

Management Discussion and Analysis



Prelude

Sanghi Industries Limited (SIL), part of Ambuja Cements Limited and the diversified Adani Group, is among India's leading cement companies. Its 6.1 MTPA capacity integrated cement plant located in Gujarat, is one of the largest single-location cement plants in India.

Equipped with multi-fuel technology SIL's fully integrated plant includes captive facilities viz. a 143 MW power plant, all-weather port, and sea terminal to cater to the demands of its markets. The Company also possesses one of the largest limestone reserves in the country. Due to the high quality of its mineral reserves and advanced manufacturing technology, the Company is able to produce a superior grade of cement while maintaining the lowest cost of production. Its commitment to positive transformation has resulted in converting the arid landscape of the nearby area into a green and clean zone.



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Economic Scenario and Outlook

Despite multiple challenges, the global economy showed exemplary resilience and reported stronger-than-expected growth during the second half of CY 2024, led by the United States and several other emerging and developing economies. India remained an outlier and reported an estimated 7.6% growth in FY 2023-24, driven by robust performance broadly across all economic sectors. The construction sector reported an impressive 10.6% growth, owing to the Indian Government's continuous investment in augmenting the country's infrastructure and heightened project execution activities.

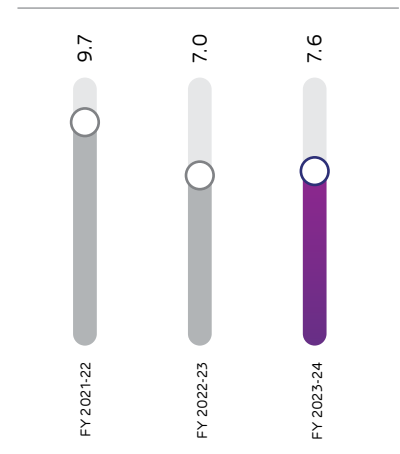
The Government of India continued its focus on infrastructure spending to create a multiplier effect on economic growth and job creation and to stimulate private

consumption and investment spending. The ₹ 11.11 lakhs crore allocated in the Interim Budget FY 2024-25 will focus on creating three important economic corridors (energy, mineral and cement corridor, port connectivity corridor, and high traffic density corridor) to enable multi-modal connectivity under the PM Gati Shakti scheme, expansion of metro railways and Nammo Bharat in large cities, expansion and development of new airports, initiation of projects for port connectivity, tourism infrastructure and amenities on Indian islands, among others.

These initiatives are in sync with the Prime Minister's vision of Viksit Bharat by 2047. Furthermore, the Interim Budget FY 2024-25 has also targeted building two crore houses under the PM Awas Yojana

(Grameen) (rural housing scheme) in the next five years and proposed a housing scheme for the country's vast middle-class population.

India's GDP Growth Trend (%)

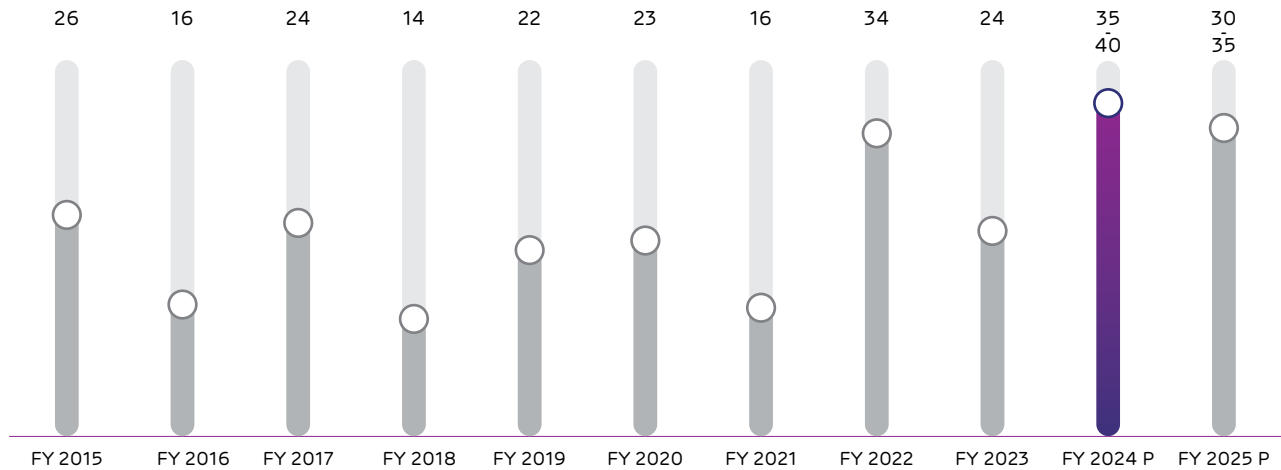


Source: MoSPI



Cement Industry

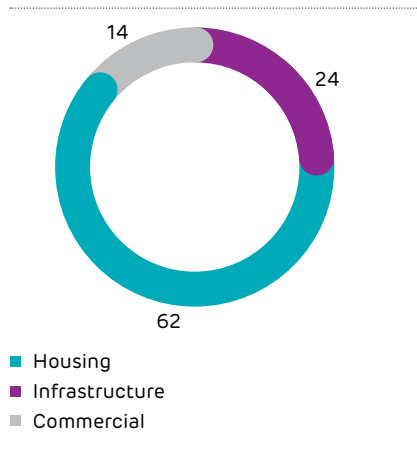
Cement Capacity Addition the Highest in over a Decade in FY 2024 (MTPA)



Source: CRISIL MI&A Research

The Indian cement industry, the second-largest producer globally, stands out for its energy efficiency, resource conservation, social responsibility, and environmental consciousness. Embracing green, clean, and sustainable practices has been a longstanding commitment of the cement industry. In FY 2022-23, the Indian cement market reached a substantial size of 397 MTPA, buoyed by robust growth in the housing sector and ongoing investments in infrastructure development. The industry is likely to grow by an impressive 9% to 10% during FY 2023-24 and reach a total volume of 425 to 430 MTPA.

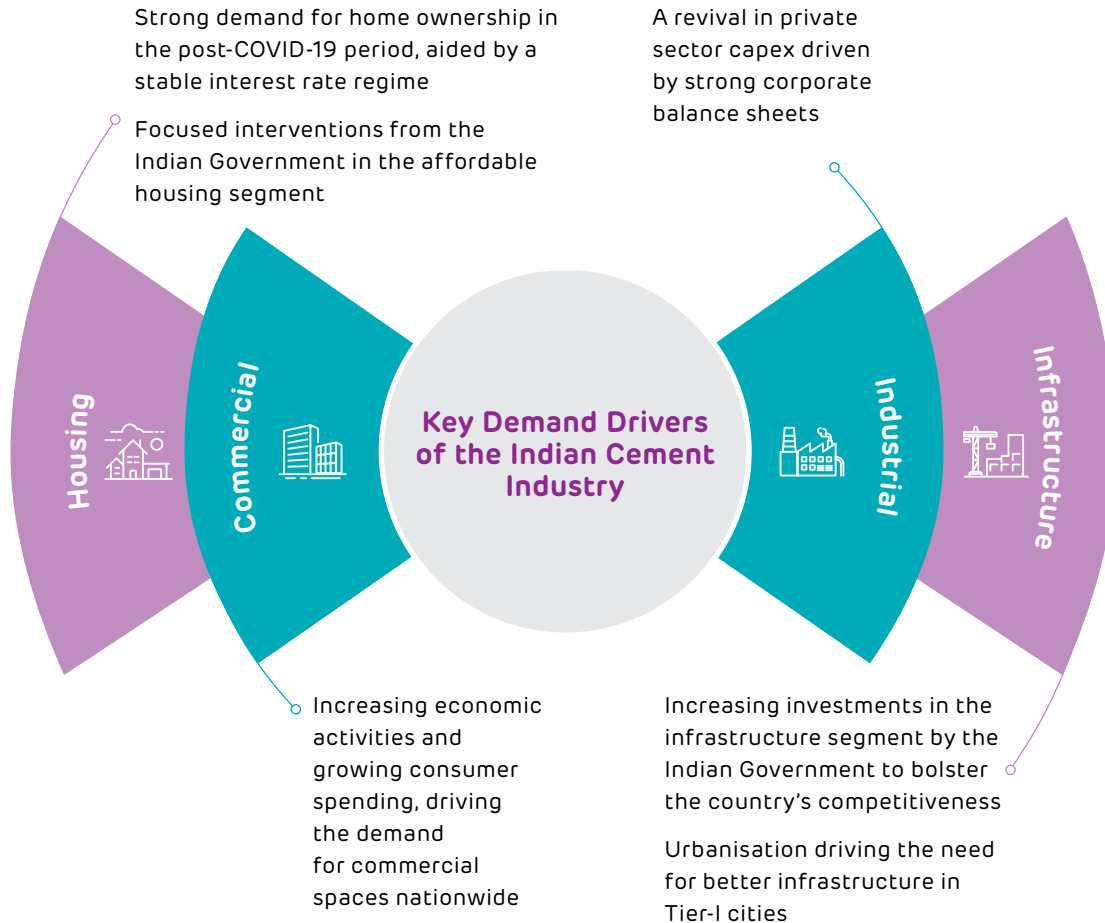
Sector-wise Share of Cement Consumption (%)



Outlook

As the country prepares for rapid economic growth and urbanisation, there is a rising demand for robust infrastructure and contemporary living spaces. Upliftment of Tier-II cities and rural areas is also fuelling the need for housing, transportation networks, healthcare facilities, and educational institutions. Additionally, the surge in commercial and industrial activities is boosting demand for commercial spaces. With this positive outlook, the Indian cement sector anticipates demand increasing by 8-9% in FY 2024-25. It also foresees 150-160 MTPA in capacity additions over the next five years, utilising organic expansion strategies.

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Business Review

Sustainable Development

Increasing its coastal footprint under the umbrella of Ambuja Cements, the Company will increase its existing capacity to 15 MTPA across the West Coast markets with the states of Gujarat, Maharashtra, Karnataka, and Kerala at a very competitive cost based on its strength of low-cost clinker. This additional capacity is

targeted to be commissioned by FY 2025-26. Sustainability is at the core of SIL's strategic framework that emphasises circular economy, climate, energy, and environmental stewardship. The Company's proactive measures include reducing clinker factor, optimising energy consumption, and integrating alternate fuels into

its cement production process. The Company strives to expand its utilisation of renewable energy sources and implement innovative waste heat recovery systems (WHRS) to bolster its green energy footprint. In addition, SIL focuses on making a lasting impact on the community by uplifting marginalised communities.



A. Circular Economy

The Company is dedicated to transforming its practices and operations towards a circular approach. The Company strategises to utilise clean energy sources like WHRS, undertake best water management practices, incorporate alternative fuels, and locally source raw materials to ensure responsible manufacturing. Additionally, SIL implemented a 'closed loop' system within its production processes, where materials and resources are recovered and reused, leading to reduced unnecessary waste.


B. Climate and Energy

The Company has pledged to decrease its Scope 1 and Scope 2 greenhouse gas (GHG) emissions through diverse projects and initiatives. To

achieve these goals, it has adopted various measures such as shifting to alternative fuels, lowering clinker factor, boosting blended cement production, improving energy efficiency, installing WHRS, and embracing automation technologies. In addition to greenhouse gas (GHG) emissions, the combustion of fuel in operations generates air pollutants like nitrogen oxides (NO_x), sulphur oxides (SO_x), and particulate matter contributing to the environmental impact of the industry.

The Company is in the constant process of reducing its carbon footprint and promoting a sustainable future. In addition to this, reducing the energy footprint is a consistent priority, with a recognition of energy consumption as a crucial indicator. The operations rely on a mix of energy sources encompassing fossil

fuels, alternative fuels, renewable energy, and WHRS. The Company maintains a detailed monitoring of energy consumption across its facilities and equipment, which helps in analysing consumption patterns and structures. This approach enables the Company to prioritise and implement energy conservation initiatives.

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86%

Clinker factor (captive consumption in cement)

2.4%


Thermal substitution rate

835

Specific thermal energy consumption (kCal/kg of clinker produced)

C. Environment

The Company has a comprehensive environmental management system that aligns with the policies, procedures, and practices of the parent company Ambuja Cements Limited. This approach enables SIL to proactively address climate risks, minimise waste generation, and advocate for recycling. The Company supports incorporating climate change strategies, reaffirming its dedication to progressive environmental endeavours and sustainable practices.

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Performance Overview

Particular	FY 2023-24	FY 2022-23
Sales Volumes (MT)	1.78	1.69
Revenues from Operations (₹ Cr)	821	928
EBITDA (₹ Cr) (including exceptional items)	(58)	6
EBITDA Margin (%) (including exceptional items)	(7)	1
PAT (₹ Cr)	(449)	(326)

Key Financial Ratios

Ratios	FY 2023-24	FY 2022-23	% Variance	Reason for Variance
Current Ratio (in times)	1.07	0.69	56	It is mainly because of the repayment of short-term borrowing and substantial reduction in trade payables
Inventory Turnover Ratio (in times)	3.78	2.99	26	Due to a substantial reduction in inventories
Trade Receivables Turnover Ratio (in times)	31.76	12.86	147	Average trade receivables have substantially reduced, resulting from improved collection
Trade Payables Turnover Ratio (in times)	3.57	2.47	45	Payment to creditors (substantial reduction in trade payables) due to improved liquidity position of the Company
Debt-to-Equity Ratio	1.87	0.98	91	The Company's holding company has infused additional funds in the Company, by way of 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 (%)	(55)	(35)	56	Due to the increase in loss during the year due to increased costs
Operating EBITDA Margin (%)	(11)	(1)	632	Due to increase in loss during the year owing to increased costs
Return on Equity Ratio (%)	(34)	(19)	75	Due to higher losses during the year
Net Worth (₹ Cr)	1,111	1,559	(29)	Due to losses incurred during the year

On a Path to Recovery

The Company's shareholders have approved in its special EGM held on February 08, 2024 for related party transactions (RPTs) with Adani Enterprises Limited (AEL), Ambuja Cements Limited (ACL), and/or its wholly owned unlisted subsidiaries. ACL, the holding company currently, owns 60.44% equity shares of Sanghi Industries Limited. These transactions are expected to exceed the applicable materiality thresholds.

To ensure transparency and compliance, the Company follows a specific process for validating RPTs. The Audit Committee, consisting of independent directors, reviews and approves the transactions based on relevant information provided by the management, as required by the law. The committee ensures that the transactions are conducted on an arms' length basis and in the ordinary course of business.

Furthermore, the Company sought an arms' length opinion regarding these transactions from a reputable firm of Chartered Accountants based in Mumbai.

Approved RPTs with AEL and ACL

Acquisition of Solid Fuels: The Company faced operational complexities, including issues related to the terms of delivery, delayed supply, and quality problems when acquiring solid fuels from third-party sources. To address these challenges, AEL, an entity under common control, agreed to supply coal of superior and consistent quality, with efficient and improved logistics, at an arms' length price. As a



result, the Company entered into a transaction with AEL to purchase solid fuels (specifically coal) used for manufacturing clinker and also in captive thermal power plants. The consistent supply of superior quality solid fuels from AEL to the Company (SIL) is expected to be in the best interest of all stakeholders involved.

Purchase of Fly Ash: Given the proximity of fly ash availability to the plant, it is financially prudent to purchase fly ash from AEL, considering the cost savings associated with reduced logistics expenses. The purchase of fly ash from AEL will be at the prevailing market price.

Shared Business Services: AEL provides shared business services to all Adani Group Companies. The Company will avail of these services from AEL to ensure administrative convenience, cost-effectiveness, and robust financial control.

Overall, the proposed transactions and shared business services with AEL are aimed at improving operational efficiency, ensuring consistent fuel quality, reducing logistics costs, and enhancing financial control, thereby benefiting the Company as a whole and its stakeholders.

Cement and Clinker: The price will be based on the manufacturing plant's cost of production (excluding interest and depreciation) of the previous quarter, with a 10% markup. ACL would purchase bulk clinker and cement from the Company.

Sale/Purchase of Raw Materials and Spare Parts: The price will be determined based on either the replacement cost at the manufacturing company's location, considering the market price, or the manufacturing company's landed cost plus a carrying cost of 10% per annum for the holding

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period. The quantity would be based on the need.

Availing/Rendering of services:

Each company will reimburse the actual expenses incurred on its behalf by other the entity. This will create a positive impact on the liquidity of the Company. Assurance of bulk purchases ensures that the Company will not face liquidity challenges and can meet overheads and working capital requirements resulting in smooth business operations for the benefit of all stakeholders.

These transactions with Ambuja Cements aim to achieve several benefits for the Company, including:

- Synergies and economies of scale, optimising capacity utilisation, and reducing operational and administrative costs
- Strengthening business sustainability, including environmental sustainability and conservation of natural resources
- Optimising the cost to serve the market and achieving higher ESG (Environmental, Social, and Governance) standards
- Optimum utilisation of plant installed capacity as due to various reasons, including financial constraints, the Company has been operating at around 25% utilisation of its installed capacity

Master Supply Agreement and Master Service Agreement

Post-acquisition by ACL, the Company has entered into a Master Supply Agreement and Master



Service Agreement (collectively referred to as 'MSA') with Ambuja Cements Limited and ACC.

The MSA covers the purchase/sale of raw materials, spare parts, and availing/rendering of services. Under the MSA, ACL and ACC will bulk purchase clinker and cement produced by the Company, which will be sold under the Ambuja/ACC brand.

Expected Benefits

- The Company expects to improve its capacity utilisation to around 80% and become EBITDA positive, leading to an improvement in operating cash flow.
- This arrangement is expected to alleviate the financial

constraints faced by the Company and benefit all stakeholders, including creditors, governments, shareholders, and employees.

Overall, these related party transactions (RPTs) are aimed at optimising the Company's operations, improving financial stability, and enhancing the overall interest of all stakeholders.

Financial Constraint Elimination:

The Company expects that these transactions with ACL and ACC will alleviate any financial constraints that it may face in the future

Positive Impact on EBITDA:

The EBITDA of the Company was negative (32%) during the half-year ended on September

30, 2023. However, with the transactions undertaken/proposed with ACL and ACC, the EBITDA is anticipated to become positive, estimating around 9%. Furthermore, the Company's turnover is expected to increase to approximately ₹ 2,000 crore, resulting in an EBITDA of about ₹ 180 crore.

▪ **Availing Financial Assistance:**

Given the current scenario and the liquidity crunch faced by the Company, ACL has already provided a long-term unsecured loan (Inter-Corporate Deposit, 'ICD') of ₹ 2,081 crore at an 8% interest rate. The Company utilised this loan to repay existing secured debts bearing an average interest rate of about 18% and for working capital requirements. ACL, the parent company, will provide additional financial assistance of up to ₹ 500 crore through an unsecured loan (ICD) in one or more tranches. This additional funding will be used to meet working capital requirements, plant balancing and refurbishment, IT upgradation, initiatives towards ESG, and other general corporate purposes. An interest rate of 8% p.a. will be charged on the provided ICD, aligning with the prevailing market yield rate.

Overall, these RPTs and the financial assistance provided by AEL and ACL are expected to significantly benefit the Company's financial stability, positively impact its EBITDA, and address its liquidity requirements for various purposes in line with market standards



Quality Management

The Company's operations prioritise efficiency and precision through automation. SIL conducts thorough quality checks at every stage to ensure top-notch product quality. The Company employs stackers and reclaimers for the homogenisation of raw materials. Additionally, it employs central manufacturing process controls for seamless production workflows. SIL's NABL-accredited labs uphold rigorous quality standards, complemented by accreditations from the Bureau of Indian Standards (BIS) and BS-EN, showcasing its commitment to industry benchmarks and overarching 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)

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Digitalisation and Cybersecurity

SIL acknowledges the crucial role of digitalisation in driving sustainable business expansion. Over time, the Company has systematically incorporated diverse digital techniques across its key business functions, spanning sales, logistics, material management, manufacturing, control systems, and technology operations. Guided by a clear digital transformation strategy, the Company aims to overhaul these processes, efficiently allocating resources for sustainable growth while maintaining regulatory compliance. SIL's digital initiatives align with Industry 4.0 principles, and significant investments underscore its commitment to advancing the Company's position in the Indian cement manufacturing industry.



In addition, the Company prioritises adherence to the highest levels of security guidelines to safeguard its business effectively. Operational technology network segmentation prevents unauthorised access to sensitive data and devices. SIL's strategy involves segregating information and operational technology networks and implementing cybersecurity measures such as data loss

prevention, security information and event management, proxy, and multi-factor authentication (MFA). Recently, Sanghipuram underwent a comprehensive compliance audit, affirming the effectiveness of the Company's security measures and their alignment with industry standards.

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Internal Control Systems and Adequacy

SIL's management is accountable for establishing and upholding internal financial controls following the criteria set forth by the Company and considering the essential components of internal control. SIL's responsibilities encompass the design, execution, and upkeep of sufficient internal financial controls that function effectively to ensure its business' orderly and efficient operation. This approach includes adhering to policies, safeguarding assets, preventing and detecting frauds and errors, maintaining accurate and complete accounting records, and promptly generating reliable financial information as required



under the Companies Act, 2013. The Company maintains comprehensive internal financial control systems across its business operations, statutory compliance, and financial reporting. Additionally, SIL's internal audit

focuses on evaluating the operational effectiveness of the internal financial control system, providing objective assurance to the Board and Audit Committee regarding its adequacy and efficiency.

Human Resources



The Company aims to enhance individual capabilities to meet and exceed the organisation's current and future goals. The Company aims to create an environment that drives every member of the Adani Parivar towards success by unlocking their full potential, blending growth and achievement for collective success.

Improving Employee Experience

Recognising the pivotal role of employee experience, the Company invests in initiatives to enhance workplace engagement, collaboration, and fulfilment. Through

feedback mechanisms, surveys, and regular communication channels, the Company listens to its workforce to address their needs and expectations, fostering an environment where employees thrive personally and professionally.

HR Technology

Embracing technological advancements in human resource (HR) management, the Company implements cutting-edge solutions to streamline processes and boost efficiency. The Company aims to ensure optimal performance and a digitally integrated, agile infrastructure by empowering employees with user-friendly tools.

Fostering a Performance and Merit-Based Culture

The Company maintains a commitment to fostering a high-performance, meritocratic culture. The Company's performance management system (PMS) emphasises regular feedback, goal alignment, and recognition of achievements, supported by digital tools for goal tracking and evaluation. SIL celebrates employee accomplishments through a robust rewards and recognition programme, encouraging consistent excellence.

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Adopting an Agile Approach

In today's fast-paced business environment, agility is vital for success. The Company embraces an agile way of working to enhance responsiveness to market changes, customer needs, and internal dynamics. Cross-functional collaborations, iterative processes, and continuous improvement are central to the Company's agile approach, ensuring adaptive, innovative teams are ready to navigate challenges and seize opportunities.

Improving Industrial Relations


Positive industrial relations are fundamental to the Company's

organisational ethos. SIL maintains an open-door policy and effective communication channels, with regular employee forums and committees facilitating transparent dialogue and prompt resolution of concerns. The Company aspires to foster a workplace where trust, collaboration, and inclusivity thrive.

Enhancing Diversity and Inclusion

Building on its past successes, the Company remains firmly committed to diversity and inclusion. Informed by data, SIL strives to create a workforce reflecting the richness of its

communities, fostering innovation, creativity, and collaboration through diverse perspectives. The Company believes that a diverse and inclusive workplace is a source of strength and essential for achieving its business objectives.

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Community Development under the Aegis of Adani Foundation



Since its inception in 1996, the Adani Foundation, the community outreach arm of the Adani Group, has maintained a deep-seated commitment to strategic social investments aimed at fostering sustainable outcomes nationwide. The Adani Foundation's initiatives, focusing on critical areas such as education, health, livelihoods, skill development, and community infrastructure, align with national priorities and UN SDGs. Recognised for its innovative problem-solving approach, the Adani Foundation challenges norms and embraces novel solutions to ensure lasting impact. The Company is wholly committed to ensuring that it is aligned with the Foundation's philosophy and priorities and implements the same with communities in and around its operations.

Risk Management



The Company adheres to the highest standards of risk management practices to ensure the integrity and resilience of its operations. The Company's approach to risk management encompasses thorough identification, assessment, and mitigation of potential risks across all aspects of its business. By leveraging comprehensive risk assessment methodologies, the Company proactively identifies and analyses internal and external risks that may impact the organisation.

Key Risks and their Mitigation

Key Risks	Description	Mitigation
Maintaining Market Position in a Dynamic Industry Environment	The Indian cement industry's ever-evolving diverse landscape poses inherent risks to the Company's market position, heightened by ongoing capacity additions and consolidations.	The Company aims to counter these risks through strategically expanding its cement and clinker production capacities. Additionally, proactive efforts in brand equity enhancement through innovation and digitisation ensure resilience against competitive and profitability challenges.
Compliance with Changes Regulatory Landscape	Regulatory changes, driven by shifts in climate and environmental concerns, are occurring rapidly worldwide. Failure to comply with these new standards poses a high degree of complexity, potentially impacting the reputation and financial standing of the Company.	The Company employed transformation, upgradation, and modification tools to address these challenges. It has initiated various projects across its operations to control pollution and adhere to new emission standards (for dust, SOx, and NOx) set by the Ministry of Environment and Forest and Climate Change (MoEFCC). This proactive approach ensures regulatory compliance and positions the Company as a responsible steward of the environment.
Fuel and Raw Material Security Challenges	The cement industry, known for its capital, energy, and raw-material intensity, grapples with significant challenges in ensuring fuel and raw material security. Operating expenses hinge on energy and raw material costs, necessitating an uninterrupted supply for business continuity. Challenges arise from the Mines and Minerals (Development and Regulation) Act's notification, mandating mining lease renewals and grants through auctions, leading to fierce competition.	The Company employs a comprehensive strategy to address these challenges. It optimises the fuel mix for fuel security, enhances plant efficiency, and increases alternative fuel utilisation. Procuring raw materials, including coal, limestones, and fly ash, at an economical cost and suitable quality is crucial for production efficiency. The Company's risk on this front gets mitigated owing to its long-term mining lease for limestone, a key raw material for a cement company, and its substantial limestone reserves for many years.

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Key Risks	Description	Mitigation
Cybersecurity Threats	SIL's strategic integration of digitisation and emerging technologies, spanning artificial intelligence (AI), the Internet of Things (IoT), and blockchain, brings forth avenues for its progress and introduces new risks. The rapid pace of technological evolution presents both opportunities and potential security challenges.	<p>The Company proactively addresses the potential security risks associated with learning language models (LLMs) and social media platforms. It has implemented immediate measures to safeguard confidential information, including identifying and blocking data leakage sites that threaten the Company's network. Simultaneously, plans are in motion to establish a secure and monitored environment dedicated to using artificial intelligence tools.</p> <p>Creating a secure business environment involves the implementation of backup procedures and firewalls. Regular system upgrades and monitoring adhere to the latest security standards. The Company's commitment to cybersecurity extends to the periodic update of policies and procedures, ensuring alignment with the evolving threat landscape. Users are consistently educated on policy adherence, eliminating risks, and contributing to a secure digital workspace at SIL.</p>
Health and Safety Priorities	Health and safety are fundamental for business sustainability, demanding teamwork and commitment at all levels. In the pursuit of zero harm, the Company is undergoing evaluations and is focused on improving frontline safety and leadership presence.	The Company systematically reviews systems, processes, and procedures, addressing identified gaps. Initiatives like 'Unchaai Kendra' and Life Saving Safety Rules (LSSR) enhance awareness and prevent mishaps, contributing to a safer working environment onsite and offsite. Regular dynamic risk assessments help the Company to stay ahead of challenges, driving continuous progress towards 'zero harm.'
Climate Risk	The Company is conscious of the risks posed by climate change – physical risks as well as transitional risks. In physical risks, the Company considers acute and chronic risks. Acute risks are in the form of flooding, droughts, cyclones, etc., and chronic risks include water stress, heat stress, etc. In transition risk, the Company considers regulatory, technology, market, and reputation risks. The impacts of the risk can be in the form of supply chain disruptions, power outages, threats to plants and personnel, productivity, and many more.	The Company has a well-established climate governance consisting of policies and committees. Climate-related metrics and targets are defined, and performance is monitored regularly. The structures are designed to withstand severe conditions. Emergency plans are in place to address the risks. Regular training and drills are conducted to ensure that everyone is familiar with emergency procedures.

Key Risks	Description	Mitigation
Natural Resources	<p>The cement industry predominantly relies on natural resources such as limestone, coal, and minerals. Ensuring an uninterrupted flow of these essential materials while maintaining optimal cost and quality standards is imperative for sustaining seamless business operations.</p>	<p>To mitigate risks associated with natural resources, the Company is investing in improving its operational efficiencies for better resource utilisation. The Company is also actively undertaking several initiatives to conserve, reuse, and recycle resources wherever possible. These initiatives include efforts to improve the clinker factor and thermal substitution rate (TSR), among others.</p> <p>Additionally, the Company is investing in renewable energy and WHRS systems to minimise its reliance on non-renewable sources. To ensure the availability of key raw materials, the Company is also investing in coal and limestone mines. Through these measures, SIL aims to enhance sustainability, reduce environmental impact, and ensure a more resilient supply chain.</p>
Energy Security	<p>Energy security is a critical factor for the Company, as it heavily influences the operations and overall production costs.</p> <p>The Company faces substantial risks associated with energy expenses, constituting a significant portion of its overall production costs. Given the energy-intensive nature of cement production, particularly during kilning and grinding processes, managing energy costs effectively is paramount.</p>	<p>The Company recognises the importance of safeguarding against the risk of energy price inflation, and one strategy it employs is diversifying fuel sources, which includes leveraging alternative fuels. This approach helps mitigate the impact of fluctuating energy prices and promotes sustainability by reducing reliance on conventional fossil fuels.</p> <p>Moreover, the Company evaluates various energy procurement options to ensure optimal cost-effectiveness and reliability. The Company is committed to enhancing energy efficiency across its operations by implementing innovative technologies and sustainable practices. By proactively managing its energy resources, the Company aims to bolster operational resilience and sustain competitiveness in the dynamic cement industry landscape.</p>
Project Execution	<p>Project execution is critical, considering the company's vision to reach 140 MTPA by FY 2027-28. In line with this target, the company is already executing large-scale projects at multiple sites. To ensure timely completion, with utmost safety and quality and all within budget, is of utmost priority for the business.</p>	<p>The Company is leveraging group synergies by aligning with the Adani Group's project management company which has demonstrable experience and expertise in executing large-scale projects. Budgetary concerns, an important factor in project execution, are mitigated by a robust cashflow through internal accruals. The Company is executing its ongoing projects through EPC mode, for which it is partnering with the only the most reputed and regarded suppliers in the world. The Company is aligning its internal processes with an objective of simplifying, standardisation, and skill enhancement to achieve maximum speed and scale – the Projects team's 5S mantra.</p>

Board's Report

Dear Shareholders,

Your Directors are pleased to present the 37th Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2024 ("FY 2023-24/ FY24").

Financial Performance

The Audited Financial Statements of your Company as on March 31, 2024, 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	(₹ In crore)	
	Standalone	
	2023-24	2022-23
Revenue from operations	821.35	928.36
Other Income	12.60	19.45
Total Income	833.95	947.81
Expenditure other than Depreciation, Finance cost and Foreign Exchange (Gain) / Loss (Net)	909.16	941.39
Depreciation and Amortisation Expenses	107.03	93.38
Foreign Exchange (Gain) / Loss (Net)	0.23	0.57
Finance Cost	283.59	238.17
Total Expenditure	1,300.01	1,273.51
Profit before share of Profit/ (Loss) from joint ventures, exceptional items and tax	(466.06)	(325.70)
Share of loss from joint ventures	-	-
Profit before exceptional items and tax	(466.06)	(325.70)
Add/(Less):- Exceptional Items	17.47	-
Total Tax Expense	0.20	-
Profit/loss for the year	(448.79)	(325.70)
Other Comprehensive income (net of tax)	0.45	0.60
Total Comprehensive Income for the year (net of tax)	(448.34)	(325.10)
Attributable to:		
Equity holders of the parent	(270.98)	-
Non-controlling interests	(177.36)	-

Operations and Performance of the Company

During the year ended March 31, 2024, the total income was ₹ 833.95 crore against ₹ 947.81 crore in the previous year. The Company has incurred a net loss of ₹ 448.79 crore against the net loss of ₹ 325.70 crore in previous year. The Total Comprehensive loss for the year is ₹ 448.34 crore against the total comprehensive loss of ₹ 325.10 crore in previous year.

Credit Rating

The Company has repaid all its secured debts including non convertible debentures during the year under review and therefore there is no credit rating for the Company as on March 31, 2024. After the completion of the financial year ended March 31, 2024, India Ratings and Research has assigned IND AA / Stable / IND A1+ rating. The details of credit rating during the year are disclosed in the Corporate Governance Report, which forms part of the 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 the 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 of your Company for FY24, after all appropriations and adjustments, was ₹ 315.61 crore.

Share Capital

During the year under review, there was no change in the authorised and paid-up share capital of the Company. The Authorised Share Capital of the Company is ₹ 550 crores divided into Equity Share Capital of ₹ 350 crore and the Preference Share Capital of ₹ 200 crore and paid-up equity share capital is ₹ 258.33 crore.

Non-Convertible Debentures (NCDs)

During the year under review, the Company has made full repayment of principal amount alongwith redemption premium of its 3050 Listed, Rated, Secured, Non Convertible Debentures (Listed NCDs) of face value of ₹ 10,00,000/- and 5000 Secured, Un Rated, Un Listed, Redeemable, Non Convertible Debentures (Unlisted NCDs) of face value of ₹ 10,00,000/-

As on 31.03.2024 the Company has NIL outstanding Non Convertible Debentures.

Change in Management \ Control

Pursuant to the Share Purchase Agreement dated August 03, 2023 ("**SPA**"), amongst (a) the Company (b) certain members of the erstwhile promoter/promoter group of the Company vis. Mr. Ravi Sanghi, Ms. Anita Sanghi, Ms. Ekta Gupta, Mr. Aditya Sanghi, Mr. Alok Sanghi, Sanghi Polymers Private Limited, Samruddhi Investors Services Private Limited, Flarezeal Solutions LLP and Thinkfar Tradelink Private Limited (collectively referred

to as "**Sellers**") and (c) Ambuja Cements Limited ("**ACL**") (Acquirer), 54.51% Equity Shares were transferred from the Sellers to Acquirer on December 6, 2023.

Subsequent to above, the management and control of Sanghi Industries Limited is with Ambuja Cements Limited, a flagship Cement Company of Adani Group.

Open offer details

Pursuant to acquisition of 14,08,21,941 Equity Shares (54.51%) of Sanghi Industries Limited (Company) by Ambuja Cements Limited (Acquirer), the acquirer made an open offer to acquire upto 6,71,64,760 shares at price of ₹ 121.90/- constituting 26% of total voting share capital, to the shareholders of the Company. The said open offer remained opened from January 15, 2024 to January 30, 2024.

Total 2,04,81,161 shares constituting 30.49% of open offer issue and 7.93% of total voting share capital of the Company were tendered by the shareholders in the open offer.

The Settlement for open offer was completed on February 7, 2024 and all subscribing shareholders were duly paid against the shares tendered by them in open offer. Accordingly, as on February 7, 2024, acquirer holds 62.44% Equity Shares of the Company and the overall promoter group shareholding increased upto 80.52%.

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 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 is required to comply with the provisions of Minimum Public Shareholding (MPS) within period of 12 months. In order to achieve the MPS, Ambuja Cements Limited, the Promoter Company has sold 51,66,000 Equity shares (2%) in Open market. Therefore Ambuja Cements Limited is now holding 60.44% Equity Shares of the Company and overall Promoter/promoter group holding came down to 78.52%.

The Company assures to achieve MPS within the prescribed time limit i.e. on or before February 7, 2025.

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

The Company has not made any loans or provided any guarantee or has made any investments falling under purview of section 186 of the Companies Act, 2013 during the year under review.

Subsidiaries, Joint Ventures and Associate Companies

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

Directors and Key Managerial Personnel

As of March 31, 2024, 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 Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's business for effective functioning. The key skills, expertise and core competencies of the Board of Directors are detailed in the Corporate Governance Report, which forms part of this Annual Report.

Appointment/Cessation/Change in Designation of Directors

During the year under review, following changes took place in the Directorships:

Appointment:

- Mr. Ajay Kapur, (DIN: 03096416), Chairman & Non-Executive, Non-Independent Director was appointed as an Additional Director of your Company w.e.f. December 7, 2023 and was regularised as a Director at Extra-ordinary General Meeting held on February 8, 2024.
- Mr. Vinod Bahety (DIN: 09192400) was appointed as an Additional Director (Non-Executive and Non-Independent Director) w.e.f. December 7, 2023 and

was regularised as a Director at Extra-ordinary General Meeting held on February 8, 2024.

- Mr. Sukuru Ramarao (DIN: 08846591) was appointed as Whole – Time Director & Chief Executive Officer w.e.f. December 7, 2023. His appointment was approved by the shareholders by passing a resolution in the Extra Ordinary General Meeting held on February 8, 2024.
- Mr. Ravi Kapoor (DIN: 00003847), Independent Director was appointed as an Additional Director w.e.f. December 7, 2023 and was regularised as a Director at Extra-ordinary General Meeting held on February 8, 2024.
- Ms. Shruti Shah (DIN: 08337714), Independent Director was appointed as an Additional Director w.e.f. December 7, 2023 and was regularised as a Director at Extra-ordinary General Meeting held on February 8, 2024.

Cessation:

- Mr. Ravi Sanghi, (DIN: 00033594), resigned as a Chairman and Director of the Company w.e.f. December 7, 2023.
- Mr. Aditya Sanghi (DIN: 00033755) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Alok Sanghi (DIN: 00033506) resigned as Director of the Company w.e.f. December 7, 2023.
- Mrs. Bina Mahesh Engineer (DIN: 01653392) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Nirubha Balubha Gohil (DIN: 05149953) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Sundaram Balasubramaniam (DIN: 02849971) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Raina Dilip Desai (DIN: 05113035) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Arvind Motilal Agarwal (DIN: 00122921) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Gurudeo M. Yadwadkar (DIN: 01432796) resigned as Director of the Company w.e.f. December 7, 2023.

The Board places on record the deep appreciation for valuable services and guidance provided by respective Directors, during their tenure of Directorship.

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. Ajay Kapur (DIN: 03096416) is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Mr. Ajay Kapur 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. Sukuru Ramarao was appointed as Whole Time Director & Chief Executive Officer w.e.f. December 7, 2023
- Mr. Sanjay Kumar Khajanchi was appointed as Chief Financial Officer w.e.f. December 7, 2023.
- Mr. Manish Mistry was appointed as a Company Secretary and Compliance Officer w.e.f. December 8, 2023
- Mr. Ravi Sanghi resigned as a Chairman and Managing Director of the Company w.e.f. December 7, 2023
- Mrs. Bina Engineer resigned as a Chief Financial Officer of the Company w.e.f. December 7, 2023
- Mr. Anil Agrawal resigned as a Company Secretary and Compliance Officer of the Company w.e.f. closure of business hours on December 7, 2023

As on March 31, 2024, the following are Key Managerial Personnel ("KMPs") of the 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. Manish Mistry, Company Secretary

Subsequently, 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 appointed as a Company Secretary and Compliance Officer of the Company w.e.f. April 1, 2024.

As on date of this report, the following are Key Managerial Personnel ("KMPs") of the 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

Committees of Board

As required under the Act and the SEBI Listing Regulations, the Company has constituted various Statutory Committees. As on March 31, 2024, the Board has constituted the following statutory committees.

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 11 (Eleven) 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 March 26, 2024, 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

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Board as a whole, committees, chairperson and individual directors. As a step towards better governance practice, for the financial year ended March 31, 2024, the Company has engaged an independent external agency "Talentonic HR Solutions Private Limited" ("Talentonic") for facilitating Board evaluation. The evaluation process focused on Board dynamics and softer aspects and involved independent discussions with all Board members. A detailed Board effectiveness assessment questionnaire was developed based on the criteria and framework adopted by the Board. The CEO of Talentonic has conducted one-to-one virtual meetings with all the board members 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 outcomes of the evaluation process were presented to the Independent Director Meeting, Nomination & Remuneration Committee and the Board and further actions were agreed upon.

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, NRC meeting and Board meeting held on March 26, 2024. The suggestions were considered by the Board to optimise the effectiveness and functioning of the Board and its committees.

Board Familiarisation and Training Programme

The Board is regularly updated on changes in statutory provisions, as applicable to the Company. The Board is also updated on the operations, key trends and risk universe applicable to the Company's business. These updates help the Directors in keeping abreast of key changes and its impact on the Company. An annual strategy retreat is conducted by the Company where the Board provides its inputs on the business strategy and long-

term sustainable growth for the Company. Additionally, the Directors also participate in various programmes / meetings where subject matter experts apprise the 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, the 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**.

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 the Directors is as per the terms laid out in the Remuneration Policy.

Board Diversity

The Company recognises and embraces the importance of a diverse board in its success. The 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 the 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:

- a. 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the 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 the 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 the 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

The Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. The Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for the 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.

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 2022-23 and the average net profits of preceding three financial years being negative, the Company was not mandatorily required to spend any amount towards CSR Expenditure. However the Company has voluntarily spent ₹ 3.39 lakhs towards CSR Expenses during FY 2023-24.

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 24, 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 the Company provides an insight on various ESG initiatives adopted by the Company. The BRSR data is independently assured by an Independent assurance provider agency i.e. Intertek India Private Limited.

Annual Return

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on March 31, 2024 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 at their Extra-ordinary General Meeting of the Company held on February 8, 2024.

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. Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration Number: 101720W/W100355), Mumbai and M/s. S. K. Mehta & Co., Chartered Accountants (Firm Registration Number: 000478N) Delhi, were appointed as the Joint

Statutory Auditors of the Company for the consecutive term of five years to hold office till the conclusion of 40th Annual General Meeting 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, M/s. Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration Number: 101720W/W100355), Mumbai, one of the Joint Statutory Auditors of the Company had resigned w.e.f. December 5, 2023 since on account of changes in management and control of the Company during the year, their eligibility criteria was impacted and therefore, they tendered their resignation.

As on March 31, 2024, M/s S K Mehta & Co. is the sole Statutory Auditor of the Company.

Statutory Auditor have expressed their unmodified opinion on the Standalone 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.

Representatives of both the Joint Statutory Auditors of your Company attended the previous AGM of your Company held on September 14, 2023.

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 FY24. The Secretarial Audit Report for the year under review is provided as **Annexure – C** of this report.

Secretarial Audit of Material Unlisted Indian Subsidiary

The Company is not having any subsidiary and therefore the Company is not required to undertake the Secretarial Audit of Material Unlisted Indian Subsidiary.

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.

Cost Records and Cost Auditors

During the year under review, in accordance with Section 148(1) of the Act, the 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 of the Company for FY 24.

The Board has re-appointed M/s N D Birla & Co, Cost Accountants (Firm Registration Number: 000028) as Cost Auditors of the Company for conducting cost audit for the FY 2024-25. A resolution seeking approval of the Shareholders for ratifying the remuneration payable to the Cost Auditors for FY 2024-25 is provided in the Notice of the ensuing Annual General Meeting.

The Cost accounts and records as required to be maintained under section 148 (1) of the Act are duly made and maintained by the 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 686 permanent employees and workers as of March 31, 2024.

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. The 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 anti-sexual harassment 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.

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.

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.

Code for prevention of insider trading

Your Company has adopted a Code of Conduct ("Code") to regulate, monitor and report trading in 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 the 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

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions/events of these nature during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of your Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the

going concern status and your Company's operation in future.

4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by your Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Act).
5. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
6. One time settlement of loan obtained from the Banks or Financial Institutions.
7. Revision of 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

Place: Ahmedabad
Date: April 27, 2024

Ajay Kapur
Chairman
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.sanghiment.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.sanghiment.com/wp-content/uploads/Nomination-and-Remuneration-Policy.pdf
3	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	https://www.sanghiment.com/wp-content/uploads/Board-Diversity-Policy-1.pdf
4	Corporate Social Responsibility Policy [Section 135 of the Act]	https://www.sanghiment.com/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf
5	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	https://www.sanghiment.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.sanghiment.com/wp-content/uploads/Related-Party-Transaction-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.sanghiment.com/wp-content/uploads/Whistle-Blower-Policy-1.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.sanghiment.com/wp-content/uploads/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.sanghiment.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.sanghiment.com/wp-content/uploads/Terms-and-Conditions-of-Appointment-of-Independent-Directors.pdf
11	Familiarisation Program [Regulations 25(7) and 46 of SEBI Listing Regulations]	https://www.sanghiment.com/wp-content/uploads/Familiarization-Programme-Policy.pdf
12	Material Events Policy [Regulation 30 of SEBI Listing Regulations]	https://www.sanghiment.com/wp-content/uploads/Material-Events-Policy.pdf
13	Website content Archival Policy [SEBI Listing Regulations]	https://www.sanghiment.com/wp-content/uploads/Website-Content-Archival-Policy.pdf
14	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	https://www.sanghiment.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.sanghiment.com/wp-content/uploads/Insider-Trading-Code.pdf
16	Annual Return (MGT 7):	https://www.sanghiment.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 / programs 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.	Name of Director	Designation/Nature of Directorship	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	1	1
2.	Mr. Sudhir Nanavati*	Member, Independent Director	1	1
3.	Ms. Shruti Shah*	Member, Independent Director	1	1
4.	Mr. Ajay Kapur*	Member, Non-executive Non-independent Director	1	1
5.	Shri Balasubramanian**	Chairman, Independent Director	1	1
6.	Shri Aditya Sanghi**	Member, Executive Director	1	1
7.	Shri N B Gohil**	Member, Executive Director	1	1

* Appointed w.e.f. December 7, 2023

** Ceased w.e.f. December 7, 2023

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	
Average net profits for last three financial years	(52.13)

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

(₹ in crore)

Particulars	
Prescribed CSR expenditure (2% of ₹ -52.13 crore)	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): ₹ 3.39 Lac

(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)] : ₹ 3.39 Lacs

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

Total Amount Spent for the Financial Year (₹ in crores)	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	Date of Transfer
			N.A.		

(f) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹ in crores)
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	0.00
5.	Amount available for set off in succeeding financial years [(3)-(4)]	0.00

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

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	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
					Amount (in ₹)	Date of transfer		
1.	FY 2022-23	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.	FY 2021-22	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.	FY 2020-21	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)	(4)	(5)	(6)		
					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

Place: Ahmedabad
Date: April 27, 2024**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, 2024

[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: L18209TG1985PLC005581
Sanghi Nagar, P.O. Hayatnagar,
Tq. Ranga Reddy, Dist. Hyderabad,
Telangana – 501 511.

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 authorised 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, 2024 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, 2024 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 – Till, January 8, 2024 the Company was having In-House electronic connectivity with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for Share Transfer Registry Work. With effect from January 9, 2024 the Company has appointed Link Intime India Private Limited as its Registrar and Share Transfer Agent (RTA);
- (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.

We further report that:

Having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test - check basis, the Company has generally complied with the material aspects of the 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. The changes in the composition of the Board that took place during the year under review were carried out in compliance of the provisions of the Act.

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:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorised representatives during the conduct of the audit and compliance certificate placed before the Board Meeting, we are of the opinion of that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

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) Subject to approval of concerned Regional Director, the Company has obtained approval from shareholders for altering the 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 at the Extra Ordinary General Meeting held on April 1, 2023. Further, the Company has made necessary application with the Office of Regional Director, South Eastern Region, Hyderabad for the purpose of shifting the Registered office from the state of Telangana to the State of Gujarat. Necessary approval from the Regional Director's Office is awaited.

- 2) Pursuant to the Share Purchase Agreement dated August 3, 2023 ("SPA"), amongst (a) the Company (b) certain members of the erstwhile promoter/promoter group of the Company viz. Mr. Ravi Sanghi, Ms. Anita Sanghi, Ms. Ekta Gupta, Mr. Aditya Sanghi, Mr. Alok Sanghi, Sanghi Polymers Private Limited, Samruddhi Investors Services Private Limited, Flarezeal Solutions LLP and Thinkfar Tradelink Private Limited (collectively referred to as "Sellers") and (c) Ambuja Cements Limited ("ACL") (Acquirer), 14,08,21,941 Equity Shares constituting 54.51% of total voting share capital were transferred from the Sellers to Acquirer on December 6, 2023.
- 3) Subsequent to the acquisition, the management and control of Sanghi Industries Limited vested with Ambuja Cements Limited (Adani Group). Pursuant to the said SPA, all the executive Directors and Key Managerial Personnel and majority of Independent Directors have tendered their resignation and new Directors and Key Managerial Personnel have been appointed in the Company.
- 4) Pursuant to acquisition of 14,08,21,941 Equity Shares (54.51%) of Sanghi Industries Limited (Company) by Ambuja Cements Limited (Acquirer), the acquirer has made an open offer to acquire upto 6,71,64,760 shares at price of ₹ 121.90/- per share constituting 26% of total voting share capital, to the shareholders of the Company. The said open offer was remained opened from January 15, 2024 to January 30, 2024. Total 2,04,81,161 shares constituting 30.49% of open offer made and 7.93% of total voting share capital of the Company were tendered by the shareholders in the open offer which were accepted by Acquirer and consideration of the same was duly paid off by the Acquirer. Subsequent to above, acquirer's holding was increased to 62.44% of total voting capital of the Company and the overall Promoter/ Promoter group shareholding got increased to 80.52%.
- 5) 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 is required

to comply with the provisions of Minimum Public Shareholding (MPS) within period of 12 months from February 7, 2024.

In order to achieve the MPS, the Ambuja Cements Limited, the Promoter Company sold 51,66,000 Equity shares (2%) in Open market. Therefore, Ambuja Cements Limited's shareholding as on March 31, 2024 reduced to 60.44% of total voting capital of the Company and overall Promoter/promoter group holding came down to 78.52%.

- 6) The Company has made full redemption of principal amount along with redemption premium for 3050 Listed, Rated, Secured, Redeemable Non-Convertible Debentures (Listed NCDs) of face value of ₹ 10,00,000/- each aggregating to ₹ 305 crore and also 5000 Secured, Unrated, Unlisted, Redeemable, Non-Convertible Debentures (Unlisted NCDs) of face value of ₹ 10,00,000/- each aggregating to ₹ 500 crore. Therefore, at the end of the year no Non-Convertible Debenture is outstanding in the Company.

- 7) The Company has adopted new set of Memorandum and Articles of Association of the Company at the Extra Ordinary General Meeting held on February 8, 2024.

For Parikh Dave & Associates
Company Secretaries

Umesh G. Parikh
Practicing Company Secretary
Partner

ICSI Unique Code No.: P2006GJ009900

Peer review Certificate No.: 796/2020

FCS No.: 4152

C.P. NO. 2413

Place: Ahmedabad

Date: April 27, 2024

UDIN: F004152F000255656

Notes:

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: L18209TG1985PLC005581

Sanghi Nagar, P.O.Hayatnagar,
Tq. Ranga Reddy, Dist. Hyderabad,
Telangana – 501511.

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.: 796/2020

FCS No.: 4152

C.P. NO. 2413

UDIN: F004152F000255656

Place: Ahmedabad

Date: April 27, 2024

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 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the FY 2023-24:

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.	NA
^Mr. Ravi Sanghi	78.31	NA
^Mr. Aditya Sanghi	34.45	NA
^Mr. Alok Sanghi	34.45	NA
^Ms. Bina Engineer	40.99	NA
^Mr. N.B. Gohil	12.95	NA
Non-Executive Directors:		
*Mr. Ajay Kapur	NA	NA
*Mr. Vinod Bahety	NA	NA
Independent Directors:		
Mr. Sudhir Nanavati	0.56	NA
*Ms. Shruti Shah	0.33	NA
*Mr. Ravi Kapoor	0.34	NA
^Mr. S. Balasubramanian	0.47	NA
^Mr. Arvind Agarwal	0.39	NA
^Mr. G. M. Yadwadkar	0.47	NA
^Ms. Raina Desai	0.36	NA
Key Managerial Personnel:		
*Mr. Sukuru Ramarao	NA	NA
*Mr. Sanjay Kumar Khajanchi	NA	NA
@Mr. Manish Mistry	NA	NA
^Mr. Anil Agrawal	5.45	NA
^Mrs. Bina Engineer	40.99	NA

* Appointed w.e.f. December 7, 2023

^ Ceased w.e.f. December 7, 2023

@ Appointed w.e.f. December 8, 2023 & ceased w.e.f. closing of business hours on March 31, 2024.

Notes:

- The ratio of remuneration to the median remuneration of erstwhile Executive Directors is calculated on actual basis i.e. after taking into consideration the Full and Final Payment at the time of their resignation.
- On account of change in Management of the Company w.e.f. December 7, 2023 and the resultant changes in the Director and KMP including the MD & CEO and CFO during the year, the figures are not comparable and percentage increase in remuneration is not provided.

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

Nil

iii) The number of permanent employees on the rolls of Company as on March 31, 2024:

686 employees and workers

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

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

Place: Ahmedabad
Date: April 27, 2024

Ajay Kapur
Chairman
DIN: 03096416

Annexure – E to the Directors' Report

Environment and Pollution Control

The Company has established centralised 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.

Conservation of Energy, Technology Absorption

(a) Conservation of Energy

- (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** 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.
 - **All Locations** Installation of LT VFD in different sections to save maximum energy.

(a) Conservation of Energy**CU - Clinker unit, CU-1 - Clinker unit-1, CU-2 - Clinker unit-2, GU - Grinding unit, TPP - Thermal Power Plant**

- **CU-1** Coal mill-2 feed chute modification done to reduce reject, increase TPH & save power.
- **CU-1** Installation of occupancy sensors in offices & electrical sub-stations for ON-OFF of power supply.
- **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 firing screw discharge for improve coal firing efficiency.
- **CU-1** Efficiency improvement in WHRS by modification of Alkali bypass Boiler circuit.
- **CU-2** Raw Mill Bag house running in DP mode to reduced air consumption & filter bag life enhanced.
- **CU-2** Preheater down comer duct 5 no's expansion joint changed to reduce specific heat and power.
- **CU-2** Pressure drop reduced across cooler fan inlet by removing inlet damper.
- **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** With in-house modification, installed HRB bearing cooling system which reduced stoppage of HRB and increased life of bearing and increased equipment reliability.
- **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** With in-house modification, new blower with purging air system installed in Coal dosing RAL which reduced jamming frequency and manpower engagement.
- **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** Stand by additive feeding arrangement made for additive feeding.
- **CU-2** Alkali dust handling Dumper Carrier body modified to reduce dust emission
- **CU-** Clinker unit, CU-1 - Clinker unit-1, CU-2 - Clinker unit-2, GU - Grinding unit, TPP - Thermal Power Plant

(a) Conservation of Energy

- **CU-2** CLT extraction auto logic created for sequential gate opening to avoid heaping in side silo and reduces quality variation.
- **CU-2** CLT circuit, Deep Pan conveyor PG gate operation with its upper limit applied to reduce spillage of material due to flushing.
- **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** Limestone hopper additional air blaster installed to reduce jamming tendency.
- **CU-2** Liquid AFR system additional 2 firing point installed at calciner to improve firing efficiency.
- **CU-2** Raw Mill 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.
- **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.
- **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** In coal mill bag house, modified rupture disk installed with the facility of alarm in case of rupture disc failure.
- **CU-2** Kiln outlet Tip-casting refractory application modified to enhance refractory life.
- **CU-2** Pressure drop reduced across cooler fan inlet by removing inlet damper.
- **CU-2** Bag house & Alkali ESP PCC APFC (Automatic power factor controller) commissioning done.
- **CU-2** Coal mill circuit was running continuously after stopping mill & Reclaimer. Optimisation done in the transport circuit.

(a) Conservation of Energy

- **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.
- TPP -1 Cooling tower retrofitting to improve the cooling performance and increasing the turbine efficiency.
- TPP – 1 coal feeder 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. Usage of slag in composite cement and replacing chemical gypsum instead mineral are under continuous observation without affecting quality of cement.
- 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.
- QC Increased Slag % in Portland Slag Cement.

(ii) The steps taken by the Company for utilising alternate sources of energy;

- Provided advance feeding system for liquid alternative fuel system in Line-2.
- 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.
- Achieved 2.40% Thermal Substitution Rate (TSR) during the year.
- To be installed solar power source up to 20 MW or utilising our existing solar plant at Khavda.
- To be installed wind power source up to 20MW in Sanghipuram location.

iii) The capital investment on energy conservation equipment's

Nil

(b) Technology absorption**(i) The efforts made towards technology absorption;**

- The MIS Cell & Energy Steering Committee is working on energy accounting and conservation program by handling issues associated with it.
- The Company strives to implement latest technologies for energy efficiency, alternative resources & minimise adverse impact on environment.

(b) Technology absorption

	<ul style="list-style-type: none"> ▪ The regular energy audit is carried out by the third party to identify the area for improvement.
	<ul style="list-style-type: none"> ▪ 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;	NA
b) The year of import;	NA
c) Whether the technology been fully absorbed;	NA
d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	NA

(c) Research and Development

(i) Specific areas in which R&D carried out by the Company	<ul style="list-style-type: none"> ▪ Safety enhancement
	<ul style="list-style-type: none"> ▪ 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.

(c) Research and Development

- **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** Mineral Gypsum replaced by Chemical Gypsum after successful trails.
- **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.

(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** Installation of Turbo Blower ILC & C-2 firing.
- **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** Up-gradation of Cooler ESP to maintain dust emission norms.
- **CU-1** Process fans SPRS to replace with MV drive to increase the power saving.
- **CU-1** Up-gradation of Bag house to maintain dust emission norms.
- **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 Analyzer 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** Nitrogen plant Upgradation by use of compressed air and carbon molecules.
- **CU-2** Modification in the purging system of 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** Preheater 4th stages dip-tube placement to reduce Sp. Heat consumption.
- **CU-2** Kiln inlet sector plate replacement work to reduce spillage of material at kiln inlet.

(c) Research and Development

- **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 O2 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.
- **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 analyzer) 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 analyzer 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

Nil

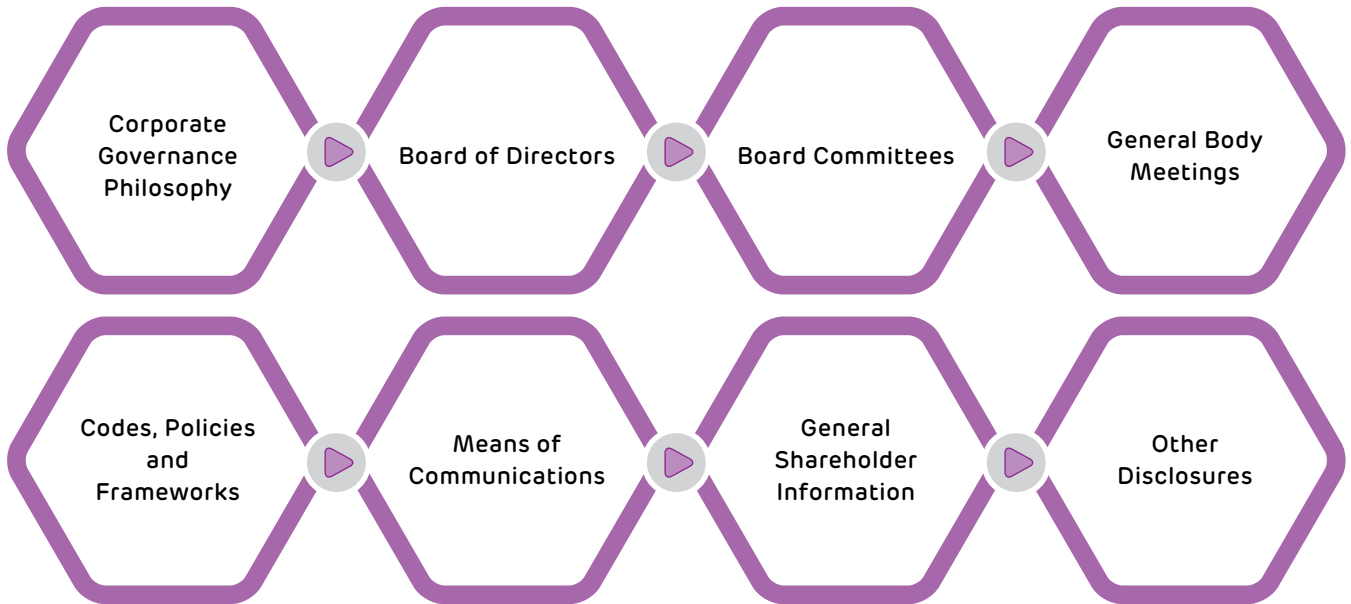
Foreign Exchange Earnings & Outgo:

During the year under review, Foreign Exchange Earnings was ₹ 0.57 crore and Outgo was ₹ 53.81 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:



Corporate Governance Philosophy

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 stand by 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 possessing a disciplined orientation and distinctive priorities.

Ethics and integrity: The Boards of the Company are committed to the highest integrity standards. Directors commit to abide by the 'Code of Conduct', regulations

and policies under oath, endeavouring to demonstrate intent and actions consistent with stated values.

Responsible conduct: The Boards 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 of Directors ("**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.

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

As on March 31, 2024, the Board consists of total Six Directors as follows:

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

Board Composition



83%

Non-executive Directors
on the Board

Independent Directors	50%
Non-executive	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, 2024 are as under:

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

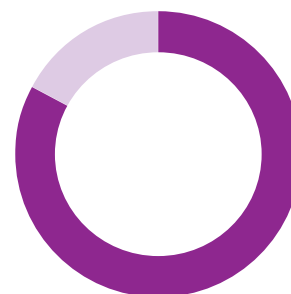
Mr. Ajay Kapur, aged 58 years, is a Non-Executive, Non-Independent Director of the Company w.e.f. December 7, 2023.

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 is on the Board of the following public Companies:

Board Gender Diversity



Men	83%
Women	17%

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
1. Ambuja Cements Limited - Whole Time Director	1. Adani Cementation Limited - Director
2. ACC Limited - Whole Time Director	2. Adani Cement Industries Limited - Director
	3. Foxworth Resources and Minerals Limited - Director
	4. Ambuja Shipping Services Limited - Director

Mr. Ajay Kapur is not a Chairman of Audit Committee or Stakeholder Relationship Committee in any of the above Companies

Mr. Ajay Kapur is Member of the following Committees (other than the Company):

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 48 years, is a Non-Executive, Non-Independent Director of the Company w.e.f. December 7, 2023.

Mr. Vinod Bahety has more than 25 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 is on the Board of the following public Companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
-	Asian Concrete and Cements Private Limited (Wholly Owned Subsidiary of ACC Limited) - Director

Mr. Vinod Bahety is neither a Chairman nor a Member in Audit or Stakeholder Relationship Committee of any of the above companies.

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

Mr. Sukuru Ramarao, aged 60 years is a Whole Time Director & CEO of the Company w.e.f. December 7, 2023.

Mr. Sukuru Ramarao has about thirty seven 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 seven 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 cost savings through I CAN at Ambuja Cement.

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

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
	1. Ambuja Shipping Services Limited - Director
	2. Foxworth Mineral Resources Limited - Director
	3. ACC Mineral Resources Limited - Director
	4. Lucky Minmat Limited - Director
	5. Bulk Cement Corporation (India) Limited - Director
	6. Adani Cement Industries Limited - Additional Director
	7. Asian Concretes and Cements Private Limited (Wholly Owned Subsidiary of ACC Limited) - Director
	8. Chemical Limes Mundwa Private Limited (Wholly Owned Subsidiary of Ambuja Cements Limited) - Director
	9. MGT Cements Private Limited (Wholly Owned Subsidiary of Ambuja Cements Limited) - Director
	10. Singhania Minerals Private Limited (Wholly Owned Subsidiary of ACC Limited) - Director

Mr. Sukuru Ramarao is neither Chairman nor a member in Audit or Stakeholder Relationship Committee of any of the above Companies.

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

Mr. Ravi Kapoor, aged 61 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.

He is on the Board of following Public Limited Companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
1. Concord Biotech Limited - Independent Director	1. Spinel Energy & Infrastructure Limited - Director
	2. Surajkiran Renewable Resources Limited - Director
	3. Adani Green Energy (UP) Limited - Director
	4. Sadbhav Hybrid Annuity Projects Limited - Director

Mr. Ravi Kapoor is not a Chairman in the Audit and Stakeholder Relationship Committee of any of the above Companies.

Mr. Ravi Kapoor is Member of the following Committees (other than the Company):

Name of the Companies	Name of the Committee
1. Concord Biotech Limited	- Stakeholder Relationship Committee
2. Spinel Energy & Infrastructure Limited	- Audit Committee
3. Surajkiran Renewable Resources Limited	- Audit Committee
4. Adani Green Energy (UP) Limited	- Audit Committee

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

Ms. Shruti Shah aged 44 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.

She is on the Board following Public Companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
1. Kalyani Investment Company Limited - Independent Director	1. Spinel Energy & Infrastructure Limited - Director
2. Balkrishna Industries Limited - Independent Director	2. Surajkiran Solar Technologies Limited - Director
3. Jai Corp Limited - Independent Director	3. Surajkiran Renewable Resources Limited - Director
4. Kalyani Steels Ltd. - Independent Director	

Ms. Shruti Shah is not the Chairperson in the Audit and Stakeholder Relationship Committee of any of the above companies

Ms. Shruti Shah is Member of the following Committees (other than the Company):

Name of the Companies	Name of the Committee
1. Balkrishna Industries Limited	- Audit Committee - Stakeholder Relationship Committee
2. Kalyani Steels Ltd.	- Audit Committee
3. Spinel Energy & Infrastructure Limited	- Audit Committee
4. Surajkiran Solar Technologies Limited	- Audit Committee
5. Surajkiran Renewal Resources Limited	- Audit Committee

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

Mr. Sudhir Nanavati, aged 77 years is an Independent Director of the Company w.e.f. 23rd June, 2022.

Mr. Sudhir Nanavati is a Commerce and Law Graduate (B.Com & L.LB), 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.

He is on the Board of following Public Companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
The Sandesh Limited - Director	Sterling Abrasives Limited - Director

Mr. Sudhir Nanavati is Chairman of the following committees (other than the Company):

Name of the Company	Name of the committee
The Sandesh Limited	Stakeholder Relationship Committee

Mr. Sudhir Nanavati is Member of the following Committees (other than the Company):

Name of the Companies	Name of the Committee
The Sandesh 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:

<p>Business Leadership</p> <p>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.</p>	<p>Financial Expertise</p> <p>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.</p>	<p>Risk Management</p> <p>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.</p>	<p>Global Experience</p> <p>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.</p>
<p>Merger & Acquisition</p> <p>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.</p>	<p>Corporate Governance & ESG</p> <p>Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the Company and protecting stakeholders interest.</p>	<p>Technology & Innovations</p> <p>Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, datacentre, data security etc.</p>	<p>Industry & Sector Experience</p> <p>Knowledge and experience in the business sector to provide strategic guidance to the management in fast changing environment</p>

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 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 Director on the Board has 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 new Independent Directors for a maximum term of up to 3 (three) years for up to 2 (two) such terms.

In compliance with Regulation 26 of the SEBI Listing Regulations, none of the Directors is a Member of more than 10 (ten) Committees or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Director is 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 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 of Directors has confirmed that Independent Directors of the Company fulfill the conditions specified in the Companies Act, 2013 and 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 has 3 (three) Independent Directors as on March 31, 2024.

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/Terms-and-Conditions-of-Appointment-of-Independent-Directors.pdf>

Changes in the Board during the FY 2023-24

Appointment

- Mr. Ajay Kapur, (DIN: 03096416), Chairman & Non-Executive, Non-Independent Director was appointed as an Additional Director of your Company w.e.f. December 7, 2023 and was regularised as a Director at Extra-ordinary General Meeting held on February 8, 2024.
- Mr. Vinod Bahety (DIN: 09192400) was appointed as an Additional Director (Non-Executive and Non-Independent Director) w.e.f. December 7, 2023 and was regularised as a Director at Extra-ordinary General Meeting held on February 8, 2024.
- Mr. Sukuru Ramarao (DIN: 08846591) was appointed as Whole – Time Director & Chief Executive Officer w.e.f. December 7, 2023. His appointment was approved by the shareholders by passing a resolution in the Extra Ordinary General Meeting held on February 8, 2024.
- Mr. Ravi Kapoor (DIN: 00003847), Independent Director was appointed as an Additional Director w.e.f. December 7, 2023 and was regularised as a Director at Extra-ordinary General Meeting held on February 8, 2024.

- Ms. Shruti Shah (DIN: 08337714), Independent Women Director was appointed as an Additional Director w.e.f. December 7, 2023 and was regularised as a Director at Extra-ordinary General Meeting held on February 8, 2024.

Cessation:

- Mr. Ravi Sanghi, (DIN: 00033594), resigned as a Chairman and Director of the Company w.e.f. December 7, 2023.
- Mr. Aditya Sanghi (DIN: 00033755) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Alok Sanghi (DIN: 00033506) resigned as Director of the Company w.e.f. December 7, 2023.
- Mrs. Bina Mahesh Engineer (DIN: 01653392) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Nirubha Balubha Gohil (DIN: 05149953) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Sundaram Balasubramaniam (DIN: 02849971) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Raina Dilip Desai (DIN: 05113035) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Arvind Motilal Agarwal (DIN: 00122921) resigned as Director of the Company w.e.f. December 7, 2023.
- Mr. Gurudeo M. Yadwadkar (DIN: 01432796) resigned as Director of the Company w.e.f. December 7, 2023.

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 FY 2024-25 has been disclosed later in this report. Additional meetings are called, when necessary, to consider the urgent business matters.

The Audit Committee for deliberation on the financial performance of the Company, are held on the same dates as Board meetings. To ensure an immediate update to the Board, the Chairperson of the respective committee briefs the Board in detail about the proceedings of the respective committee meetings. 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.

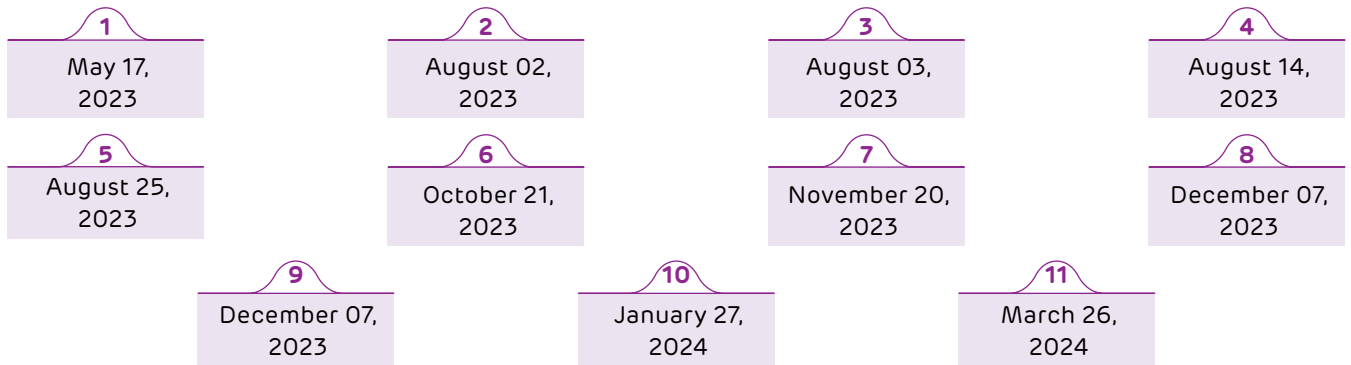
Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

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 **11 (Eleven)** times on:



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 2023-24, is as follows:

Name of Director	AGM held on September 14, 2023	Board Meetings											Total Board meetings held during tenure	Board meetings attended	% of attendance	
		1	2	3	4	5	6	7	8	9	10	11				
Mr. Ajay Kapur*	-	-	-	-	-	-	-	-	-	-				3	3	100%
Mr. Vinod Bahety*	-	-	-	-	-	-	-	-	-	-				3	3	100%
Mr. Sukuru Ramarao*	-	-	-	-	-	-	-	-	-	-				3	3	100%
Ms. Shruti Shah*	-	-	-	-	-	-	-	-	-	-				3	3	100%
Mr. Ravi Kapoor*	-	-	-	-	-	-	-	-	-	-				3	3	100%
Mr. Sudhir Nanavati														11	7	63.63%
Mr. Ravi Sanghi**											-	-	-	8	8	100%
Mr. Aditya Sanghi**											-	-	-	8	7	87.5%
Mr. Alok Sanghi**											-	-	-	8	8	100%
Ms. Bina Engineer**											-	-	-	8	7	87.5%
Mr. N.B. Gohil**											-	-	-	8	8	100%
Mr. S. Balasubramanian**											-	-	-	8	8	100%
Mr. Arvind Agarwal**											-	-	-	8	8	100%

Name of Director	AGM held on September 14, 2023	Board Meetings										Total Board meetings held during tenure	Board meetings attended	% of attendance			
		1	2	3	4	5	6	7	8	9	10				11		
Mr. G M Yadwadkar**												-	-	-	8	8	100%
Ms. Raina Desai**												-	-	-	8	7	87.5%

1. * Appointed w.e.f. December 7, 2023

2. ** Ceased w.e.f. December 7, 2023.

Attended through video conference	Leave of absence	Attended in Person
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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 one time during the FY 2023-24, on March 26, 2024. 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.

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

Mr. Deepak Dhawan, Chief Executive Officer of "Talentonic" 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.

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

Attended through video conference	Leave of absence	Attended in Person	Chairman
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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 program when they join the Board of the Company. The induction program 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 program, 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 1 (One) such events were conducted on 23rd and 24th February 2024. Each event has a minimum of two sessions of two hours each followed by Q&A session of one hour. Site visits are also organised during one or two such events. The details of familiarisation program is available on the website of the Company at www.sanghicement.com

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 programs 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 Company is not making any payment to its Non Executive Directors except sitting fees to Independent Directors for attending the Board and Committee Meetings of the Company. The details of sitting fees paid to the Independent Directors as mentioned in Note No. 39 (f) of the Financial Statements forming part of this Annual Report.

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.

During the year under review the Company appointed an Independent external agency "Talentonic HR Solutions Private Limited" ("Talentonic") for carrying out performance evaluation of Individual Directors including Chairperson, Committees of the Board and the Board as a whole.

Mr. Deepak Dhawan, Chief Executive Officer of “Talentonic” 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.

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.

After takeover of the Company by Ambuja Cements Limited, Adani Group entity, there is change in management and control and thereafter the Company is not making any payment of remuneration to the new Executive Director. The details of Remuneration paid to the erstwhile Executive Directors are mentioned in the Note 39 (f) of the Financial Statements forming part of the Annual Report.

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

iv) Directors and Officers Insurance Policy:

The Company has taken the Directors’ and Officers’ Insurance Policy which covers the Directors, officers or equivalents. The Company has provided insurance cover in respect of legal actions under the Directors and Officers Policy.

Details of Remuneration:

i) Non-Executive Directors:

There is no sitting fee paid to Non-Executive Director except Independent Directors.

ii) Executive Directors:

There is no sitting fee and commission paid to Executive Director.

iii) Details of shares of the Company held by Directors as on March 31, 2024 are as under:

Sr. No.	Name of Director	No. of Shares Held
1.	Mr. Ajay Kapur	Nil
2.	Mr. Vinod Bahety	Nil
3.	Mr. Sukuru Ramarao	Nil
4.	Ms. Shruti Shah	Nil
5.	Mr. Ravi Kapoor	Nil
6.	Mr. Sudhir Nanavati	Nil

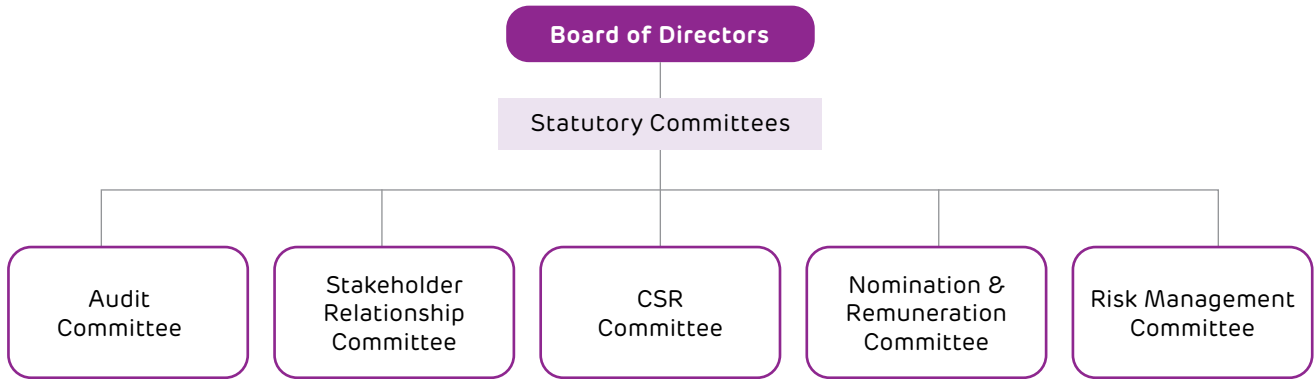


Board Committees

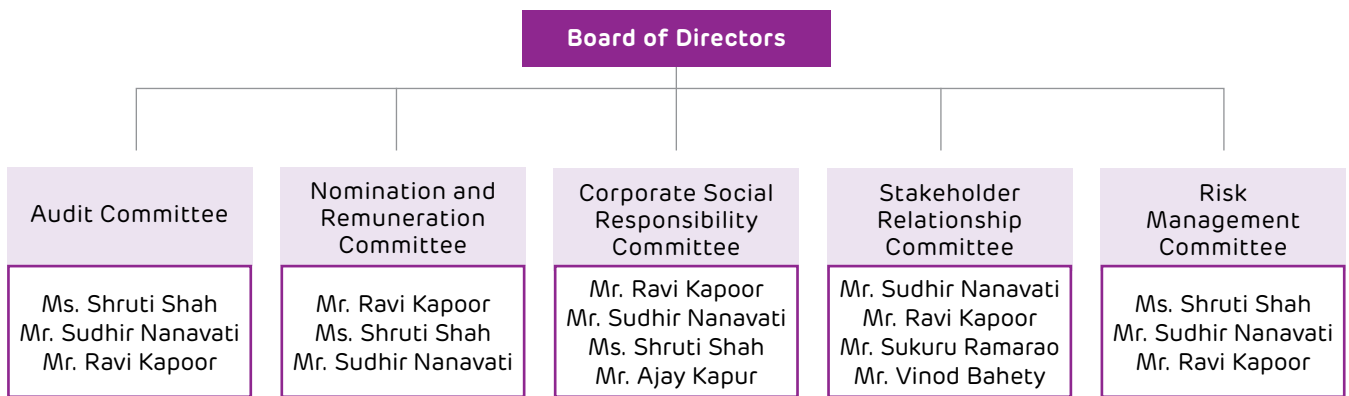
The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined 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, 2024, the Board has constituted the following committees / Sub-committees:



The Summary of Board committee wise membership as on March 31, 2024 is as under :



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.sanghiment.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:

Terms of Reference	Frequency
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	
To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the Company	
To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof	
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	

Terms of Reference	Frequency
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	
Changes, if any, in accounting policies and practices and reasons for the same	
Major accounting entries involving estimates based on the exercise of judgment by the management	
Significant adjustments made in the financial statements arising out of audit findings	
Compliance with listing and other legal requirements relating to financial statements	
Disclosure of any related party transactions	
Modified opinion(s) in the draft audit report	
To review, with the management, the quarterly financial statements before submission to the board for approval	
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.	
To review and monitor the Auditor's independence and performance, and effectiveness of audit process	
To approve all related party transaction and subsequent material modifications, thereof.	
To scrutinise inter-corporate loans and investments	
To undertake valuation of undertakings or assets of the Company, wherever it is necessary	
To evaluate internal financial controls and risk management systems	
To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems	
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	
To discuss with internal auditors of any significant findings and follow up there on	
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	
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	
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	
To review the functioning of the Vigil Mechanism / Whistle Blower Policy of the Company.	
To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate	

Terms of Reference	Frequency
To review financial statements, in particular the investments made by the Company's unlisted subsidiaries	
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	
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	
To oversee the Company's disclosures and compliance risks, including those related to climate	
To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders	
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	
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	
To review and recommend to the Board for approval – Business plan, Budget for the year and revised estimates	
To review Company's financial policies, strategies and capital structure, working capital and cash flow management	
To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee	-
To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations	
To review management discussion and analysis of financial condition and results of operations	
To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors	
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 FY 2023-24 on:







1 May 17, 2023	2 August 14, 2023	3 August 25, 2023	4 October 21, 2023
5 December 07, 2023	6 January 27, 2024	7 March 02, 2024	8 March 26, 2024

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 2023-24 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* 	-	-	-	-					4	4	100%
Mr. Ravi Kapoor*	-	-	-	-					4	4	100%
Mr. Sudhir Nanavati **		-	-	-					5	4	80%
Mr. Arvind Agarwal § 					-	-	-	-	4	4	100%
Mr. G M Yadwadkar §					-	-	-	-	4	4	100%
Ms. Bina Engineer #	-				-	-	-	-	3	3	100%
Attendance (%)											96%

- * Appointed w.e.f. December 7, 2023.
- ** Ceased w.e.f. June 13, 2023 and appointed w.e.f. December 7, 2023.
- § Ceased w.e.f. December 7, 2023.
- # Appointed w.e.f. June 13, 2023 and ceased w.e.f. December 7, 2023.

	Attended through video conference		Leave of absence			Attended in Person			Chairperson
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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.

Chairman of the Audit Committee attended the last AGM held on September 14, 2023 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:

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 Nomination and Remuneration Committee are as under:

Terms of Reference	Frequency
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	
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 Consider the time commitments of the candidates.	
To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of directors	

Terms of Reference	Frequency
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	
To devise a policy on diversity of Board of Directors	
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	
To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors	
To review and recommend remuneration of the Managing Director(s) / Whole - time Director(s) based on their performance	
To recommend to the Board, all remuneration, in whatever form, payable to senior management	
To review, amend and approve all Human Resources related policies	
To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system	
To oversee workplace safety goals, risks related to workforce and compensation practices	
To oversee employee diversity programs	
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)	
To oversee familiarisation programme for Directors	
To recommend the appointment of one Independent Director of the Company on the Board of its material subsidiary, if any.	
To carry out any other function as is mandated by the Board from time to time and/or enforce by any statutory notifications, amendments or modification as may be applicable.	

Frequency



Annually



Quarterly



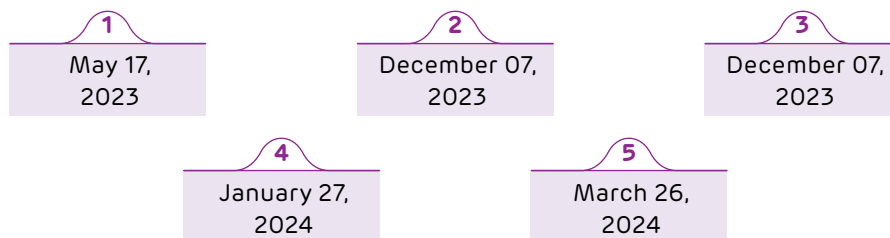
Half yearly




















Periodically

Meeting, Attendance & Composition of NRC:






NRC met 5 (Five) times during the FY 2023-24 on:



The composition of NRC and details of attendance of the members during FY 2023-24 are given below:

Name of Director	NRC Meetings					Held during the tenure	Total Attended	% of attendance
	1	2	3	4	5			
Mr. Ravi Kapoor * 	-	-				3	3	100%
Ms. Shruti Shah*	-	-				3	3	100%
Mr. Sudhir Nanavati# 						5	5	100%
Ms. Raina Desai **			-	-	-	2	2	100%
Mr. G M Yadwadkar **			-	-	-	2	2	100%
Attendance (%)								100%

- * Appointed w.e.f. December 7, 2023.
- ** Ceased w.e.f. December 7, 2023
- # Ceased to be Chairman w.e.f. December 7, 2023.

 Attended through video conference	 Leave of absence	  Attended in Person	 Chairman
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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 4 (four) members, with two 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:

Terms of Reference	Frequency
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.	
To review the measures taken for effective exercise of voting rights by shareholders	
To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent	
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	
To review engagement programs with investors, proxy advisors, etc. and to oversee investors movement (share register)	
To review engagement with rating agencies (Financial, ESG etc.)	
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	
To suggest and drive implementation of various investor-friendly initiatives	

Terms of Reference	Frequency
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	
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 1 (One) time during the FY 2023-24 on:

1
January 27,
2024

The composition of SRC and details of attendance of the members during FY 2023-24 are given below:

Name of Director	SRC Meetings	Held during the tenure	Total Attended	% of attendance
	1			
Mr. Sudhir Nanavati *		1	1	100%
Mr. Ravi Kapoor *		1	1	100%
Mr. Sukuru Ramarao *		1	1	100%
Mr. Vinod Bahety *		1	1	100%
Mr. S. Balasubramanian **	-	-	-	-
Ms. Raina Desai **	-	-	-	-
Ms. Bina Engineer **	-	-	-	-
Attendance (%)				100%

1. * Appointed w.e.f. December 7, 2023.

2. **Ceased w.e.f. December 7, 2023

Attended through video conference	Leave of absence	Attended in Person	Chairman
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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 the Listing Regulation, Mr. Anil Agrawal was Company Secretary and Compliance Officer of the Company till closure of business hours of December 7, 2023. Mr. Manish Mistry was appointed as Company Secretary and Compliance Officer of the Company w.e.f. December 8, 2023 till closure of business hours of March 31, 2024.

Mr. Anil Agrawal was again appointed as the Company Secretary and Compliance Officer of the Company w.e.f. April 1, 2024.

Details of Investor Complaints

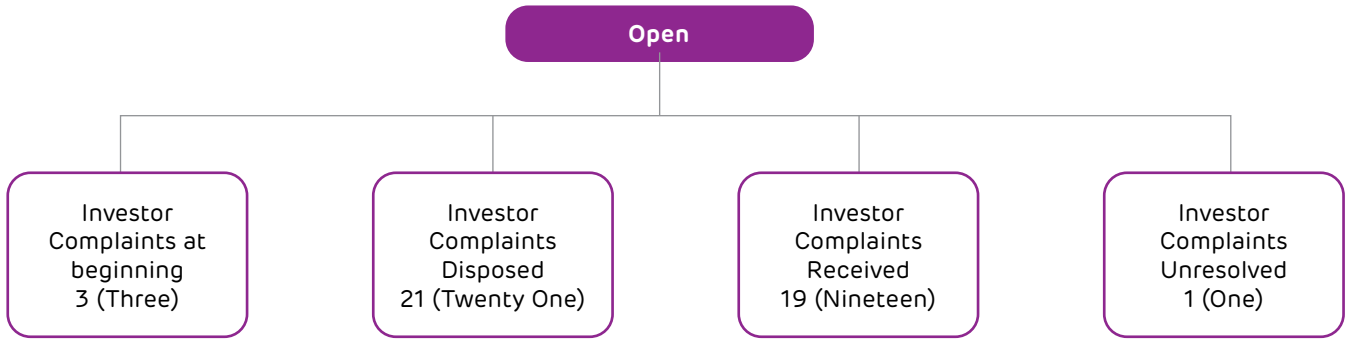
The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as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

During the FY 2023-24, Seventeen complaints were received.

19 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 FY 2023-24, Seventeen complaints were received.



Corporate Social Responsibility Committee

The Corporate Social Responsibility (“CSR”) Committee comprise of 4 (four) 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.sanghiment.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:

Terms of Reference	Frequency
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	○
To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy	○
To recommend to the Board the amount of expenditure to be incurred on the CSR activities	○
To monitor the implementation of framework of CSR Policy	○
To review the performance of the Company in the areas of CSR	◐
To institute a transparent monitoring mechanism for implementation of CSR projects/activities undertaken by the Company	◐
To recommend extension of duration of existing project and classify it as ongoing project or other than on-going project.	○

To submit annual report of CSR activities to the Board



To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board



To review and monitor all CSR projects and impact assessment report



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 FY 2023-24 on:



The composition of CSR Committee and details of attendance of the members during FY 2023-24 are given below:

Name of Director	CSR Meetings		Held during the tenure	Total Attended	% of attendance
	1	2			
Mr. Ravi Kapoor*	-		1	1	100%
Mr. Sudhir Nanavati*	-		1	1	100%
Ms. Shruti Shah*	-		1	1	100%
Mr. Ajay Kapur*	-		1	1	100%
Mr. S. Balasubramanian **		-	1	1	100%
Mr. Aditya Sanghi **		-	1	1	100%
Mr. N. B. Gohil **		-	1	1	100%
Attendance (%)					100%

1. * Appointed w.e.f. December 7, 2023.

2. ** Ceased w.e.f. December 7, 2023

Attended through video conference	Leave of absence	Attended in Person	Chairman
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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 members as 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:

Terms of Reference	Frequency
To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan.	
To review and approve the Enterprise Risk Management ('ERM') framework	
To formulate a detailed risk management policy which shall include:	
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	
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	
To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems	
To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action	
To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity	
To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration	
To review and approve Company's risk appetite and tolerance with respect to line of business	
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	
To review and recommend to the Board various business proposals for their corresponding risks and opportunities	
To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed	
To form and delegate authority to subcommittee(s), when appropriate.	
To oversee suppliers' diversity	
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 3 (three) times during the FY 2023-24 on:



The composition of RMC and details of attendance of the members during FY 2023-24 are given below:

Name of Director	RMC Meetings			Held during the tenure	Total Attended	% of attendance
	1	2	3			
Ms. Shruti Shah*	-	-		1	1	100%
Mr. Sudhir - Nanavati*	-	-		1	1	100%
Mr. Ravi Kapoor*	-	-		1	1	100%
Mr. Arvind Agarwal **			-	2	2	100%
Mr. Ravi Sanghi **			-	2	2	100%
Mr. N. B. Gohil **			-	2	2	100%
Attendance (%)						100%

1. * Appointed w.e.f. December 7, 2023.

2. ** Ceased w.e.f. December 7, 2023

	Attended through video conference		Leave of absence			Attended in Person			Chairperson
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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 Management Personnel:

As on 31st March, 2024, 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. Manish Mistry*	Company Secretary and Compliance Officer

* Subsequently Shri Anil Agrawal, Company Secretary and Compliance Officer appointed w.e.f. 1st April, 2024 and Mr. Manish Mistry resigned as Company Secretary and Compliance Officer w.e.f. closing business hours of 31st March, 2024.

Following Changes took place in Senior Managerial Personnel (SMP) who were also the Key Managerial Personnel during the financial year 2023-24:




- Mrs. Bina Engineer – Whole Time Director & Chief Financial Officer ceased w.e.f. 7th December, 2023
- Mr. Ravi Sanghi – Chairman and Managing Director ceased w.e.f. 7th December, 2023
- Mr. Anil Agrawal – Company Secretary and Compliance Officer ceased w.e.f. 7th December, 2023
- Mr. Sukuru Ramarao Whole Time Director & Chief Executive Officer appointed w.e.f. 7th December, 2023
- Mr. Sanjay Kumar Khajanchi, Chief Financial Officer appointed w.e.f. 7th December, 2023
- Mr. Manish Mistry, Company Secretary and Compliance Officer appointed w.e.f. 8th December, 2023 & ceased w.e.f. closure of business hours on 31st March, 2024



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		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, 2023. Alteration 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.
2022-23		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, 2022. Re-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.
2021-22		Saturday September 18, 2021 at 11:00 AM	<ul style="list-style-type: none"> Continuing the Directorship of Shri Dabbir Badri Narayan Rao (holding DIN: 01180539), as an Independent director of the Company 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.sanghiment.com/investors/>

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

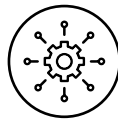
Company has not passed any special resolution through postal ballot during 2023-24.

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

The Company has proposed to pass the following resolutions through postal ballot notice dated April 22, 2024.

1. Approval for sub-division, increase in Authorised Share Capital & Alteration of capital clause of Memorandum of Association of the Company.
2. Approval for raising of funds by issue of Non Convertible Cumulative Redeemable Preference Shares on Private Placement basis to Ambuja Cements Limited, Holding Company.
3. Approval for entering into Material Related Party Transactions i.e. issue of Non Convertible Cumulative Redeemable Preference Shares on Private Placement basis to Ambuja Cements Limited.

The process of postal ballot is in compliance of applicable provisions of Companies Act & SEBI Regulations.



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.sanghiment.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.sanghiment.com/wp-content/uploads/Whistle-Blower-Policy-1.pdf>

0

Whistle-Blower

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

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.sanghiment.com/wp-content/uploads/Related-Party-Transaction-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 FY 2023-24.

Risk Management Framework

The Company has established Risk Management 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 Annual Report.



Means of Communication

Website:

The Company has dedicated "Investors" section on its website vis. 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 vis. Financial Express (English daily) and Mana Telangana Telugu daily vernacular language) 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 General Meetings, the Shareholders also interact with the Board and the Management.

Registrar and Share Transfer Agent:

The Company was acting as In House Registrar & Share Transfer Agent (RTA) till January 8, 2024 thereafter the Company has appointed Link Intime India Private Limited (Link Intime) as its RTA w.e.f. January 9, 2024. Link Intime 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 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 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 05, 2022 and MCA General Circular No. 11/2022 dated December 28, 2022, read with the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, 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, 2024, would be sent through email to the Shareholders.

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.

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



General Shareholder Information

37th Annual General Meeting:

Date & Time

Wednesday, June 26, 2024 at
2.00 P.M. (IST)

Mode: Video Conferencing / Other Audio Visual Means

Instructions for attending AGM/ Remote e-voting:
Refer notice of AGM

E-voting details

Starts	Sunday, June 23, 2024 from 9.00 AM (IST)
Ends	Tuesday, June 25, 2024 at 5.00 PM (IST)

E-voting at AGM

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

Dividend Distribution Policy:

The Dividend Distribution Policy of the Company is available on the website of the Company at:

<https://www.sanghicement.com/wp-content/uploads/Dividend-Distribution-Policy.pdf>

Company Registration Details:

The Company is registered in the State of Telangana, India and having registered office at

Sanghinagar PO.
Hayatnagar Mandal,
Ranga Reddy District,
Telangana – 501 511.

The Corporate Office of the Company is at

“Adani Corporate House”, Shantigram,
Near Vaishno Devi Circle, S. G. Highway,
Khodiyar, Ahmedabad – 382 421

Details of Plant Location:

Sanghipuram, Village Motiber,
Taluka Abdassa,
District Kutch, Gujarat – 370 511

The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is. L18209TG1985PLC005581.

Financial Calendar for 2024-25:

The Company's financial year starts on April 1 and ends on March 31 every year. The calendar for approval of quarterly financial results are as under:

**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	ISIN	Code
BSE Limited (BSE) Floor 25, P. J Towers, Dalal Street, Mumbai – 400 001	INE999B01013	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 FY 2024-25 has been paid to both NSE and BSE.

Listing of Debt Securities:

During the year under review, the Company has made full repayment of principal amount alongwith redemption premium of its 3050 Listed, Rated, Secured, Non Convertible Debentures (Listed NCDs) of face value of ₹ 10,00,000/. As on March 31, 2024 there is no outstanding Non Convertible Debentures.

Details of Debenture Trustees (for privately placed Debentures):

Since all the Debentures have been repaid in full and no outstanding debentures as on March 31, 2024, the requirement of Debenture Trustees is not applicable.

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, 2024.

Depositories:

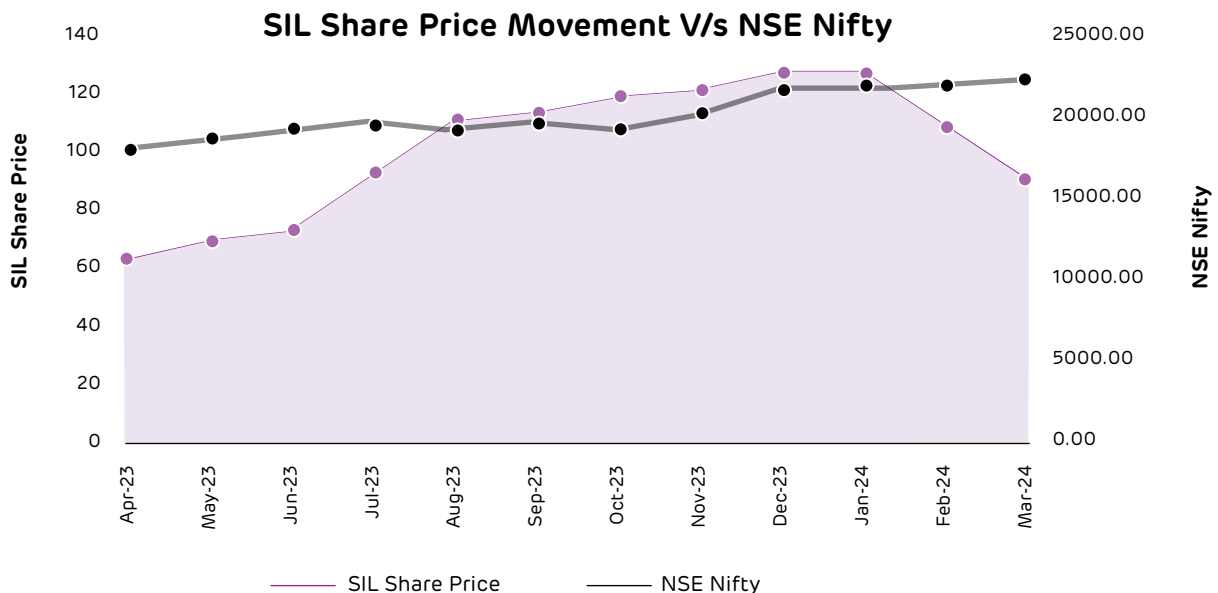
Name of Depositories	Address of Depositories
National Securities Depository Limited (NSDL)	Trade World – A Wing, Kamala Mills Compound Lower Parel, Mumbai-400013
Central Depository Services (India) Limited (CDSL)	A Wing, 25 th Floor, Marathon Futurex, Mafatlal Mills Compounds, N M Joshi Marg, Lower Parel (E) Mumbai – 400013

Market Price Data:

Month	BSE			NSE		
	High (₹)	Low (₹) (No. of shares) in lakhs	Volume in lakhs	High (₹)	Low (₹) (No. of shares) in lakhs	Volume in lakhs
April, 2023	72.14	62.02	9.84	72.30	62.50	65.46
May, 2023	77.55	66.66	12.21	77.70	66.90	165.61
June, 2023	76.47	65.58	18.08	76.50	65.70	192.84
July, 2023	97.74	68.50	71.11	97.65	68.60	458.46
August, 2023	116.81	93.07	98.19	116.70	93.05	530.75
September, 2023	114.95	108.00	5.59	114.90	109.75	74.62
October, 2023	131.90	110.20	10.41	131.75	112.25	154.06
November, 2023	121.25	112.50	12.00	121.30	112.45	121.69
December, 2023	141.95	121.05	26.25	140.00	122.05	206.59
January, 2024	156.20	119.10	49.67	156.00	119.25	565.03
February, 2024	132.85	107.70	13.23	131.80	107.00	118.21
March, 2024	113.10	83.00	21.04	113.00	82.90	258.93

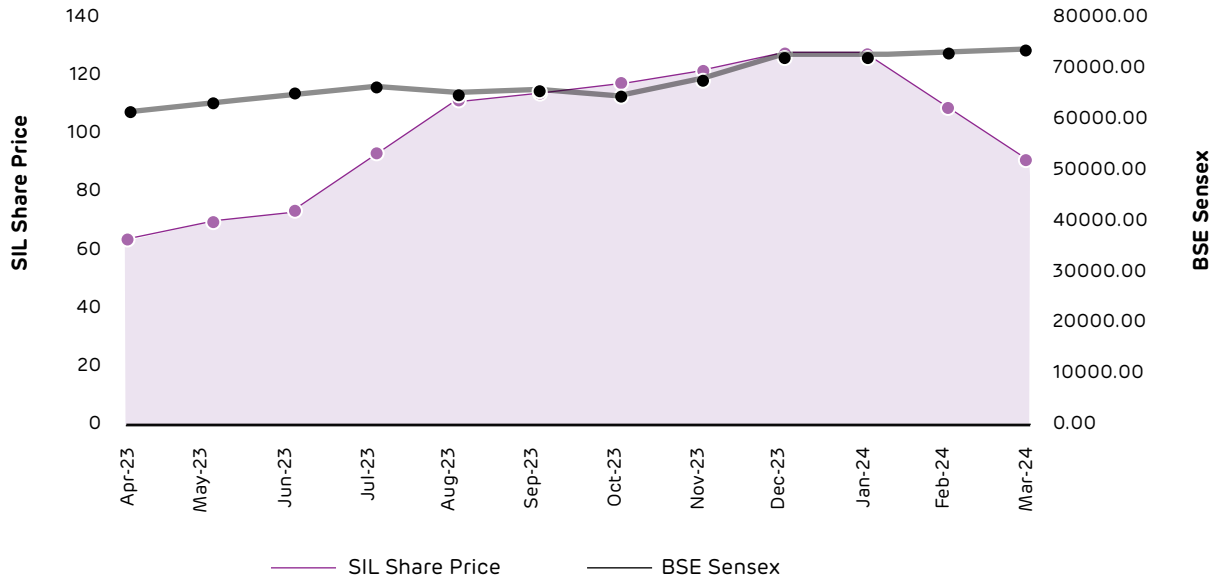
The Company's equity shares are frequently traded on the BSE Limited and National Stock Exchange of India Limited.

Performance in comparison to broad-based indices:



Company share prices and NSE Nifty- 50 index values on April 1, 2023 have been baselined to 100

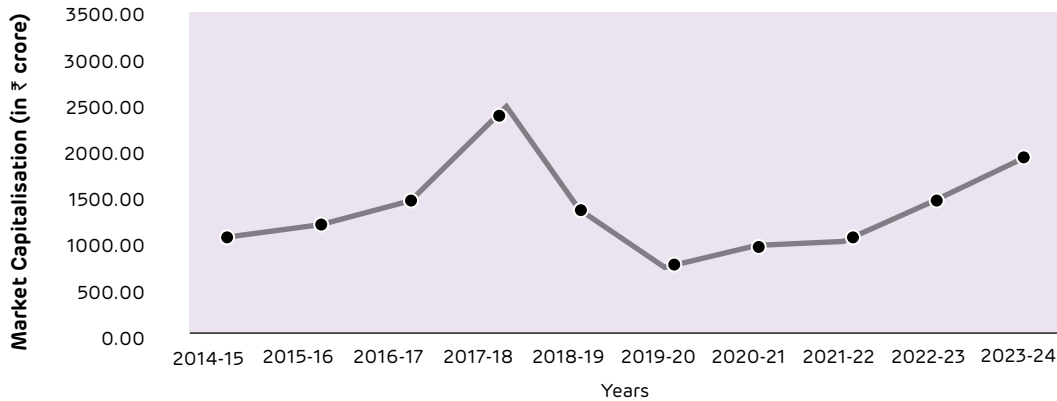
SIL Share Price Movement V/s BSE Sensex



Company share prices and BSE Sensex index values on April 1, 2023 have been baselined to 100

Market Capitalisation:

The Market Capitalisation of the Company based on financial year-end closing prices quoted in the BSE for last 10 years is given below:



Registrar and Transfer Agents:

M/s. Link Intime India Private Limited is appointed as Registrar and Transfer Agent (“RTA”) of the Company. 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@linkintime.co.in | **Website:** www.linkintime.co.in

The Shareholders are requested to correspond directly with the R&T Agent for their 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, 2024, 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 vis. NSE and BSE.

All share related communication should be addressed to R & T Agents of the Company at the address given above.

There was no instance of suspension of trading in Company's shares during FY 2023-24.

Shareholding as on March 31, 2024:

Distribution of Shareholding as on March 31, 2024:

No. of shares	2024				2023			
	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	5898441	2.28	49128	84.62	5221195	2.02	38025	81.66
501-1000	3410327	1.32	4147	7.15	3253080	1.26	3890	8.35
1001-2000	3149350	1.22	2039	3.51	3146689	1.22	1995	4.28
2001-3000	2092805	0.81	811	1.40	1935200	0.75	740	1.59
3001-4000	1407091	0.54	389	0.67	1197143	0.46	332	0.71
4001-5000	1951525	0.76	408	0.70	1874350	0.73	388	0.84
5001-10000	4244154	1.64	553	0.95	4205543	1.63	536	1.15
10001 & above	236172307	91.43	584	1.00	237492800	91.93	658	1.42
Total	258326000	100.00	58059	100.00	258326000	100.00	46564	100.00

Category-wise shareholding Pattern as on March 31, 2024:

Category	Total No. of Shares	% of holding
Promoter and Promoter Group	20,28,36,040	78.52
Total (A)	20,28,36,040	78.52
Foreign Institutional Investors / Portfolio Investor	3,48,371	0.13
Mutual Funds/Banks/Financial Institutions	18,343	0.01
NRI/Foreign Nationals	9,53,723	0.37
Central Government/ President of India	2,11,850	0.08
IEPF/Clearing Member	31,541	0.01
Bodies Corporate	1,15,83,358	4.49
Resident Individuals holding nominal share capital upto ₹ 2 Lakh	2,24,74,488	8.71
Resident Individuals holding nominal share capital in excess of ₹ 2 Lakh	1,74,33,530	6.75
HUF	17,90,588	0.69
Alternative Investment Fund	2,15,800	0.08
NBFC Registered with RBI	80,000	0.03
Body Corporate [LLP]	3,48,368	0.13
Total (B)	5,54,89,960	21.48
Total (A) + (B)	25,83,26,000	100.00

Commodity Price Risk/Foreign Exchange Risk and Hedging:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

Credit Rating:

Instrument Type	Amount (Rupees in crore)	Rating Agency	Rating	Outlook
Term Loan	₹ 578.30 crore	India Rating & Research Pvt. Ltd. (A Fitch Group Company)	IND BB+ (upto June 8, 2023)	Stable
	₹ 578.30 crore		IND BB (upto July 4, 2023)	Negative
	₹ 578.30 crore		IND D (from July 5, 2023)	-
Non Convertible Debentures	₹ 280 crore		IND BB+ (Upto June 8, 2023)	Stable
	₹ 280 crore		IND BB (Upto July 4, 2023)	Negative
	₹ 280 crore		IND D (from July 5, 2023)	-
Fund Based Limits	₹ 185 crore		IND BB+ (Upto June 8, 2023)	Stable
	₹ 185 crore		IND BB (Upto July 4, 2023)	Negative
	₹ 185 crore		IND D (from July 5, 2023)	-
Non Fund Based	₹ 140 crore	IND A4+ (upto June 8, 2023)	-	
	₹ 140 crore	IND A4+ (upto July 4, 2023)	-	
	₹ 140 crore	IND D (from July 5, 2023)	-	

The Company has repaid all its secured borrowings/debts on December 7, 2023. Accordingly, the credit rating of the Company as on date of this report is INDAA/Stable/INDA1+, assigned by India Ratings & Research.

International Rating

Rating Agency	Type of Instrument/facility	Rating/Outlook
	NA	

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: Sanghinagar PO. Hayatnagar Mandal, Ranga Reddy District, Telangana – 501 511
For queries relating to Financial Statements	Mr. Deepak Balwani, Head – Investor Relations	deepak.balwani@adani.com	Corporate Office : “Adani Corporate House”, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421
Registrar and Share Transfer Agent	Link Intime India Private Limited	rnt.helpdesk@linkintime.co.in	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 Annual Report.

Dispute Resolution Mechanism at Stock Exchanges (SMART ODR):

SEBI vide its Circular dated May 30, 2022 provided an option for arbitration as a Dispute Resolution Mechanism

for investors. As per this Circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related request.

In compliance with SEBI guidelines, the Company had sent communication intimating about the said Dispute Resolution Mechanism to all the Members holding shares in physical form.



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:

The Auditors' Report to the members for the year does not contain any qualifications or reservations or adverse remarks.

Reporting of Internal Auditor:

The Internal Auditor of the Company attends the Audit Committee Meeting for reporting their findings of the internal audit to the Audit Committee Members on quarterly basis.

Separate posts of Chairperson and Chief Executive Officer:

Mr. Ajay Kapur is the Chairman and Mr. Sukuru Ramarao is a Whole -Time Director & 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.

Independence 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 at the Extra Ordinary General Meeting held on February 8, 2024 for material related party transactions as per Regulation 23 of SEBI Listing Regulations. The details of Related Party Transactions

are disclosed in financial section of this 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.sanghiment.com/wp-content/uploads/Related-Party-Transaction-Policy-1>

Disclosure of accounting treatment in preparation of Financial Statements

The Company follows the guidelines of Indian Accounting Standards referred to in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Fees paid to Statutory Auditors:

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

	(₹ in crores)
Payment to Statutory Auditors	FY 2023-24
Statutory Audit Fees	0.18
Special Purpose Audit Fees	0.21
Limited Review Fees	0.05
Total	0.44

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.

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.

ADANI Code of Conduct:

The ADANI 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 ADANI 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 FY 2023-24, there was no instance of **public issues, rights issues, preferential issues**.

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.sanghiment.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.sanghiment.com/policies/>

The Company has in place an Information Security Policy that ensure proper utilisation of IT resources.

Details of the familiarisation programmes imparted to the Independent Directors are available on the website of the Company at:

<https://www.sanghiment.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.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has not received any Complaint under POSH during the financial year 2023-24 and there are no outstanding complaints at the end of the financial year 2023-24.

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.

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.

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

A certificate from 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, 2024, is annexed to this report.

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 to be held on 2024.

Compliance with Secretarial Standards:

The Company complies with all applicable secretarial standards.

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, Practising Company Secretary, to undertake the Secretarial Audit of your Company for FY24. The Secretarial Audit Report for the year under review is provided as **Annexure – C** of this report.

Independent Auditor's Certificate on Compliance of Conditions of Corporate Governance

To
The Members of
Sanghi Industries Limited.

1. This certificate is issued in accordance with the terms of our engagement letter dated December 15, 2023.
2. We have examined the compliance of conditions of Corporate Governance by Sanghi Industries Limited ('the Company') for the year ended March 31, 2024 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as amended.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Guideline stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our examination is limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2024.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S.K. Mehta & Co.**
Chartered Accountants

Rohit Mehta
Partner
FRN:000478N
M. No. 091382
UDIN: 24091382BKARGB6468

Place: Ahmedabad
Date: April 27, 2024

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 L18209TG1985PLC005581 and having registered office at "P.O. Sanghinagar, Hayatnagar Mandal, R.R. District, Telangana -501511 (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, 2024 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.

Umesh Parikh
Company Secretary

Parikh Dave & Associates
Company Secretaries
FCS 4152
C P No. 2413

UDIN: F004152F000246306
Peer Review Cert. No. 796/2020

Place: Ahmedabad
Date: April 27, 2024

DECLARATION

I, CEO of the Sanghi Industries Limited hereby declare that as of March 31, 2024, 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 27, 2024

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, 2024 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, 2024 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 27, 2024

Sukuru Ramarao
Chief Executive Officer

Sanjay Kumar Khajanchi
Chief Financial Officer

Business Responsibility & Sustainability Report FY 2023-24

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity : L18209TG1985PLC005581
2. Name of the Listed Entity : Sanghi Industries Limited
3. Year of incorporation : 1985
4. Registered office address : Sanghinagar P.O. Hayatnagar Mandal, R R District, Telangana – 501 511.
5. Corporate address : Adani Corporate House, Shantigram, S. G. Highway, Khodiyar, Ahmedabad – 382421
6. E-mail : companysecretary.sil@adani.com
7. Telephone : 079-2656 5555
8. Website : www.sanghicement.com
9. Financial year for which reporting is being done : April 2023 to March 2024
10. Name of the Stock Exchange(s) where shares are listed : National Stock Exchange of India Limited and BSE Limited
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 BRSR report : Name: Neeru Bansal
Address: Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Ahmedabad – 382421
Contact: +91 9825386934
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). : Yes, the disclosures under this report is made on standalone basis as the Company is not having any subsidiary company as on end of the FY 2023-24.
14. Name of assurance provider : Intertek India Private Limited
15. Type of assurance obtained : Limited Assurance

II. Products/services

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

Sr. 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):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Cement & Cement products	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)	Five (Gujarat, Maharashtra, Rajasthan, MP, Kerala)
International (No. of Countries)	Nil

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

Dealers, Builders, Institution, Govt. contractors, RMC/Precast manufacturers.

IV. Employees

20. Details as at the end of Financial Year:

a) Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	326	321	98.47%	5	1.53%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	326	321	98.47%	5	1.53%
Workers						
4.	Permanent (F)	360	360	100.00%	0	0.00%
5.	Other than Permanent (G)	587	442	75.30%	145	24.70%
6.	Total workers (F + G)	947	802	84.68%	145	15.32%

b) Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	2	2	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	2	2	100%	0	0
Differently Abled Workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

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	2	0	0

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

	FY2023-24 (Turnover Rate)			FY2022-23 (Turnover rate)			FY2021-22 (Turnover rate)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	54.73	94.79	55.56	53.2	1.07	54.27	45.00	1.70	46.70
Permanent Workers	30.88	100	31.81	24.6	1.20	25.80	25.90	0.00	25.90

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) Names of holding / subsidiary / associate companies / joint ventures**

Sr. 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	60.44	No

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

No. (As there was loss during FY 2022-23, the Company is not required to spend under CSR during FY 2023-24)

(ii) Turnover (in ₹) : ₹ 820,17,00,000

(iii) Net worth (in ₹) : ₹ 1110,79,49,201

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)	FY2023-24 Current reporting period			FY2022-23 Previous reported 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	-	0	0	-	0	0	-
Investors (other than shareholders)	*Yes	0	0	-	0	0	-
Shareholders	Yes (Ref. Note 1)	19	1	-	9	3	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY2023-24 Current reporting period			FY2022-23 Previous reported 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
Employees and workers	Yes (Ref. Note 2)	0	0	0	0	0	-
Customers	Yes (Ref. Note 3)	0	0	0	0	0	-
Value Chain Partners	-	0	0	-	0	0	-
Other (any stakeholder)	-	0	0	-	0	0	-

*The Whistle Blower policy of the Company also includes all the stakeholders of the Company and accordingly the grievance of all the stakeholders are covered under the said policy. The Whistle Blower policy is available on the website of the Company at <https://www.sanghicement.com/policies/>

Notes:

- Shareholders Complaints are dealt by the Secretarial Department of the Company and its reporting on quarterly basis are done with Stock Exchanges where the shares of the Company are listed
- Employees 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
- Customers Complaints are dealt with by a separate team and are resolved within the committee time.

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

Sr. 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)
1.	Corporate governance	R		Policy revision/ up gradation / Board review	Negative
2.	Business Ethics	R		Whistle blower policy and its deployment. The Company has a whistle blower policy for its employees, vendors and channel partners	Negative
3.	Customer Experience & Satisfaction	O			Positive
4.	GHG Emissions and Climate Change	O			Positive
5.	Circular economy	O			Positive

Sr. 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)
6.	Energy Management Cost of installation/ replacement.	O			Positive / Negative (Cost of installation/ replacement)
7.	Use of Alternative fuels	O			Positive / Negative (Cost of installation/ replacement)
8.	Water Management	O/R	Water is the most crucial resource for maintaining our manufacturing activities. We have a relentless focus on reducing usage and improving conservation to promote water stewardship across our operations	(a) Maintain Zero Liquid Discharge (ZLD) (b) Water used in the plant for industrial cooling is recycled through cooling towers to ensure effective reuse (c) 500 KLD Sewage Treatment Plant (STP) to treat the sewage from the colony. This STP is built on the innovative "Root Zone Treatment technology", which cleans discharged water and makes it safe to use once more for dust control and greenbelt development.	Positive / Negative
9.	Availability of fuels for power generation & process heating	R	Increase in the prices and shortage of availability of the Coal in the Market	Finding of alternative which can be used and figure out other avenues for purchase of coal	Negative
10.	Social engagement & impact	O			Positive / Negative Cost of implementing CSR projects
11.	Human rights and labour conditions	R		The Company ensures that every individual in the Company acts in accordance with applicable laws and supports the protection of human rights, abolition of child labour, avoidance of forced labour and any form of slavery. This is embedded in its various corporate policies like Environment, Health & Safety (EHS) Policy, Whistle-Blower policy, Protection of Women's Rights at Workplace Policy and the Code of Conduct. Training on various issues related to human rights are covered under new employee induction, EHS training, POSH, code of conduct etc.	Negative
12.	Occupational health & safety	R		Training/ awareness/technological upgradation/ review at senior level and Board committee. SIL is committed to its Zero Harm to life.	Negative
13.	Diversity and Inclusion	O			Positive
14.	Sustainable supply chain	O/R		Supplier / vendor Code of Conduct (COC) covers EHS and Human Rights parameters to be adhered and supply chain partners must sign the COC as a part of the contract documents.	Positive / 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.sanghiment.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, Trustea) 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	<p>The Business responsibility and Sustainability Report is one of the many steps we are taking for creating a greener future for our Company and the larger ecosystem. Our sustainability efforts go beyond using nature's resources efficiently and staying compliant. It is our mission to create shared value by empowering our employees and communities to improve their lives, enabling our value chain partners to prosper as we expand our footprint and, above all, delivering quality products to our customers.</p> <p>It is our goal to pave circular driven paths to produce cement with zero waste as much as feasible, reducing our carbon footprint and Green House Gas (GHG) emissions. Using recyclable industrials, reducing the use of coal and PET coke, modifying our product mix to include greener blended cement, and deploying waste heat recovery systems to reuse hot waste gas are just some of the measures we are taking to reduce our carbon footprint. In line with our efforts to decrease the production of waste and increase the adoption of alternative fuels and raw materials, we are in the process of commissioning solar and wind energy assets at our locations.</p>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	We thank our stakeholders for their continued belief in the Company as we surge ahead with our mission of transforming lives, protecting our planet and delivering sustained values.								
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 Contact Details: +91 79 - 2656 5555 E mail ID: companysecretary.sil@adani.com								
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									Quarter 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 non-compliances, 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
	No	No	No	No	No	No	No	No	No

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)	-	-	-	-	-	-	-	-	-
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 categorised 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	1	The training and awareness on initiatives taken by the Company in line of Environmental, Social and Governance (ESG) Module.	100
Key Managerial Personnel	1	The training and awareness on initiatives taken by the Company in line of Environmental, Social and Governance (ESG) Module.	100
Employees other than BoD and KMPs and Workers	198	Technical, Health & Safety, Material Handling, Policies.	87

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 (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):

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

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

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.

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

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

	FY2023-24 (Current Financial Year)	FY2022-23 (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:

	FY2023-24 (Current Financial Year)		FY2022-23 (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.

None.

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

	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Number of days of accounts payable	27	146

9. Openness of business

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

Parameter	Metrics	FY2023-24 (Current Financial Year)	FY2022-23 (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	27%	25%
	b) Number of dealers/distributors to whom sales are made	27	888
	c) Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	15%	11%
Share of RPTs in	a) Purchases (Purchases with related parties/total purchases)	32%	Nil
	b) Sales (Sales to related parties/ Total Sales)	41%	Nil
	c) Loans & advances (Loans & Advances given to related parties/Total loans & advances)	Nil	Nil
	d) Investments (Investments in related parties/Total Investments made)	Nil	Nil

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

Essential Indicators

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	NIL	₹ 58.67 Lakhs	NA
Capex	NIL	₹ 862.38 Lakhs	NA

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

- 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 also recycled by waste recyclers to create new bags.
- The E-waste produced during the office operations is sold to the registered recyclers.
- The hazardous waste generated in the cement production process, is disposed off 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.

Yes,

Extended Producer Responsibility (EPR) is applicable to the Company and registration as Brand owner is in process on EPR portal.

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

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	321	321	100%	321	100%	0	0	0	0		
Female	5	5	100%	5	100%	5	100%	0	0		0
Total	326	326	100%	326	100%	5	100%	0	0		
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0		
Female	0	0	0	0	0	0	0	0	0		0
Total	0	0	0	0	0	0	0	0	0		

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	360	360	100%	360	100%	0	0	0	0		
Female	0	0	0	0	0	0	0	0	0		0
Total	360	360	100%	360	100%	0	0	0	0		
Other than Permanent workers											
Male	442	442	100%	442	100%	0	0	0	0		
Female	145	145	100%	145	100%	0	0	0	0		0
Total	587	587	100%	587	100%	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 2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.31%	0.23%

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

Benefits	FY2023-24 (Current Financial Year)			FY2022-23 (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/ NA)	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/ NA)
PF	31.59	90.83	Y	26	21	Y
Gratuity	100	100	Y	100	100	Y
ESI	0	0.83	Y	0.14	3	Y
Others – please specify	NA	NA	NA	NA	NA	NA

*In ESI, Employees who are eligible for ESI are covered under this category, however, we didn't have any employee under the category in FY 2023-24.

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 is not having any specific equal opportunity policy, however the Company strongly believes in the principal of inclusion of all in the Organisation without any discrimination on cast, color, gender etc.

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	0	0	0	0
Female	0	0	0	0
Total	0	0	0	0

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	Yes,
Other than Permanent Workers	The grievances of the employees, workers are redressed by a separate Works committee of the Company.
Permanent Employees	
Other than Permanent Employees	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.

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

Category	FY2023-24 (Current Financial Year)			FY2022-23 (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 (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
- Male						
- Female						
Total Permanent Workers						
- Male						
- Female						

NA

8. Details of training given to employees and workers:

Category	FY2023-24 (Current Financial Year)					FY2022-23 (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	321	321	100%	150	47%	504	226	45	184	37
Female	5	5	100%	1	20%	14	3	22	5	36
Total	326	326	100%	151	46%	518	229	44	189	37
Workers										
Male	360	360	100%	325	90%	164	97	59	114	70
Female	0	0	0%	0	0%	3	3	100	3	100
Total	360	360	100%	325	90%	167	100	60	117	70

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

Category	FY2023-24 (Current Financial Year)			FY2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total	0	0	0	0	0	0
Workers						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total	0	0	0	0	0	0

*No performance appraisals were undertaken as the Company was incurring losses.

10. Health and safety management system:

- a) Whether an occupational health and safety management system has been implemented by the entity? **(Yes/No)**. If yes, the coverage such system?

Yes, occupational health and safety management system has been implemented by the entity. It covers the entire operations. The EHS Policy and management systems have been implemented in accordance with the International Standards ISO 45001:2018 (Occupational Health and Safety Management System Standard). EHS Management System defines the mandatory requirements for the systematic management and execution within the organisation. The Company's Integrated EHS Management System is accredited by international certification bodies.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has in place systematic risk management process to identify and control all the hazards in the operations. The Company's risk management process is applied through five steps (Identification, Assessment, Mitigation, Monitoring and Reporting) and is the key driver for controlling the risk of EHS in business. All relevant stakeholders and EHS team members are involved in risk assessments and the risk management process. Risk assessments and safe work procedure are developed and approved prior to starting any new activity. All identified risks and risk mitigation plans are documented and communicated to all relevant parties as per ISO system.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, the workers of the Company can approach to the works committee or their head of Department to report the work-related hazards through internal communication so that the same can be redressed at the earliest.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/No)**

Yes, all the employees and Workers have access to the first aid kits available at the offices / premises of the Company, also OHC is available along with full time doctors and trained nursing staff in township of the Company for instant and quick relief. In case of any serious medical condition the Company shall arrange for the doctors and hospitalisation in required case.

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

Safety Incident/Number	Category	FY2023-24	FY2022-23
		(Current Financial Year)	(Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.59	0
	Workers	0	0.104
Total recordable work-related injuries	Employees	1	0
	Workers	0	0
No. of fatalities	Employees	1	0
	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.

The Company is committed to creating a healthy and safe work environment for all employees, contractors, and people engaged directly or indirectly in operations. To support this further, there is a systematic risk management process in place to identify and control all the hazards within the operation which requires verification of conformity. The EHS management system has various procedures and EHS norms. Hazard identification, Risk Assessment (HIRA) and Job Safety Analysis (JSA) is implemented as per the Standard Operating Procedure. Safety Committees are in place to review the adequacy of resources for safety and to provide support for safety management system. Deployment of safe and healthy system of work is assured through periodic safety audits and area inspections across all sections.

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

	FY2023-24			FY2022-23		
	(Current Financial Year)			(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	
Working Conditions	100%

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.

The Company's EHS department and safety committee undertake a review of all safety related incidents. The incidents are being investigated and corrective and preventive actions are being implemented to stop recurrence of such incidents. The effectiveness of corrective actions deployment being checked during safety Audits. Also learning from investigation reports are shared across organisation. Significant risks/concerns arising from assessment of health and safety practices are addressed through elimination of manual job, safety capability building, monitoring and supervision, etc.

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

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

The Company has identified its stakeholders which are largely bifurcated as employees, communities, shareholders / investors, Government authorities and Regulatory Bodies, Suppliers & contractors, customers & community at large.

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 & Marginalised Group (Yes/No)	Channels of communication (E-mail, 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
Employees	No	Company's policy, emails and internal meetings and interactions	Regular/ Ongoing	Training requirements, Working environment, safety Compliance, Efficiency of operations, employee well being
Shareholders and Investors	No	Disclosures on the website of the Company and to the Stock Exchanges/ Newspaper Advertisements etc which are available in public at large	Annual, half year, quarterly and need base	Business Updates, Financial & non financial (ESG) performance, Opportunities for growing the portfolio
Government authorities and Regulatory Bodies	No	Regulatory filings, Facility inspections	As per applicable rules/regulations	Audit and inspections requirements, Policy requirements
Suppliers and contractors	No	Meetings, Visits, Supplier/ contractor audits, Facility visits, emails and interactions	Regular/ Ongoing	Business updates & requirements, Payment timelines, Capacity building on SG aspects, Grievance mechanism platform
Customers	No	Advertisement, Digital and social media connect, Website, Phone calls, e-mails and meetings	Ongoing/ Need base	Product details, Product pricing, Product feedback, New product development, Better service
Community	No	CSR projects	Regular/ Ongoing	Healthcare, Education, Mutual rewarding relationship with the Industry/ Company, Optimal utilisation of resources sourced locally

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY2023-24 (Current Financial Year)			FY2022-23 (Previous Financial Year)		
	No. of employees/ workers		%	No. of employees/ workers		%
	Total (A)	covered (B)		Total (C)	covered (D)	
Employees						
Permanent	326	120	37%	518	172	33
Other permanent	0	0	0	0	0	0
Total Employees	326	0	0	518	172	33
Workers						
Permanent	360	0	0	167	77	46
Other permanent	587	0	0	0	0	0
Total Workers	947	0	0	167	77	46

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

Category	FY April 2023 - March 2024 (Current Financial Year)					FY April 2022 - March 2023 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	321	0	0%	321	100%	504	0	0	504	100%
Female	5	0	0%	5	100%	14	0	0	14	100%
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Male	360	1	0%	359	100%	164	4	2	160	98
Female	0	0	0	0	0	3	0	0	3	100
Other than Permanent										
Male	442	442	100%	0	0	630	177	28	453	72%
Female	145	145	100%	0	0	155	155	100	0	0

3. Details of remuneration/ salary/ wages

a) Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ In lakhs)	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	4	221	1	263
Key Managerial Personnel	1	35	-	-
Employees other than BoD and KMP	321	0.53/Month	5	0.32/Month
Workers	360	0.25/Month	0	-

Note: The median remuneration of erstwhile Executive Directors is calculated on actual basis i.e. after taking into consideration the Full and Final Payment at the time of their resignation w.e.f. 7th December 2023. Post acquisition of the Company by Ambuja Cements Limited, Adani Group, the whole time director and CEO is not drawing any remuneration from the Company.

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

	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	1.13%	2.56%

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.

Our employees and workers can write or consult their respective departmental heads or they can approach the Human Resource department of the Company.

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

	FY2023-24 (Current Financial Year)			FY2022-23 (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	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

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

	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and 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.

The Company does not promote nor it tolerates any discrimination or harassment in the Company and the Company works on the principle of no discrimination or no harassment and has adopted the principle of equality at work place.

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

The Company have included human rights requirements as a part of business agreements / service agreements / Code of conducts and part of policies and procedures. Also to ensure that each employee is aware about the human rights policies, we conduct awareness sessions during the orientation programme of the employees.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Currently, the assessment has not been conducted. However, we are in the process to establish proper channel of assessment.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

Pro-active measures used to be taken as under: -

- Through Induction
- Through training / awareness sessions to the existing employees

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	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through Other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (CPP-1 & 2) GJ (D)	546156	671481
Total fuel consumption (CPP-1 & 2) Ton		
Total electricity consumption (DG) GJ (F)	3024	1036
Total fuel consumption (DG) Ltrs		
Total electricity consumption (Grid) GJ (G)	16460	16727
Total fuel consumption (Grid)		
Total electricity consumption (Clinker Unit Emergency DG-1 1500 KVA) GJ (I)	0	0
Total fuel consumption (Clinker Unit Emergency DG-1 1500 KVA) Ltrs		
Total electricity consumption (Clinker Unit Emergency DG-2 1000 KVA) Kwh (J)	0	0
Total fuel consumption (Clinker Unit Emergency DG-2 1000 KVA) Ltrs		
Total energy consumed from non-renewable sources (D+E+F+G+H+I+J+K)	565640	689245
Total energy consumed	565640	689245
Energy intensity per rupee of turnover (GJ/Rs)	0.00007	-
(Total energy consumed / Revenue from operations)		
Energy intensity in terms of physical output (GJ/tonne of cementitious material)	0.29	-
Energy intensity (optional) – the relevant metric may be selected by the entity	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.

No

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	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	629959	671085
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater/desalinated water	2643451	1455628
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3273410	2126713
Total volume of water consumption (in kilolitres)*	995119	889430
Water intensity per rupee of turnover (Total Water consumed/Revenue (in ₹ crore) from operations) (liters/Rs of turnover)	0.12	-
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	NA	NA
Water intensity in terms of physical output (Total water consumed in KL/t of cementitious material) (liters/tonne of cementitious material)	514	-
Water intensity (optional) – the relevant metric may be selected by the entity	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.

4. Provide the following details related to water discharged:

Parameter	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Ground water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Sea water		
- No treatment	0	0
- With treatment – please specify level of treatment	2278291	1237283
- Pre treatment facility comprising Settling cum Dilution chamber and dosing system		
(iv) Sent to Third Parties (Municipal STP)		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	2278291	1237283

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.

No.

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

Yes. The Company has implemented a mechanism of Zero Liquid Discharge. The water used in the plant for industrial cooling is recycled through cooling towers to ensure effective reuse. To ensure effective water usage, SIL erected a 500 KLD Sewage Treatment Plant (STP) to treat the sewage from the colony. This STP is built on the innovative "Root Zone Treatment technology", which cleans discharged water and makes it safe to use once more for dust control and greenbelt development.

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

Parameter	Please specify unit	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
NOx	Tonnes	1481	11766
SOx	Tonnes	514	483
Particulate matter (PM)	Tonnes	193	921
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.

No

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

Parameter	Unit	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Total Scope 1 emissions	Metric tonnes of CO ₂	1289519	1428572
Total Scope 2 emissions	Metric tonnes of CO ₂	3301	60404
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations(₹ Cr))	(kg CO ₂ /Rs of turnover)	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)		NA	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(kg CO ₂ / tonne of cementitious material)	668	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		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.

No

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

Yes, Existing WHRS: 15MW, Existing AFR and biomass: 12 TPH

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

Parameter	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1440	0
E-waste (B)	0	0
Bio-medical waste (C)	0.03	0
Construction and demolition waste (D)	0	0
Battery waste (E)	1.2	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)		
Used Oil	30	22
FO Sludge	0.7	2
Other Non-hazardous waste generated (H). Please specify, if any. (Fly ash & bottom Ash) (Break-up by composition i.e. by materials relevant to the sector)	38136	0
Refractory	699	244
Kiln Process Dust	9746	22324
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.)	402	0
Total (A+B + C + D + E + F + G + H)	50456	22591
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations) (kg/Rs of turnover)	0.006	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP)	NA	NA
Waste intensity in terms of physical output) (kg/tonne of cementitious material)	26	-
Waste intensity (optional) – the relevant metric may be selected by the entity	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 - Sold to authorised recycler	1441	244
(ii) Re-used	38136	9078
(iii) Other recovery operations	0	0
Total	39578	9322
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration - Used in Kiln as an alternative fuel	30	24
(ii) Landfilling	9746	13246
(iii) Other disposal operations (waste co-processed - AF) (000 Tonnes)	1102	0
(iv) Plastic Waste Co-processed)	0	0
Total	10878	13270

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.

No. Independent assessment carried out by an external agency

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.

Our products do not use any hazardous and toxic chemicals. The Company is certified under ISO 14001:2015 and the scope covers its entire operations of cement manufacturing processes. Under the environmental management system, the Company has guidelines for comprehensive waste management for the identification, segregation, collection, recycling and final disposal. Wherever applicable the Company follows 6R principles of Rethink, Reduce, Reuse, Recycle, Refuse and Repair for waste management. Awareness sessions are undertaken for the employees who have a role and responsibility towards waste management. Performance is monitored and waste data is collected monthly for analysis.

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
Not applicable as the Company has not conducted any environmental impact assessments (EIA) in year 2023-24					

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.
 - 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.	Gujarat Chamber of Commerce & Industry (GCCCI)	State
3.	Gujarat Mineral Industry Association (GMIA)	State
4.	CAPEXIL	National

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	

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 Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable as not project undertaken by the entity in the current financial year					

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

S. 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.

The Company has various mechanisms to receive and redress grievance of the community. In plants communities complaints are collected through stakeholder engagement, suggestion box and mail. The communities also follow formal channel and informal channels through CSR teams. The grievance received from community is addressed by the site management involving the industrial and administration department. Any issue which is unresolved or needs management intervention is escalated to the respective director.

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

	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	1.86	6.94
Sourced directly from within the district and neighbouring districts	98.14	93.06

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	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	Nil	Nil
Metropolitan	Nil	Nil

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

*The Company was in the process of being taken over by Ambuja Cements Limited and so there was no hiring of work forces during the period under review)

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.

1. Raised by customer to Company officials like sales officer or Technical services Engineers.
2. Raised by channel partner with whom the customer is dealing.
3. Directly from customer to Company's helpline number given on packaging.
4. Dealer can register through the CRM (Customer Response Management) – portal.
5. By sending an email to customer care services set up at office.

The complaint is gathered from customer in specific format which captures all details of complaint

- Date of receipt, product type, Mfg. Details like week no., Qty supplied, nature of complaint, application area, weather sample collected for external trial or plant trial, MTC to provide.

The Company has set up a proper response mechanism with a team of experienced civil engineers who are attending complaint within stipulated time frame (around 48 hrs) by identifying root cause of the problem, sharing findings with customer, technical guidance of use of product, etc. and thereby, the complaint is brought to a closure.

If issues found at the product level, plant is involved at every step so that similar issues do not occurs in future.

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	All necessary information as per regulatory requirements as disclosed on all our products
Safe and responsible usage	Information on cement bags are governed as per BIS.
Recycling and/or safe disposal	Information on cement bags are governed as per BIS.

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

	FY2023-24 (Current Financial Year)			FY2022-23 (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	26	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 of the policy.

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.

Since there are no complaints related to above concerns. However, we always strive to ensure the best quality products are delivered to our customers and ensures all feedback from our stakeholder in considered in our business processes.

7. Provide the following information relating to data breaches:

- a) Number of instances of data breaches: NIL
- b) Percentage of data breaches involving personally identifiable information of customers: NIL
- c) Impacts, if any, of the data breaches: NA

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