, please refer the Enterprise Risk Management section of the Management Discussion and Analysis Report.

Credit Rating:

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies as given below:

International Rating

Rating Agency	Type of Instrument / facility	Rating / Outlook
-	-	-

Domestic Rating

Rating Agency	Type of Instrument / facility	Rating / Outlook
India Rating & Research Pvt. Ltd.	Proposed Bank Loan	IND AA / Rating Watch with Positive Implications / IND A1+

Communication details:

Particulars	Contact	Email	Address
For Corporate Governance, and other Secretarial related matters	Mr. Anil Agrawal , Company Secretary & Compliance Officer	Companysecretary.sil@adani.com	Sanghi Industries Limited Registered Office: "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421
For queries relating to Financial Statements	Mr. Deepak Balwani , Head – Investor Relations	deepak.balwani@adani.com	
Registrar and Share Transfer Agent	MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)	rnt.helpdesk@in.mpms.mufg.com	C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083 Telephone: +91-22-4918 6270 Fax: +91-22-4918 6060

Details of Corporate Policies:

Details of corporate policies are provided as a part of Directors' Report, forming integral part of this Integrated Annual Report.

Dispute Resolution Mechanism at Stock Exchanges (SMART ODR):

As per SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, a common Online Dispute Resolution Portal (ODR Portal) has been established for investors to facilitate online conciliation and arbitration of disputes related to securities. Investors can now opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA regarding delays or defaults in processing investor service requests. This is in addition to the existing SCORES system, where investors initially lodge their complaints or grievances against the Company.

If an investor is not satisfied with the resolution provided by the Company, RTA, or SCORES, they may initiate the Online Dispute Resolution process through the ODR Portal at <https://smartodr.in/login> The link to the ODR Portal is also displayed on the Company's website at <https://www.sanghicement.com/investors/>



Other Disclosures

Compliance with Non-mandatory Requirements:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

The Board:

The Board of Directors periodically reviewed the compliance of all the applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations.

The Company has a Non-Executive Chairman and hence, the need for implementing the non-mandatory requirement i.e., maintaining a chairperson's office at the Company's expense and allowing reimbursement of expenses incurred in performance of his duties, does not arise.

Shareholders' Right:

The Company ensures that the disclosure of all the information is disseminated on a non-discretionary basis to all the Shareholders. The quarterly results along with the press release, investor presentations, recordings and transcripts of earnings call are uploaded on the website of the Company www.sanghicement.com. The same are also available on the sites of stock exchanges (BSE and NSE) where the shares of the Company are listed.

Audit Qualification:

Your Company's Financial Statements are unqualified.

Reporting of Internal Auditor:

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

Separate posts of Chairperson and Chief Executive Officer:

Mr. Ajay Kapur is the Chairman and Mr. Sukuru Ramarao is a Chief Executive Officer of the Company. Both these

positions have distinct and well-articulated roles and responsibilities. They are not related to each other.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

Independent of Audit Committee:

All the members of the Committee are Non-Executive Independent Directors.

Other Disclosures:

Disclosure of Related Party Transactions:

During the year, all related party transactions entered into by the Company were in the ordinary course of business and were at arm's length basis and were approved by the members of Audit Committee, comprising only of the Independent Directors. The Company had sought the approval of shareholders through postal ballot passed on May 18, 2024 for material related party transactions for the FY 2024-25. The details of Related Party Transactions are disclosed in financial section of this Integrated Annual Report. The Board has adopted a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Board's approved policy for related party transactions is uploaded on the website of the Company at: https://www.sanghicement.com/wp-content/uploads/SIL_Related_Party_Txn_Policy-1.pdf

Disclosure of accounting treatment in preparation of Financial Statements

The Company follows the guidelines of Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 together with Ind AS issued by the Institute of Chartered Accountants of India.

Fees paid to Statutory Auditors:

Total fees for all services paid by the Company, on a standalones basis, to the Statutory Auditors (including fees for erstwhile Statutory Auditors) and all entities in the network firm / network entity of which the Statutory Auditors is a part, is given below:

Payment to Statutory Auditors

Particulars	₹ in Crore	
	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Statutory audit fees	0.20	0.18
Special purpose audit fees	-	0.21
Limited review fees	0.29	0.05
Other services	0.01	-
Reimbursement of expenses	0.01	-
	0.51	0.44

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosures regarding the complaints of sexual harassment are given in the Board's Report forming part of this Integrated Annual Report.

Compliance with Capital Market Regulations during the last three years:

There has been no instance of non-compliance by the Company and no penalty and/ or stricture has been imposed by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Details of the Company's material subsidiary (as per Regulation 15 and Regulation 24 of the SEBI Listing Regulations)

The Company does not have material unlisted subsidiary during the FY 2024-25.

Contributions:

The Company has not made any contributions to / spending for political campaigns, political organisations, lobbyists or lobbying organisations, trade associations and other tax-exempt groups.

Code of Conduct:

The Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

A declaration signed by the Chief Executive Officer affirming the compliance with the Code of Conduct by the

Board Members and Senior Management Personnel of the Company is appended as an annexure to this report.

Conflict of Interest:

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

Details of Loans and Advances by the Company in the nature of loans to firms/ companies in which Directors are interested:

There are no loans and advances by the Company in the nature of loans to firms/companies in which Directors are interested.

Proceeds from public issues, rights issues, preferential issues etc.

The Company discloses to the Audit Committee, the uses/ application of proceeds/funds raised from public issues, rights issues, preferential issues etc. as part of the quarterly review of financial results whenever applicable.

During the year under review, the Company issued and allotted 220 crore, 8% Non-convertible Cumulative Redeemable Preference Shares (RPS) of face value of ₹ 10 each at par aggregating to ₹ 2200 crore on private placement basis.

Governance Policies:

The Company has also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at: <https://www.sanghicement.com/policies/>.

As a part of good governance practice, the Company has also constituted several policies from ESG perspective and the same are available on Company's website at: <https://www.sanghicement.com/policies/>

Details of the familiarisation programmes imparted to the Independent Directors are available on the website of the Company at: <https://www.sanghicement.com/policies/>.

The NRC regularly reviews the leadership succession plan for ensuring appropriate succession in appointments to the Board and to Senior Management positions. Appropriate balance of skills and experience is maintained within the organisation and the Board with an objective to augment new perspectives while maintaining experience and continuity. <https://www.sanghicement.com/wp-content/uploads/Nomination-and-Remuneration-Policy.pdf>

Statutory Certificates:

CEO / CFO Certification

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CEO and CFO of the Company was placed before the Board. The same is provided as an annexure to this report.

Company Secretary certificate on Corporate Governance

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from CS Parikh Dave & Associates, Practising Company Secretaries, affirming compliance of Corporate Governance requirements during FY 2024-25 and the same is attached to this Report.

Certificate from Secretarial Auditor pursuant to Schedule V of the Listing Regulations

A certificate from CS Parikh Dave & Associates, Practising Company Secretaries, pursuant to Schedule V of the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2025, is annexed to this report.

Senior Management

There was no change in Senior Managerial Personnel (SMP) who are also the Key Managerial Personnel (KMP) of the Company during the Financial Year 2024-25 compared to previous financial year. As on March 31, 2025, the SMP who are also KMP are as under:

Sr, No.	Name	Designation
1	Mr. Sukuru Ramarao	Whole Time Director & Chief Executive officer
2	Mr. Sanjay Kumar Khajanchi	Chief Financial Officer
3	Mr. Anil Agrawal	Company Secretary & Compliance Officer

Directors' details:

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the 38th AGM to be held on Thursday, June 26, 2025.

Compliance with Secretarial Standards:

The Company complies with all applicable secretarial standards.

Compliance Certificate on Corporate Governance

To,
 The Members,
Sanghi Industries Limited
 CIN: L18209GJ1985PLC157787

We have examined all relevant records of **SANGHI INDUSTRIES LIMITED** for the purpose of certifying compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time for the year ended on March 31, 2025.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither

an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the further viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

On the basis of the examination of the records produced, explanations and information furnished, we certify that the Company has complied with the applicable conditions of the Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Parikh Dave & Associates**
 Company Secretaries

Umesh G. Parikh
 Practicing Company Secretary
 Partner
 ICSI Unique Code No.: P2006GJ009900
 Peer review Certificate No.: 6576/2025
 FCS NO. 4152 C.P. NO. 2413
 UDIN: F004152G000214978

Place : Ahmedabad
 Date: April 28, 2025

Certificate of Non-disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of

Sanghi Industries Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sanghi Industries Limited** having CIN L18209GJ1985PLC157787 and having registered office at Adani Corporate House, Shantigram, Nr. Vaishnodevi Circle, S G Highway, Khodiyar, Ahmedabad – 382421" (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Ajay Kapur	03096416	07/12/2023
2.	Mr. Sudhir Nanavati	00050236	23/06/2022
3.	Mr. Ravi Kapoor	00003847	07/12/2023
4.	Ms. Shruti Shah	08337714	07/12/2023
5.	Mr. Sukuru Ramarao	08846591	07/12/2023
6.	Mr. Vinod Bahety	09192400	07/12/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh Dave & Associates**
Company Secretaries

Umesh G. Parikh
Practicing Company Secretary
Partner

ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 6576/2025
FCS NO. 4152 C.P. NO. 2413
UDIN: F004152G000214802

Place : Ahmedabad
Date: April 28, 2025

Declaration

I, Sukuru Ramarao, Whole Time Director and CEO of the Sanghi Industries Limited hereby declare that as of March 31, 2025, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Board of Directors and Senior Management Personnel laid down by the Company.

For and on behalf of the Board of Directors

Place: Ahmedabad

Date: April 28, 2025

Sukuru Ramarao

Chief Executive Officer

Certification by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2025 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2025 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
 - a) There have been no significant changes in internal control system during the year;
 - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Ahmedabad

Date: April 28, 2025

Sukuru Ramarao
Chief Executive Officer

Sanjay Kumar Khajanchi
Chief Financial Officer

Business Responsibility & Sustainability Reporting

Annexure II

SECTION A : GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity : L18209GJ1985PLC157787
2. Name of the Listed Entity : Sanghi Industries Limited
3. Year of incorporation : 1985
4. Registered office address : Adani Corporate House, Shantigram,
Near Vaishnodevi Circle, S.G. Highway, Khodiyar,
Daskroi, Ahmedabad- 382421,
Gujarat, India
5. Corporate address : Adani Corporate House, Shantigram,
Near Vaishnodevi Circle, S.G. Highway, Khodiyar,
Daskroi, Ahmedabad- 382421,
Gujarat, India
6. E-mail : companysecretary.sil@adani.com
7. Telephone : 079-2656 5555
8. Website : <http://www.sanghicement.com/>
9. Financial year for which reporting is being done : Apr 2024 to Mar 2025
10. Name of the Stock Exchange(s) where shares are listed : BSE
NSE
11. Paid-up Capital : ₹ 258.33 Crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BCSR report : Name: Neeru Bansal
Address: Adani Corporate House,
Shantigram, Near Vaishno Devi Circle, S.G. Highway,
Ahmedabad – 382421
Contact:+919825386934
Email ID: neeru.bansal@adani.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). : The disclosures under this report is made on standalone basis.
14. Name of assurance provider : TUV India Pvt. Ltd.
15. Type of the assurance obtained : Limited Assurance as per International Standard Assurance Engagement (ISAE) 3000 (revised) and ISAE (3410)

II. Products/services

16. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Cement, Clinker	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Cement, Clinker	23941	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	1	2
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	5
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c. A brief on types of customers

Individual Home Builders, Developers, Infrastructure projects, Masons and Contractors, and Professionals, etc.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees					
1. Permanent (D)	249	245	98.39%	4	1.61%
2. Other than Permanent (E)	0	0	0.00%	0	0.00%
3. Total employees (D + E)	249	245	98.39%	4	1.61%
Workers					
4. Permanent (F)	7	7	100.00%	0	0.00%
5. Other than permanent (G)	0	0	0.00%	0	0.00%
6. Total workers (F + G)	7	7	100.00%	0	0.00%

b. Differently abled Employees and workers:

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees					
1. Permanent (D)	2	2	100.00%	0	0.00%
2. Other than Permanent (E)	0	0	0.00%	0	0.00%
3. Total differently abled employees (D + E)	2	2	100.00%	0	0.00%
Differently Abled Workers					
4. Permanent (F)	0	0	0.00%	0	0.00%
5. Other than permanent (G)	0	0	0.00%	0	0.00%
6. Total differently abled workers (F + G)	0	0	0.00%	0	0.00%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	% (B/A)
Board of Directors	6	1	16.67%
Key Management Personnel	3	0	0.00%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2024-25 (Turnover rate in Current Financial Year)			FY 2023-24 (Turnover rate in Previous Financial Year)			FY 2022-23 (Turnover rate in the year prior to the Previous Financial Year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.91%	20.00%	23.97%	54.73%	94.79%	55.56%	53.20%	1.07%	54.27%
Permanent Workers	98.32%	0.00%	98.32%	30.88%	100.00%	31.81%	24.60%	1.20%	25.80%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary/ associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Ambuja Cements Limited	Holding Company	58.08%	Yes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in ₹ Crores): 962.6
(iii) Net worth (in ₹ Crores): 612.41

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://www.sanghicement.com/contacts/	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes companysecretary.sil@adani.com	0	0	NA	0	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes companysecretary.sil@adani.com	24	2	NA	19	1	NA
Employees and workers	Yes https://www.sanghicement.com/contacts/	0	0	NA	0	0	NA
Customers	Yes https://www.sanghicement.com/contacts/	0	0	NA	0	0	NA
Value Chain Partners	Yes https://www.sanghicement.com/contacts/	0	0	NA	0	0	NA
Other (please specify)		0	0	NA	0	0	NA

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity (R/O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate and Energy	Risk and Opportunity	<p>Risk - Climate change poses multiple physical risks like flooding, temperature rise, water stress etc. Emerging and potential regulations may introduce or escalate regulatory risks. These extreme weather events can cause infrastructure damage, may hinder the supply chain network affecting timely delivery of raw materials and finished products. It may also cause power outages and affect the manufacturing processes.</p> <p>Opportunity - Energy cost is a major cost in cement manufacturing. We continuously strive to reduce our specific thermal energy consumption and specific electrical energy consumption to optimize our energy costs. In addition, it is directly related to carbon emissions and by optimising energy consumption, we can lower our carbon emissions.</p>	<p>The Company has approximately 35% of products in its portfolio which are blended products with lower carbon footprint.</p> <p>Further, we are investing more and more in renewal energy and green energy from WHRS. In addition, we have set ambitious targets for Thermal Substitution Rates (TSR) by using alternate fuels.</p>	Negative/Positive

S. No. Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)	
2	Air quality	Risk	Exposure to dust, SOx, NOx and other pollutants from cement plants can lead to respiratory issues among employees and nearby communities. This may lead to increased costs associated with healthcare for affected employees, and insurance premiums. The company may also face opposition, protests and even legal restrictions on its operations.	We focus on improving air quality in the plant & surrounding area. We monitor the plants' stack emissions through the Continuous Emission Monitoring System. We work on upgradation of electrostatic precipitators and replacement of damaged bags to control dust emissions. We take primary and secondary measures to control NOx emissions.	Negative
3	Circular Economy	Opportunity	Circular economy offers great opportunity to lower the use of natural resources and fossil fuels in cement production and reduces carbon emissions.	-	Positive
4	Water management	Risk and Opportunity	Risk - Water being a shared resource, it is essential for business to use it in a responsible way. These risks comprise conflicts with local communities and stakeholders over water rights and usage, potential water scarcity or quality issues due to over-extraction or pollution, and regulatory constraints on water abstraction permits or discharge standards.	Opportunity - By demonstrating commitment to conserving water resources, we can build stronger relationships with local communities and government. This will help us in securing and maintaining social license to operate, especially in water-stressed regions.	Negative / Positive

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity (R/O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Biodiversity	Risk and Opportunity	<p>Risk- Land disturbance and habitat fragmentation from operational activities can lead to biodiversity degradation.</p> <p>Opportunity- Restored ecosystems can provide long-term environmental benefits, including enhanced ecosystem services such as water filtration, carbon sequestration, and soil preservation. These benefits not only contribute to global environmental goals but also can have positive economic implications for the company and local communities in the long run.</p>	<p>We adhere to Indian national regulations and assess the impacts on biodiversity and ecosystem services through set KPIs. This helps in conservation of ecosystem.</p>	Negative/Positive
6	Sustainable Construction	Opportunity	<p>Intervention of sustainable practices and technologies such as substitute cementitious materials, CO₂ capture in the built environment, and efficient concrete use help drive down carbon emissions from cement production and hence help to reduce the carbon footprint.</p>	-	Positive
7	Human Capital Development	Opportunity	<p>Through continuous learning and development and strengthened employee relations, we can mitigate succession planning risks, address skills gaps and ensure continuity of leadership and expertise. It will also help in being competitive in the marketplace and stay ahead of trends. Human Capital development will also contribute to an overall learning culture in the organisation.</p>	-	Positive
8	Diversity and Inclusion	Opportunity	<p>Employee diversity leads to increased creativity and innovation, improved communication and teamwork, and a greater understanding and appreciation of different cultures. Additionally, a diverse workforce can help to attract and retain top talent and can provide a competitive advantage for organisations.</p>	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Human Rights	Risk and Opportunity	<p>Risk - Concerns related to child/forced labour, discrimination or any other human rights-related aspects within the workforce and value chain may lead to statutory violations which may negatively impact the brand image.</p> <p>Opportunity - Alignment with the human rights principles and procedures safeguard the employees and value chain partners and ensure zero incidents of non-compliance with regards to International and National Human Rights Standards and Regulations.</p>	<p>We are committed to respecting and promoting human rights across the value chain by inculcating a human rights policy. The policy is in line with The Universal Declaration of Human Rights, Social Accountability 8000 (SA8000) Standard and International Treaties & Conventions related to Human Rights.</p>	Negative/Positive
10	Occupational Health and Safety	Risk and Opportunity	<p>Risk - Failure to protect workers from occupational hazards can result in legal action, fines, and compensation claims against the company. These risks can lead to significant financial liabilities and damage the company's reputation. Also, potential employees may hesitate from joining the company, and current employees may leave if they perceive their health and safety are not adequately protected, leading to challenges in attracting and retaining a skilled workforce.</p> <p>Opportunity - By prioritising the well-being of all employees and workers, the company can enhance its employer brand, making it a more attractive place to work. Employees are more likely to join and stay with a company that prioritises their well-being, leading to lower turnover rates and higher employee satisfaction.</p>	<p>We have developed safety initiatives including competency development, training, audits, inspections, surveys, WeCare initiatives, Critical Control Management to prevent unwanted events, and especial cross-functional teams to drive process safety. Also, we conduct safety audits across our manufacturing sites to ensure that the actions are timely closed and implemented</p>	Negative/Positive
11	Community Relations	Opportunity	<p>Uplifting livelihood opportunities improves community relations which is essential for the social license to operate. Also, a healthy community will ensure availability of strong local labour force, if required at any given point of time.</p>	-	Positive
12	Customer Relationship Management	Opportunity	<p>CRM empowers to build a positive customer experience based on relevant, real-time information and customer needs that matters to the business. It would enable data driven decision making, improved customer experience and hence drive growth in business by increasing loyalty and enhancing relations.</p>	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity (R/O)	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
13	Corporate Governance and business ethics	Opportunity	Effective governance mechanism in the organisation gives an opportunity of building greater trust among the stakeholders and creates long-term value for them.	-	Positive
14	Risk Management	Opportunity	Enhanced Risk awareness and in-place emergency preparedness plans help to better foresee risks that may emerge due to climate change, regulations, and geopolitical developments. This helps to stay one step ahead and ensure business continuity and regulatory resilience.	-	Positive
15	Sustainable Supply Chain	Risk & Opportunity	Risk - Improper usage of resources, human rights violations, non-compliance with Supplier Code of Conduct, zero adoption of sustainable practices by suppliers can adversely impact the environment, social well-being, value chain and brand image. Additionally, it might also lead to cases of regulatory non-compliances and fines. Opportunity - The company can leverage suppliers near operations to reduce costs, for greater control, quicker response and helps in cutting down significant emissions related to transportation.	Supply chain and sourcing process has a direct impact on the environment and communities such as emissions, circular economy, water usage, biodiversity, material usage and human rights. We have taken measures to ensure an optimum supply chain with competent suppliers.	Negative/Positive
16	Information technology and data privacy	Risk & Opportunity	Risk - Instances of information security breaches could lead to loss of sensitive data of customers including personal information. It could also lead to increased media scrutiny resulting in a loss of stakeholder trust, company reputation and regulatory fines or penalties. Opportunity - In the ever-evolving landscape of digitalization and innovation, monitoring and analysis of data in real time would lead to quicker identification and resolution of issues. As a result, this will ensure management of systems and processes more effectively.	With increased digitization, and heavy dependence on technology systems, it has become critical for us to ensure implementation of SOPs and policies, conduction periodic internal and external (third-party) audits and tests to check the resilience of the IT infrastructure from hackers, cyber-attacks, malware etc.	Positive and Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC (National Guidelines on Responsible Business Conduct) Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.sanghicement.com/policies/								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes /certifications /labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusteas) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company is duly certified as per ISO 9001, ISO 14001 & ISO 45001 standards. The Portland Pozzolana Cement (PPC) conforms to the IS 1489 (Part 1): 1991 Portland Pozzolana Cement Standard and Portland Slag Cement (PSC) conforms to IS 455: Portland Slag Cement Standards.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ol style="list-style-type: none"> 1. Reduction in Energy consumption intensity 2. Reduction in GHG emissions 3. Increase the capacity of Waste recovery system (WHRS) 4. Increase the utilisation of AFR 5. Increase the number of beneficiaries 6. Zero harm vision to life. 								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Ongoing Activity								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of the disclosure	<p>At our Cement Business, we are dedicated to sustainability, innovation, and social responsibility. Our mission is to minimize our ecological footprint and foster a low-carbon future by reducing our carbon emissions. Beyond environmental care, we invest in community wellbeing and social inclusion, empowering communities to thrive.</p> <p>Aligned with our Group's vision, we integrate social and environmental factors into our operations and decisions, driving efficiency, decarbonization, and industry redefinition. We are committed to upholding ESG principles and are proud of our progress towards a sustainable and socially responsible future.</p> <p>This year, our unwavering focus on innovation and sustainability has been crucial for our long-term success. We have invested in cutting-edge technologies to enhance operational efficiency, reduce our carbon footprint, and promote a circular economy. By embracing the circular economy, we harness alternative fuels and raw materials, reducing our dependency on finite resources. This approach not only ensures sustainability but also fosters innovation.</p>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Reflecting on our achievements, we remain committed to driving sustainable growth, creating value for our stakeholders, and leaving a positive impact on the world. With a focus on excellence, we are well-positioned to shape a brighter and more sustainable future.								
	Digitization plays a significant role in our growth strategy, transforming our value chain from quarry to lorry. By leveraging technologies like Industry 4.0, AI, mobile platforms, GPS, and data analytics, we make informed decisions daily. These pillars drive us towards a sustainable, efficient, and environmentally responsible future.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Sukuru Ramarao (DIN: 08846591); Designation: CEO & Whole Time Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, The CEO & Whole Time Director of the Company referred at Point No. 8 is responsible for the decision making on the sustainability related issues of the Company.								
10. Details of Review of NGRBCs by the Company:									

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Board through its CEO & Whole Time Director Mr. Sukuru Ramarao or the Internal Committees assess the performances of the referred policies.									Quarterly and Annually.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The CEO & Whole Time Director / Concerned Head of Departments confirms the compliances with the statutory requirements of relevant principles and rectification of any noncompliances, if any, which in turn is placed before the internal committee of the Board.									Annual and / or on regular basis from time to time.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Yes. Internal Controls and Processes are put in place and its assessment and monitoring is being done by an external agency.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									Not Applicable
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	18	Business Strategy and Key Performance Matrix	100%
		Finance, Banking & Money Market	100%
		Governance (Regulations, M&A, changing business environment)	100%
		Human resource management & capability building, culture	100%
		Industry, manufacturing, business dynamics	100%
		Digital Initiatives & Digital Dividend	67%
		Cyber security landscape	67%
		FY24 Performance (Financials, ESG, Credit)	67%
		Customer Centricity	50%
		Risk Management Framework	50%
		Employee Relations	50%
		ESG Landscape	100%
		Insights on Indian Cement Sector by Nomura IR	100%
		Adani Foundation (CSR Related Matters)	100%
		ESG Global Updates	100%
		Inspired Companies (Learning from around the World) - Lisa MacCallum	100%
		AI in Adani	100%
		Adani Brand Purpose, Unlocking Narrative	100%

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Key Managerial Personnel	18	Business Strategy and Key Performance Matrix Finance, Banking & Money Market Governance (Regulations, M&A, changing business environment) Human resource management & capability building, culture Industry, manufacturing, business dynamics Digital Initiatives & Digital Dividend Cyber security landscape FY24 Performance (Financials, ESG, Credit) Customer Centricity Risk Management Framework Employee Relations ESG Landscape Insights on Indian Cement Sector by Nomura IR Adani Foundation (CSR Related Matters) ESG Global Updates Inspired Companies (Learning from around the World) - Lisa MacCallum AI in Adani Adani Brand Purpose, Unlocking Narrative	100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100%
Employees other than BoD and KMPs Workers	5643	282	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format formate (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

NGRBC Principle	Monetary			Brief of the Case	Has an appeal been preferred? (Yes/No)
	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)			
Penalty/ Fine	0	NA	0	NA	NA
Settlement	0	NA	0	NA	NA
Compounding fee	0	NA	0	NA	NA

Non-Monetary				
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	0	NA	0	NA
Punishment	0	NA	0	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, The Company has dedicated anti-corruption or anti – bribery policy which is applicable to all the Directors as well as employees of the organisation.

Link: <https://www.sanghiment.com/wp-content/uploads/Anti-Corruption-and-Anti-Bribery-Policy-1.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	
Directors	0		0
KMPs	0		0
Employees	0		0
Workers	0		0

6. Details of complaints with regard to conflict of interest:

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

N.A. as there were no actions taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

8. Number of days of accounts payables (Accounts payable*365/cost of goods/services procured) in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	
Number of days accounts payable	37		27

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties alongwith loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers/distributors as % of total sales*	0%	27%
	b. Number of dealers/distributors to whom sales are made*	0%	27
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors*	0%	15%
Share of RPTs in	a. Purchases (Purchases with related parties/total purchases)	46%	32%
	b. Sales (Sales to related parties/Total Sales)*	100%	41%
	c. Loans & advances (Loans & Advances given to related parties/Total loans & advnices)	Nil	Nil
	d. Investments (Investments in related parties/Total Investments made)	Nil	Nil

*The company has a Memorandum of Agreement to sell its products to Ambuja Cements Limited and/or ACC Limited.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improvethe environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	20.42 Lakh	Nil	<p>Product Quality Enhancement by Use of Grinding Aid:- Addition of Grinding Aid as set retarder for improvement in Better Slump retention for Gujrat and Mumbai market.</p> <p>2000 MT Trial to Use own generated TPP Fly ash and Bed ash in PPC, as a replacement of purchased Fly Ash. It is an environmental friendly action, which avoids dumping of Fly ash in open yard. Saving in water approx. 30 KL / Day, as no need of Conditioning of Fly ash for transportation.</p> <p>Trial run for Replacement of own laterite by most suitable Laterite from RAPAR mines, which resultant in better control on Clinker Quality, Although material is purchased but lower moisture content improved the flowability also.</p>
Capex	14.00 Lakh	Nil	<p>Installation of Alpine Jet Sieve Analyser:- Dry method For Sieve analysis (determination of Fineness) of Cement. Stopped wet Sieving which contributes for saving of water by 250 to 350 litre per day.</p>

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No): Yes

b. If yes, what percentage of inputs were sourced sustainably?

It is mandatory to furnish the evaluation questionnaire (EHS and sustainability parameters) before onboarding as supply chain partners and it has 100% coverage.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company does not have any specific product to reclaim at the end of life. However, at the operation sites, there are systems in place to recycle, reuse and dispose in line with regulatory requirement

- a) Cement is an intermediate product of the construction activity. The PP bags used in packaging are also used for storage of multiple items like sand and gravel. The plastic bags once discarded are managed as per the regulatory requirements.
- b) The E-waste produced during the office operations is sold to the registered recyclers.
- c) The hazardous waste (Used Oil), is coprocessed in Kiln under as an alternative fuel.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No. As no product was sold under Sanghi Brand.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	245	245	100.00%	245	100.00%	0	0.00%	245	100.00%	245	100.00%
Female	4	4	100.00%	4	100.00%	4	100.00%	0	0.00%	4	100.00%
Total	249	249	100.00%	249	100.00%	4	1.61%	245	98.39%	249	100.00%
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance Number (B)	Health insurance %(B/A)	Accident insurance Number (C)	Accident insurance %(C/A)	Maternity benefits Number (D)	Maternity benefits %(D/A)	Paternity Benefits Number (E)	Paternity Benefits %(E/A)	Day Care facilities Number (F)	Day Care facilities %(F/A)
Permanent workers											
Male	7	7	100.00%	7	100.00%	0	0	7	100.00%	7	100.00%
Female	0	0	0.00%	0	0	0	0	0	0.00%	0	0.00%
Total	7	7	0.00%	7	100.00%	0	0	7	100.00%	7	100.00%
Other than Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.25%	0.31%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	No.of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No.of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00%	100.00%	Yes	31.59%	90.83%	Yes
Gratuity	100.00%	100.00%	Yes	100.00%	100.00%	Yes
ESI*	NA	NA	NA	0.00%	0.83%	Yes
Others-please specify	NA	NA	NA	NA	NA	NA

*ESI does not apply for the reporting period.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard. Yes, the Company has appropriate arrangements for disabled persons to assess its premises/ offices.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, The Company believes in equal Opportunity for all. The Company is committed to delivering value through equality and to nurture and promote diversity across its operations. We foster an inclusive work environment that encourages a supportive and professional culture, emphasising trust, empathy, and mutual respect. Our commitment to diversity, equality, and inclusion is reflected in the development of our policies. Policy on 'Diversity, Equity and Inclusion' is available on Company website: <https://www.sanghicement.com/wp-content/uploads/Policy-on-Diversity-Equity-and-Inclusion.pdf>

Policy on 'Guidelines for Employment of Differently abled People' is available on Company website: <https://www.sanghicement.com/wp-content/uploads/Guidelines-for-Employment-for-Differently-Abled-People.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00%	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

* All employees who took parental leave during the reporting period have returned to work. Since no employees took parental leave in the previous period, the retention rate is not applicable.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	The workers of the Company may report their grievances / complaints to their respective Head of Departments / immediate superior which is escalated to the HR department of the Company in case of non-satisfactory resolution. Policy: https://www.sanghicement.com/wp-content/uploads/Employee-Grievance-Management-Policy.pdf
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)
Total Permanent Employees	0	0	0.00%			
– Male	0	0	0.00%			
– Female	0	0	0.00%			
Total Permanent Workers	0	0	0.00%			
– Male	0	0	0.00%			
– Female	0	0	0.00%			

8. Details of training given to employees and workers:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	245	72	29.00%	187	76.00%	321	321	100.00%	150	47.00%
Female	4	0	0.00%	3	75.00%	5	5	100.00%	1	20.00%
Total	249	72	29.00%	190	76.00%	326	326	100.00%	151	46.00%
Workers										
Male	7	7	100.00%	0	0.00%	360	360	100.00%	325	90.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	7	7	100.00%	0	0.00%	360	360	100.00%	325	90.00%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (c)	No. (D)	% (D/C)
Employees						
Male	245	245	100.00%	0	0	0.00%
Female	4	4	100.00%	0	0	0.00%
Total	249	249	100.00%	0	0	0.00%
Workers						
Male	7	7	100.00%	0	0	0.00%
Female	0	0	0.00%	0	0	0.00%
Total	7	7	100.00%	0	0	0.00%

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?
Yes, ISO:45001:2018 (occupational health and safety management system is in place) including Adani - Standards, Operating procedures, Guidelines and Instructions
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
We have well defined Hazard identification and risk assessment procedure. All the personnel at sites are trained to assess the risk before start of the activity.
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)
Yes, Every one is responsible and can report the hazards - Unsafe act and Unsafe conditions through engineers, supervisors, safety persons and in Tool Box Talk, and management takes prompt action and we also recognise them. And every one is authorized to stop the unsafe act by the Unit Head.
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.73	0.59
	Workers	0.94	0
Total recordable work-related injuries	Employees	1	1
	Workers	3	0
No. of fatalities	Employees	0	1
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Reporting of Hazards, Near Miss and Incidents including its control measures are in place. Timely compliance of action plan of observations and Audit findings. Safety Alert learning compliance. Daily Tool Box Talk before start of the shift implemented. Safety Committee Meeting, Safety Gate Meeting, Mock Drill implemented. Daily discussion of health & safety related issues in-front of Management in Daily Coordination Meeting. Boots on round implemented. Standards, Guidelines and Procedures implemented. Daily observation round and daily inspection and corrective action are in place. Signages have been displayed. Incident Investigation and timely action plan compliance are in place. Vehicle and Traffic Safety are in place. SAKSHAM Training module for all implemented. Road Safety Training imparted for all employees including Housewives and students and near by villages. Behaviour Based Safety Training/ counselling for all employees including families are going on. Occupational Health Centre are equipped with Advance Life Support System Ambulance Van, Doctors, and Paramedical Staffs etc.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)		
Health and safety practices		100%
Working Conditions		

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Safety Induction Training ""SAKSHAM Module"" for all employees including contract workman and shutdown workman - Implemented

Permit to Work System for hazardous jobs - Implemented

Monthly Safety Gate Meeting at Main Plant, TPP and Grinding Unit - Implemented

Tool Box Talk at Main Plant, TPP and Grinding Unit - Implemented

Reporting of Hazards and Near Miss in Portal - Started

Strengthening of Civil & Steel Structures - Started

Housekeeping drive in plant - Started

Advance Life Support Ambulance Van 2 nos. - Procured

Mandatory PPEs for employees - Implemented

Emergency Contact Number - displayed in area including sticker pasted on employees Helmets - Implemented

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The successful involvement of our stakeholders is essential to the achievement of our strategic goals because it provides us with the opportunity to understand their expectations, respond to their concerns, and assist us in prioritising the areas in which we should be concentrating our efforts. Our mechanism for engaging with stakeholders is governed by our Stakeholder Engagement Policy (<https://www.sanghicement.com/wp-content/uploads/Stakeholder-Engagement-Policy.pdf>), which is further aligned with global best practises.

SIL identifies its stakeholders as groups and individuals, who can influence or/are impacted by our operations/activities, change in technology, regulations, market and societal trends either directly or indirectly. Stakeholders comprise of communities, employees, supply chain partners, customers, investors, regulators, industrial organisations etc.

Against each group, the potential ways in which stakeholders will be affected as well as the magnitude of both the actual and perceived impacts have been determined. This assists the company in developing a bespoke plan for engaging with stakeholders, which can then be kept up to date as and when is necessary.

Throughout the course of the year, we maintain ongoing dialogue with the stakeholders by utilising a variety of channels of contact. The insights that we gain from these projects are tremendously helpful, because they allow us to continually enhance both our strategy and our operations. The process of engaging stakeholders also includes regular feedback and grievance redressal methods, both of which are vital components of the process.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	<ul style="list-style-type: none"> - Investor relations arm - Annual Report - Public disclosures - Investor meetings/calls 	<ul style="list-style-type: none"> - Quarterly/ annually as and when requested - One-on-one investor interaction as and when requested" 	<ul style="list-style-type: none"> - To strengthen business conduct and communication - Growth and profitability of ESG oriented business.
Government & Regulatory Authorities	No	<ul style="list-style-type: none"> - Annual Report - Plant visits - Regulatory Compliance reports 	<ul style="list-style-type: none"> - Continuous interactions 	<ul style="list-style-type: none"> - Climate change related rules/regulations - Communications on existing & proposed legislations
Employees	No	<ul style="list-style-type: none"> - Training and seminars - Meetings and reviews - HR programmes - Employee satisfaction surveys - Departmental meetings - Townhall meetings - Internal newsletters and magazines 	<ul style="list-style-type: none"> - Continuous interactions 	<ul style="list-style-type: none"> - Work-life balance - Transparent appraisal and promotion policy - Awareness on internal policies - Fair remuneration structure

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	Yes	<ul style="list-style-type: none"> – Supplier meets – Periodic assessments and interactions 	<ul style="list-style-type: none"> – Continuous interactions 	<ul style="list-style-type: none"> – Adherence to the supplier code of conduct – Strengthen business relationships – Create awareness for sustainable supply chain
Community	Yes	<ul style="list-style-type: none"> – Project-based stakeholder meets – CSR arm – Community Advisory Panel 	<ul style="list-style-type: none"> – Continuous interactions 	<ul style="list-style-type: none"> – Positive engagements for sustainable mining, water conservation, land reclamation, and other initiatives of CSR
Media	No	<ul style="list-style-type: none"> – Media briefings – Press releases – Marketing communication 	<ul style="list-style-type: none"> – Need based 	<ul style="list-style-type: none"> – Increase transparency and clarity in shared information
Industry Association	No	<ul style="list-style-type: none"> – Meetings/Conferences – Policy papers 	<ul style="list-style-type: none"> – Need based 	<ul style="list-style-type: none"> – Knowledge enhancement for policy interventions and policy advocacy on sustainable development practices in value chain

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. employees/ workers covered (D)	% (D/C)
Employees						
Permanent	249	249	100.00%	326	120	37.00%
Other than permanent	0	0	0.00%	0	0	0.00%
Total Employees	249	249	100.00%	326	120	37.00%
Workers						
Permanent	7	7	100.00%	360	0	0.00%
Other than permanent	0	0	0.00%	587	0	0.00%
Total Workers	7	7	100.00%	947	0	0.00%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current Financial Year)				Total (D)	FY 2023-24 (Previous Financial Year)			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage	"More than Minimum Wage"	
		No.(B)	%(B/A)	No.(C)	% (C/A)	No.(E)		%(E/D)	
Permanent Employees									
Male	245	0	0.00%	245	100.00%	321	0	0.00%	321 100.00%
Female	4	0	0.00%	4	100.00%	5	0	0.00%	5 100.00%
Other than permanent									
Male	0	0	0.00%	0	0.00%	0	0	0.00%	0 0.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0 0.00%
Workers Permanent									
Male	7	0	0.00%	7	100.00%	360	1	0.28%	359 99.72%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0 0.00%
Other than permanent									
Male	0	0	0.00%	0	0.00%	442	442	100.00%	0 0.00%
Female	0	0	0.00%	0	0.00%	145	145	100.00%	0 0.00%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2	14.70 Lakhs	1	18.65 Lakhs
Key Managerial Personnel	3	38.77 Lakhs*	0	0.00
Employees other than BoD and KMP	245	821,316.00	4	459,315.00
Workers	7	264,000.00	0	0.00

*The Key Managerial Personnel (KMP) of Sanghi Industries Limited comprises of CEO, CFO, and CS. As the salary of CEO and CFO is not accounted to Sanghi Industries Limited, the 'Median remuneration/salary/wages disclosed here is of CS.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	1.31%	1.13%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Head HR / HR department is responsible for addressing human rights issues, if any.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes. All Principle Officers and People of Authority are responsible for ensuring adherence to Human Rights Policy.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

7. Complaints filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013, in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition abd Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

There is a Internal Committee which looks into all POSH related complaints. It ensures that these are no adverse consequences to the complainant. It follows the SOP designed to be followed for all POSH complaints.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100.00%
Forced/involuntary labour	100.00%
Sexual harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%
Others – please specify	100.00%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Proactive measures are taken. At the time of entry of employee or worker, a detailed checklist is followed to ensure statutory compliance w.r.t. child labour, forced labour and wages without fail. For Sexual harassment, POSH is there in place and for discrimination, local management committee is in place.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	UOM	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From renewable sources (in Giga Joules)			
Total electricity consumption (A)	GJ	0.00	0.00
Total fuel consumption (B)	GJ	66,900.00	0.00
Energy consumption through other sources (C)	GJ	0.00	0.00
Total energy consumed from renewable sources (A+B+C)	GJ	66,900.00	0.00
From non-renewable sources (in Giga Joules)			
Total Electricity Consumption (D)	GJ	88,774.57	546,156.00
Total Fuel Consumption (E)	GJ	12,405,200.00	3,024.00
Energy Consumption through other sources (F)	GJ	0.00	16,460.00
Total energy consumption (D+E+F)	GJ	12,493,974.57	565,640.00
Total energy consumed (A+B+C+D+E+F)	GJ	12,560,874.57	565,640.00
Energy intensity per rupee of turnover (Total energy consumption/Revenue from operations)	GJ/₹ of turnover	0.00130	0.00007
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumption/Revenue from operations adjusted for PPP)	GJ/USD PPP adjusted	0.02696	0.00121
Energy intensity in terms of physical output	GJ/tonne of cementitious material	4.76	0.29
Energy Intensity (optional)- the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, TUV India Pvt. Ltd.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes. And target achieved as per PAT guidelines

3. Provide details of the following disclosures related to water, in the following format:

Parameter	UOM	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)			
(i) Surface water	KL	0.00	629,959.00
(ii) Groundwater	KL	0.00	0.00
(iii) Third party water	KL	0.00	0.00
(iv) Sea water/Desalinated water	KL	3,667,700.00	2,643,451.00
(v) Others (Harvested Rain Water)	KL	781,099.50	0.00
Total volume of water withdrawal (in kilolitres)	KL	4,448,799.50	3,273,410.00
(i +ii + iii + iv + v)			
Total volume of water consumption (in kilolitres)			
Water intensity per rupee of turnover	Litres/₹ of turnover	0.19	0.12
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	Litre/ USD PPP adjusted	3.96	2.14
Water intensity in terms of physical output	Liters / tonne of cementitious material	699.80	514.00
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, TUV India Pvt. Ltd.

4. Provide the following details related to water discharged:

Parameter	UOM	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)			
(i) To Surface water			
- No treatment	KL	0.00	0.00
- With treatment-please specify level of treatment	KL	0.00	0.00
(ii) To Groundwater			
- No treatment	KL	0.00	0.00
- With treatment-please specify level of treatment	KL	0.00	0.00
(iii) To Seawater			
- No treatment	KL	0.00	0.00
- With treatment-please specify level of treatment	KL	2,603,917.00	2,278,291.00
(iv) Sent to Third Parties (Municipal STP)			
- No treatment	KL	0.00	0.00
- With treatment-please specify level of treatment	KL	0.00	0.00
(v) Others			
- No treatment	KL	0.00	0.00
- With treatment-please specify level of treatment	KL	0.00	0.00
Total water discharged (in kilolitres)		2,603,917.00	2,278,291.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, TUV India Pvt. Ltd.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	UOM	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Nox	Tonnes	2,936.77	1,481.00
Sox	Tonnes	334.03	514.00
Particulate matter (PM)	Tonnes	136.32	193.00
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others- please specify	NA	NA	NA

Note: All our plants meet with the prescribed standards given by respective regulatory body.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, TUV India Pvt. Ltd.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	UOM	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tonnes of CO ₂	2,017,934.00	1,289,519.00
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tonnes of CO ₂	17,656.29	3,301.00
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	kg CO ₂ /₹ of turnover	0.21	0.16
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	Kg CO ₂ /USD PPP Adjusted	0.004	0.003
Total Scope 1 and Scope 2 emission intensity in terms of physical output	kg CO ₂ /tonne of cementitious material	772.14	668.00
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, TUV India Pvt. Ltd.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Company is committed to reduce its carbon footprint. The Company has taken multiple initiatives to reduce greenhouse gases. These include: 1) Improved technology 2) Energy efficiency 3) Use of green energy like WHRS 4) Use of alternate fuels 5) Use of alternate raw materials

9. Provide details related to waste management by the entity, in the following format:

Parameter	UOM	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)			
Plastic waste (A)	MT	89.03	1,440.00
E-waste (B)	MT	0.00	0.00
Bio-medical waste (C)	MT	0.15	0.03
Construction and demolition waste (D)	MT	0.00	0.00
Battery waste (E)	MT	0.00	1.20
Radioactive waste (F)	MT	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	MT	32.39	30.70
Other Non-hazardous waste generated (H). Please specify, if any. (Fly Ash) (Break-up by composition i.e. by materials relevant to the sector)	MT	89,229.32	38,136.00
Refractory (I)	MT	687.35	699.00
Kiln Process Dust (J)	MT	642.80	9,746.00
Steel scrap(Steel Scrap includes castings, waste steel, MS drums, wrapper scrap, iron scrap, grinding balls, HC lining plate, table liner, HC grinding media, etc.) (K)	MT	760.00	402.00
Total (A+B + C + D + E + F + G + H + I + J + K)	MT	91,441.03	50,454.93
Waste intensity per rupee of turnover	Kg/₹ of turnover	0.009	0.006
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	kg/ USD PPP adjusted	0.196	0.108
Waste intensity in terms of physical output	Kg/tonne of cementitious material	34.69	26.00
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
Category of waste			
(i) Recycled	MT	90,798.09	1,441.00
(ii) Re-used	MT	0.00	38,136.00
(iii) Other recovery operations	MT	0.00	0.00
Total	MT	90,798.09	39,577.00
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	MT	0.15	30.00
(ii) Landfilling - Kiln Process Dust	MT	642.80	9,746.00
(iii) Other disposal operations	MT	0.00	1,102.00
Total	MT	642.95	10,878.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, TUV India Pvt. Ltd.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

The Company adheres to the principles of sustainable consumption of resources while reducing waste generation and complying with the tenets of circular economy. The Company minimises waste disposal through maximising recycling and reusing efforts. The Company also ensures proper disposal of E-waste, biomedical waste, scrap, etc. through authorised recyclers registered with the regulatory agencies. Our waste management initiatives include:

- Plastic waste is mainly disposed of through co-processing, with a minimal amount of burst bags disposed of through authorized scrap dealers.
- Biomedical waste is incinerated at authorized Common Biomedical Waste Treatment Facilities.
- Hazardous waste is either reused in plants or co-processed in cement kilns, with non-co-processable quantities sent to a common authorized facility for recycling.
- Flyash, is mainly recycled in Cement plant.
- Refractory & other Scraps are sold to authorized vendors for recycling.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. No. Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1 Sanghipuram, Gujarat	Captive Jetty	Yes

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Expansion of Clinker Plant Capacity (7.5 Million TPA to 17.5 Million TPA) & Cement Plant Capacity (8.6 Million TPA to 18.6 Million TPA) located at Sanghipuram at Village: Motiber and Hothiyay, Taluka: Abdasa, Dist.:Kutch, Gujarat by Sanghi Industries Limited	S.O. 1533(E) dated 14.09.2006 & its amendments	PH completed on 10.02.2025	Yes	Yes	Draft EIA Report submitted to competent authorities of GPCB https://gpcb.gujarat.gov.in

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No. Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
		NIL	

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: 5
b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No. Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1 Federation of Indian Mineral Industries	National
2 National Safety Council (NSC)	National
3 CAPEXIL	National
4 Gujarat Chamber of Commerce & Industry (GCCI)	State
5 Gujarat Mineral Industry Association (GMIA)	State

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
None. Company ensures compliance with all anti-trust laws	All agreements are duly vetted to ensure due compliance with anti-trust laws. Training modules are circulated to sales / marketing / procurement team from time to time to create awareness on cartelisation / restrictive trade practices We seek proactive advise/clarifications from external law firms in case of any doubt in any transaction before proceeding ahead with the same.	

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA	Date of Notification No.	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web link
--	------------	---------------------------------	--	---	--------------------------

Social Impact Assessment is a part of EIA for getting Environment Clearance for projects. All projects listed in Question No 12 of Principle 6 have SIA component in-built as part of the study carried out. In addition, assessing social impacts of the CSR projects is an ongoing process at Adani Foundation, that continues to assess social impacts using platforms such as Social Engagement Scorecard (SES), Community Advisory Panel (CAP) etc. Any social impacts emerging out of these platforms is seriously considered and factored into annual work plan and activities of Adani Foundation.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format**

Sr. No. Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
---	--------------	-----------------	--	-------------------------------------	--

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

Adani Foundation acts like a bridge between the plant and the community. The concerns and grievances from the community are taken to Plant Head by Adani Foundation team. Adani Foundation facilitates the issue based discussion with community and the plant as may be suggested by the Head. Sanghi plant has Community Advisory Panel (CAPs), a formal forum consisting of stakeholders representatives including senior team at plant, where issues and concerns of the community are discussed and resolved.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	38.34%	1.86%
Directly from within India	95.51%	98.14%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	23.78%	Nil
Semi-urban	8.88%	Nil
Urban	62.79%	Nil
Metropolitan	4.54%	Nil

(Place to be categorized as per RBI Classification System – rural/semi-urban/urban/metropolitan)

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has provided on its website a dedicated e-mail address wherein the Company receives and responds to consumer complaints and feedbacks. The e-mail address is consumer.care@adani.com. In addition, every package has printed customer care details with postal address, toll free phone number and email id.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

As a percentage to total turnover	
Environmental and social parameters relevant to the product	The Company's products conform to all applicable statutory parameters.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link

Yes, <https://www.sanghicement.com/wp-content/uploads/Cyber-security-and-data-privacy-policy.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

All communications have necessary disclaimer as per Advertising Standard Council of India (ASCI) and Bureau of Indian Standard (BIS) guidelines.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact:	0
b. Percentage of data breaches involving personally identifiable information of customers:	0.00%
c. Impacts, if any, of the data breaches :	NA

Independent Assurance Statement

To the Directors and Management

Sanghi Industries Limited, Adani Corporate House,
Shantigram, Near Vaishno Devi Circle, S.G. Highway,
Ahmedabad - 382421

Sanghi Industries Limited (hereafter 'SIL') commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of BRSR Core disclosures ([09 attributes as per Annexure I - Format of BRSR Core](#)) following the ([BRSR Core - Framework for assurance and ESG disclosures for value chain](#) stipulated in SEBI [circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/07/2023 and Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20/12/2024](#)) with reasonable assurance in conjunction with Limited assurance of the [Section A: General Disclosures, section B: Management and Process Disclosures](#) and [09 BRSR principles covering Essential and Leadership Indicators](#). SIL developed Business Responsibility and Sustainability Report (hereinafter 'the BRSR') for the period April 01, 2024 to March 31, 2025. The BRSR is based on the National Guidelines on Responsible Business Conduct (NGRBC), [SEBI circular: SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10/05/2021](#) followed by the [notification number SEBI/LAD-NRO/GN/2023/131, dated 14/06/2023](#) pertaining to BRSR requirement. This assurance engagement was conducted in reference with BRSR, the terms of our engagement and ISAE 3000 (Revised) requirement.

Management's Responsibility

SIL developed the BRSR's content pertaining to the [Section A and B, 09 BRSR principles covering Essential and Leadership Indicators](#) including the Core disclosures ([09 attributes as per Annexure I - Format of BRSR Core](#)). SIL management is responsible for carrying out the collection, analysis, and disclosure of the information presented in the BRSR (web-based and print), including website maintenance, integrity, and for ensuring its quality and accuracy in reference with the applied criteria stated in the BRSR, such that it's free of intended or unintended material misstatements. SIL will be responsible for archiving and reproducing the disclosed data to the stakeholders and regulators upon request.

Scope and Boundary

The scope of work includes the assurance of the following [Section A and B, 09 BRSR principles covering Essential and Leadership Indicators](#) and [09 attributes as per Annexure I - Format of BRSR Core](#) disclosed in the BRSR report. The BRSR core requirements encompass essential disclosures pertaining to organization's Environmental, Social and Governance (ESG). In particular, the assurance engagement included the following:

1. Review of General Disclosure, Management & Process and the disclosures against all 09 BRSR principles submitted by SIL;
2. Review of [09 attributes as per Annexure I - Format of BRSR Core](#) submitted by SIL,
3. Review of the quality of information,
4. Review of evidence (on a random samples) for limited assurance of [Section A and B, 09 BRSR principles covering Essential and Leadership Indicators](#) and reasonable assurance of [09 attributes as per Annexure I - Format of BRSR Core](#).

TUVI has verified the below Essential and Leadership Indicators disclosed in the BRSR

Principles	Essential Indicators	Leadership Indicators
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	1,2,3,4,5,6,7,8,9	1, 2
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.	1,2,3,4	1,2, 3, 4, 5
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.	1,2,3,4,5,6,7,8,9,10,11,12, 13,14,15	1,2,3,4, 5, 6
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.	1,2	1,2,3
Principle 5: Businesses should respect and promote human rights.	1,2,3,4,5,6,7,8,9,10, 11	1,2,3, 4, 5

www.tuv-nord.com/in

Principle 6: Businesses should respect and make efforts to protect and restore the environment.	1,2,3,4,5,6,7,8,9,10,11,12,13	1,2,3,4, 5, 6,7, 8
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	1,2	1
Principle 8: Businesses should promote inclusive growth and equitable development.	1,2,3,4, 5	1,2,3, 4, 5, 6
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	1,2,3,4,5,6, 7	1,2,3, 4

TUVI has verified the below [9 attributes as per Annexure I - Format of BRSR Core](#) disclosed in the BRSR

Attributes	KPI
Green-house gas (GHG) footprint (limited to Indian operation)	Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) - GHG (CO ₂ e) Emission in MT - Direct emissions from organization's owned- or controlled sources - Monitored
	Total Scope 2 emissions (Break-up of the GHG (CO ₂ e) into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) - Indirect emissions from the generation of energy that is purchased from a utility provider - Monitored
	GHG Emission Intensity (Scope 1+2), Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP - Calculated
	GHG Emission Intensity (Scope 1 +2), Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services- Calculated
Water footprint	Total water consumption (in kL) - Monitored and estimated
	Water consumption intensity - kL / Total Revenue from Operations adjusted for PPP - Calculated
	Water consumption intensity - kL / Total output of Product or Services - Calculated
	Water Discharge by destination and levels of Treatment (kL) - Calculated based on estimated values
Energy footprint (limited to Indian operation)	Total energy consumed in GJ - calculated on measured for owned premises and estimates for co-sharing offices
	% of energy consumed from renewable sources - In % terms - Monitored
	Energy intensity - Joules or multiples / Rupee adjusted for PPP - Calculated
	Energy intensity - Joules or multiples /Product or Service - Calculated
Embracing circularity - details related to waste management by the entity (limited to Indian operation)	Plastic waste (A) - Monitored, E-waste (B) - Monitored, Bio-medical waste (C) - Monitored, Construction and demolition waste (D) - Monitored, <i>Battery waste (E)</i> - Monitored, <i>Radioactive waste (F)</i> - NA
	<i>Other Hazardous waste (G) - see the list below</i>
	<i>Used Oil, Waste Oil, Oil storage barrels, Paint cans, Oil filters, Oil-soaked cotton- Monitored</i>
	Other Non-hazardous waste generated (H) - see the list below
	<i>Organic waste: Food waste, Garden waste, STP sludge, Wood waste- Monitored;</i> <i>Inorganic Waste: Mixed paper/Newspaper/Magazine, Glass waste, Waste tissue paper, office stationery; Packaging Waste: Cardboard, scrap metal - Monitored;</i>
	Total waste generated (A +B + C + D + E + F + G + H) in MT -Monitored;
	Waste intensity- Kg or MT / Rupee adjusted for PPP - Calculated
	Waste intensity- Kg or MT / Unit of Product or Service-Calculated
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (MT) - Monitored
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (Intensity), Kg of Waste Recycled Recovered /Total Waste generated - Calculated
	For each category of waste generated, total waste disposed by nature of disposal method (MT)- Monitored
	For each category of waste generated, total waste disposed by nature of disposal method (Intensity)
	kg of Waste Recycled Recovered /Total Waste generated - Calculated
Enhancing Employee Wellbeing and Safety	Spending on measures towards wellbeing of employees and workers - cost incurred as a % of total revenue of the company - In % terms - Monitored and calculated
	Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)
	i. Number of Permanent Disabilities - Monitored
	ii. Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) - Monitored
	iii. No. of fatalities - Monitored
	Gross wages paid to females as % of wages paid - In % terms - Calculated

Enabling Gender Diversity in Business	Complaints on POSH	1) Total Complaints on Sexual Harassment (POSH) reported - Monitored
		2) Complaints on POSH as a % of female employees / workers - Monitored
		3) Complaints on POSH upheld - Monitored
Enabling Inclusive Development	Input material sourced from following sources as % of total purchases - Directly sourced from MSMEs/ small producers and from within India - In % terms - As % of total purchases by value - Monitored Job creation in smaller towns - Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost - In % terms - As % of total wage cost - Monitored	Input material sourced from following sources as % of total purchases - Directly sourced from MSMEs/ small producers and from within India - In % terms - As % of total purchases by value - Monitored
		Job creation in smaller towns - Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost - In % terms - As % of total wage cost - Monitored
Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events - In % terms - Monitored Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured - Calculated	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events - In % terms - Monitored
		Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured - Calculated
Openness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	1) Purchases from trading houses as % of total purchases 2) Number of trading houses where purchases are made from 3) Purchases from top 10 trading houses as % of total purchases from trading houses 1) Sales to dealers / distributors as % of total sales 2) Number of dealers / distributors to whom sales are made 3) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors Share of RPTs (as respective %age) - Calculated Purchases, Sales, Loans & advances, Investments - Calculated

Notes:

Waste: The data of total waste recovered through recycling, re-using or other recovery operations or total waste disposed by nature of disposal method could be assessed based on interviews and sample records as presented during the onsite visit.

The reporting boundaries includes integrated cement plant located at Village Motiber, Taluka Abdasa, Kutch District, Sanghipuram - 370 511, Gujarat. Along with corporate office.

Set of on-site and remote verifications were conducted at,

Remote Verification

1. Remote verification on date 07-02-2025, 09-04-2025, 15-04-2025 for the integrated cement plant located at Village Motiber, Taluka Abdasa, Kutch District, Sanghipuram - 370 511, Gujarat.
2. Remote verification on date 09-04-2025 for Corporate office

The assurance activities were carried out together with a desk review of entire plants and offices as per reporting boundary.

Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the Report, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion on the prospective information. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI did not verify any ESG goals and claim through this assignment. TUVI verified data on a sample basis; the responsibility for the authenticity of data entirely lies with SIL. Any dependence of person or third party may place on the BRSR Report is entirely at its own risk. TUVI has taken reference of the financial figures from the audited financial reports. SIL will be responsible for the appropriate application of the financial data. The application of this assurance statement is limited w.r.t [SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated Jul 12, 2023 and Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20/12/2024](#). This assurance statement does not endorse any environmental and social claims (related to the product, manufacturing process, packaging, disposal of product etc.) as well as advertisements by the reporting organization. TUVI does not permit use of this statement for Greenwashing or misleading claims. The reporting Organization is responsible for ensuring adherence to relevant laws.

Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a limited level of BRSR assurance for [Section A and B, 09 BRSR principles covering Essential and Leadership Indicators](#) and reasonable level of assurance for [09 attributes as per Annexure I - Format of BRSR Core](#) and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of SIL's strategy, management of ESG-related issues or the sufficiency of the Report against BRSR reporting principles, other

than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes assurance of non-financial quantitative and qualitative information disclosed by SIL. Reporting Organization is responsible for archiving the related data for a reasonable time period. The intended users of this assurance statement are the management of 'SIL'. The data is verified on a sample basis, the responsibility for the authenticity of data lies with the reporting organization. TUVI expressly disclaims any liability or co-responsibility 1) for any decision a person or entity would make based on this assurance statement and 2) for any damages in case of erroneous data is reported. This assurance engagement is based on the assumption that the data and information provided to TUVI by SIL are complete and true.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing on verification efforts with respect to disclosures. TUVI has verified the disclosures and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- a) TUVI examined and reviewed the documents, data, and other information made available by SIL for non-financial [Section A and B, 09 BRSR principles covering Essential and Leadership Indicators](#) and [09 attributes as per Annexure I - Format of BRSR Core](#) (non-financial disclosures)
- b) TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of SIL
- c) TUVI performed sample-based reviews of the mechanisms for implementing the sustainability-related policies and data management (qualitative and quantitative)
- d) TUVI reviewed the adherence to reporting requirements of "BRSR"

Opportunities for Improvement

The following are the opportunities for improvement reported to SIL. However, they are generally consistent with SIL management's objectives and programs. SIL already identified below topics and Assurance team endorse the same to achieve the Sustainable Goals of organization.

- i. SIL may strengthen its internal reporting by opting a smart cloud-based data management system for sustainability data reporting,
- ii. SIL may encourage to monitor the chain of custody for suppliers who are not directly recycling the non-hazardous waste,
- iii. SIL may plan to monitor all categories of indirect GHG emissions as per ISO 14064-1,
- iv. SIL can install additional water meters for the conducting the water balance,
- v. SIL may conduct the formal internal audit procedure for verifying BRSR data on periodic basis;

Conflict of Interest

In the context of BRSR requirements set by SEBI, addressing conflict of interest is crucial to maintain high integrity and independence of assurance engagements. As per SEBI guidelines, assurance providers need to disclose any potential conflict of interest that could compromise the independence or neutrality of their assessments. TUVI diligently identifies any relationships, affiliations, or financial interests that could potentially cause conflict of interest. We proactively implement measures to mitigate or manage these conflicts, ensuring independence and impartiality in our assurance engagements. We provide clear and transparent disclosures about any identified conflicts of interest in our assurance statement. We recognize that failure to address conflict of interest adequately could undermine the creditability of the assurance process and the reliability of the reported information. Therefore, we strictly adhere to SEBI guidelines and take necessary measures to avoid, disclose, or mitigate conflicts of interest effectively.

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on BRSR Core KPI described in the BRSR report along with the referenced information provides a fair representation of the 9 attributes, and meets the general content and quality requirements of the BRSR. TUVI confirms its competency to conduct the assurance engagement for the BRSR as per SEBI guidelines. Our team possesses expertise in ESG verification, assurance methodologies, and regulatory frameworks. We ensure independence, employ robust methodologies, and maintain continuous improvement to deliver reliable assessments.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the BRSR requirements. SIL refers to general disclosure to report contextual information about SIL, while the Management & Process disclosures the management approach for each indicator [Section A and B, 09 BRSR principles covering Essential and Leadership Indicators](#) as well as [09 attributes as per Annexure I - Format of BRSR Core](#).

Limited Assurance Conclusion: Based on the procedures we have performed; nothing has come to our attention that causes us to believe that the information subject to the limited assurance engagement was not prepared in all material respects. TUVI found the information to be reliable in all principles, with regards to the reporting criteria of the BRSR.

Reasonable Assurance: As per SEBI reasonable assurance requirements including scope of Assurance, Assurance methodologies (risk- based approach and data validation techniques), mitigating conflicts of interests, documentation on evidence and communication on findings, TUVI can effectively validate the accuracy and reliability of the information presented in the BRSR, instilling confidence in stakeholders and promoting transparency and credibility in ESG reporting practices.

BRSR complies with the below requirements

- a) Governance, leadership and oversight: The messages of top management, the business model to promote inclusive growth and equitable development, action and strategies, focus on services, risk management, protection and restoration of environment, and priorities are disclosed appropriately.
- b) Connectivity of information: SIL discloses [9 BRSR principles covering Essential and Leadership Indicators](#) and [9 attributes as per Annexure I - Format of BRSR Core](#) and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.
- c) Stakeholder responsiveness: The Report covers mechanisms of communication with key stakeholders to identify major concerns to derive and prioritize the short, medium and long-term strategies. The Report provides insights into the organization's relationships (nature and quality) with its key stakeholders. In addition, the Report provides a fair representation of the extent to which the organization understands, takes into account and responds to the legitimate needs and interests of key stakeholders.
- d) Materiality: The material issues within 9 attributes and corresponding KPI as per BRSR requirement are reported properly.
- e) Conciseness: The Report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point sentences, graphs, pictorial, tabular representation is applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.
- f) Reliability and completeness: SIL has established internal data aggregation and evaluation systems to derive the performance. SIL confirms that, all data provided to TUVI, has been passed through QA/QC function. The majority of the data and information was verified by TUVI's assurance team (on sample basis) during the BRSR verification and found to be fairly accurate. All data, is reported transparently, in a neutral tone and without material error.
- g) Consistency and comparability: The information presented in the BRSR is on yearly basis. and found reliable and complete manner. Thus, the principle of consistency and comparability is established.

Independence and Code of Conduct: TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. We recognize the importance of maintaining independence in our engagements and actively manage threats such as self-interest, self-review, advocacy, and familiarity. The assessment team was safeguarded from any type of intimidation. By adhering to these principles, we uphold the trust and confidence of our clients and stakeholders. In line with the requirements of the SEBI [circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/07/2023](#) and [Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20/12/2024](#).

TUVI solely focuses on delivering verification and assurance services and does not engage in the sale of service or the provision of any non-audit/non-assurance services, including consulting.

Quality control: The assurance team complies with quality control standards, ensuring that the engagement partner possesses requisite expertise and the assigned team collectively has the necessary competence to perform engagements in reference with standards and regulations. Assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour. In accordance with International Standard on Quality Control, TUVI maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Assurance Team and Independence

TUVI is an independent, neutral third-party providing ESG Assurance services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with SIL

www.tuv-nord.com/in

on any engagement that could compromise the independence or impartiality of our findings, conclusions, and observations. TUVI was not involved in the preparation of any content or data included in the BRSR, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited



Manojkumar Borekar
Product Head – Sustainability Assurance
Service
TUV India Private Limited



Date: 15/05/2025
Place: Mumbai, India
Project Reference No:
8123494666

Revision:00

www.tuv-nord.com/in