

Corporate Governance Report

Pursuant to Schedule V read with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), compliance with the requirements of Corporate Governance is set out below

1. Company's Philosophy on Code of Governance:

Sagar Cements Limited ("The Company") believes that adherence to good corporate practice leads to transparency in its operations and improvement in the quality of its relationship with all its stakeholders.

2. Board of Directors:

Composition:

As on 31st March 2022, the Board of Directors had an optimum combination of Executive and Non-Executive Directors and its composition was in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act"). All the Directors have made the requisite disclosures regarding directorships and Committee positions held by them in other Companies.

- (i) As on 31st March 2022 the Company had nine Directors, including an alternate director.
- (ii) The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on 31st March 2022 are given hereunder. Other directorships do not include their directorships if any in private limited companies, foreign companies and companies registered under Section 8 of the Act. Chairmanships / Memberships of Audit Committee and Stakeholders' Relationship Committee are alone considered for the purpose.

Name of the Director	Category	Number of board meetings during the year 2021-22		Whether attended the last AGM held on 28/7/2021	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Shri K. Thanu Pillai	Chairman, Independent and Non-Executive Director	8	8	Yes	-	1	1	-
Dr. S. Anand Reddy	Promoter (Executive Director)	8	8	Yes	-	3	1	-
Shri S. Sreekanth Reddy	Promoter (Executive Director)	8	8	Yes	1	2	-	-
Mrs. S. Rachana	Non-Executive Director (Promoter Group)	8	8	Yes	-	1	-	-
Shri V.H. Ramakrishnan	Independent and Non-Executive Director	8	8	Yes	-	1	-	2
Mrs. Sudha Rani Naga	Nominee Director from APIDC (Equity Investor)	8	7	Yes	-	-	-	-
Shri John-Eric Fernand Pascal Cesar Bertrand	Non-Executive Director	8	3	Yes	-	-	-	-
Shri Jens Van Nieuwenborgh	Alternate Director to Shri John-Eric Fernand Pascal Cesar Bertrand	8	4	NA	-	-	-	-
Mrs. O. Rekha	Independent and Non-Executive Director	8	8	Yes	-	-	-	-

NA – Not Applicable

- (iii) Directorships and their category in other listed entities:

S. No.	Name of the Director	Category	Names of the other Listed Entities where the person is a director and the category of such directorship	
			Company	Category
1	Shri K. Thanu Pillai	Chairman and Independent Director	Sathavahana Ispat Ltd.	Independent Director
2	Dr. S. Anand Reddy	Managing Director (Promoter)	-	-
3	Shri S. Sreekanth Reddy	Joint Managing Director (Promoter)	Sagarsoft (India) Ltd.	Chairman – Non-Executive
4	Mrs. S. Rachana	Non-Executive Director (Promoter Group)	-	-
5	Shri V.H. Ramakrishnan	Independent Director	The KCP Ltd.	Independent Director
6	Shri John-Eric Fernand Pascal Cesar Bertrand	Non-Executive Director	-	-
7	Mrs. Sudha Rani Naga	Nominee Director from APIDC (Equity Investor)	-	-
8	Shri Jens Van Nieuwenborgh	Alternate Director to Shri John-Eric Bertrand	-	-
9	Mrs. O. Rekha	Independent Director	-	-

(iv) As on 31st March 2022, none of the Directors on the Board held directorships in more than seven listed companies and independent directorships in more than seven listed companies and none of them was a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she was a director. Necessary disclosures regarding Committee positions in other public companies as on 31st March 2022 have been made by the Directors.

(v) All the Independent Directors are Non-Executive Directors in accordance with Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act. The Independent Directors have confirmed that they meet with the criteria mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act.

(vi) The Board held eight meetings during the year under report and the gap between any such two consecutive meetings did not exceed one hundred and twenty days. The dates of these meetings are:

26th April 2021, 12th May 2021, 1st July 2021, 28th July 2021, 27th October 2021, 20th November 2021, 28th January 2022 and 25th March 2022.

(vii) Disclosure of relationship between directors inter-se:

Dr. S. Anand Reddy, Managing Director is brother of Shri S. Srekanth Reddy, Joint Managing Director.

Shri S.Srekanth Reddy, Joint Managing Director is brother of Dr.S.Anand Reddy, Managing Director and spouse of Mrs.S.Rachana, Non-Executive Director.

Mrs.S.Rachana, a Non-Executive Director is spouse of Shri S.Srekanth Reddy, Joint Managing Director.

Except mentioned above, none of the other Directors is related inter-se.

(viii) During the year under report, all the information as applicable and falling under Part A of the Schedule II of Listing Regulations, were placed before the Board for its consideration.

(ix) The terms and conditions of appointment of the Independent Directors are available on the website of the Company.

(x) During the year, the Independent Directors separately held a meeting on 28th January 2022.

(xi) The Board periodically reviews the reports furnished to it by the Company on compliance with laws applicable to the Company.

(xii) The details of the familiarisation programme of the Independent Directors are available on the website of the Company (www.sagarcements.in).

(xiii) In the opinion of the Board, the independent directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

(xiv) Skill, competence and expertise of the Board of Directors identified by the Board for its effective functioning:

The Company's present Board is a skill-based one, comprising of Directors who collectively have the skills directly relevant

to performing the function as a member of the Board and the personal attributes or qualities that are identified and considered desirable to be an effective Director like, integrity (ethics), effective communicator, constructive questioner, contributor and team player, commitment and leadership skills. Apart from the above, the whole-time directors of the Company have the technical skill / managerial experience, expertise and an in-depth knowledge of the Company and cement industry for discharging their responsibilities.

Board Skill Matrix:

In terms of the requirement of the Listing Regulation, the Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company, which are currently available with the Board, along with the names of the Directors, who have such skill/expertise/ competence:

Business & Industry	Domain Knowledge in Business and understanding of business environment, the development in the industry for improving Company's business
Financial Expertise	Financial and risk management, Internal control, Experience of complex financial reporting processes, capital allocation, resource utilisation, Understanding of Financial policies and accounting statement and assessing economic conditions
Governance & Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values

S. No.	Name of the Director	Skill/Expertise/Competence
1	Shri K. Thanu Pillai	Business & Industry, Financial Expertise, Governance & Compliance
2	Shri V.H. Ramakrishnan	Governance & Compliance
3	Dr. S. Anand Reddy	
4	Shri S. Srekanth Reddy	
5	Mrs. S. Rachana	Business & Industry
6	Mrs. O. Rekha	Financial Expertise, Governance & Compliance
7	Shri John-Eric Fernand Pascal Cesar Bertrand	Business & Industry, Financial Expertise, Governance & Compliance
8	Mrs. Sudha Rani Naga (Nominee Director)	Accounts

(xv) Details of equity shares and convertible securities of the Company held by the Directors as on 31st March 2022 are given below:

Name	Category	Number of equity shares
Dr.S.Anand Reddy	Managing Director – Promoter	65,32,620
Shri S.Srekanth Reddy	Joint Managing Director – Promoter Director	61,97,015
Mrs.S.Rachana	Non-Executive, Promoter Group	58,36,415
Mrs. O. Rekha	Independent and Non-Executive Director	1,000

As on 31st March 2022, none of the Non-Executive Directors/ Independent Directors other than the mentioned above was holding any shares or convertible securities in the Company.

(xvi) During the financial year 2021-22, none of the Independent Directors has resigned from his/her directorship.

3. Audit Committee

- i. The composition of the audit committee of the Board is in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act.
- ii. The terms of reference of the audit committee is as per Part C of the Schedule II of the SEBI Listing Regulations and include:
 - Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - Approval of payment to statutory auditors for any other services rendered by them;
 - Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement for inclusion in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - Changes, if any, in the accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by 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 related party transactions
 - Qualifications, if any, in the draft audit report.
 - Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modifications of transactions with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Evaluation of internal financial controls;
 - Establishment of vigil mechanism for directors and employees to report their genuine concerns.
 - Calling for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of quarterly and annual financial statements before their submission to the Board and discussions on any related issues with the internal and statutory auditors and the management of the Company;
 - Review of the information that is required to be carried out mandatorily or otherwise as per Listing Regulations.
- iii. The audit committee invites to its meetings such of the executives, as it considers appropriate particularly the head of the finance function and representatives of the statutory auditors and internal auditors. The Company Secretary acts as the Secretary to the Committee.
- iv. Shri R.Soundararajan, Company Secretary, has been appointed as the Compliance Officer by the Board to ensure compliance with and effective implementation of the Insider Trading Code.
- v. The previous Annual General Meeting ("AGM") of the Company was held on 28th July 2021 and the Chairman of the audit committee was present at the said meeting.

- vi. The composition of the Audit Committee as on 31st March 2022 and the details of attendance at its meetings held during the year 2021-22 are given below:

Name of the Member	Category	Number of meetings held during the financial year 2021-22	
		Held	Attended
Shri V.H.Ramakrishnan, Chairman	Independent Director	8	8
Shri K.Thanu Pillai	Independent Director	8	8
Mrs. O. Rekha	Independent Director	8	8

- vii. The Audit committee met 8 times during the year 2021-22 and the dates of these meetings are:

26th April 2021, 12th May 2021, 1st July 2021, 28th July 2021, 27th October 2021, 20th November 2021, 28th January 2022 and 25th March 2022

4. Nomination and Remuneration Committee

- i. Composition of the Nomination and Remuneration Committee (NRC) of the Board is in line with the Regulation 19 of SEBI Listing Regulations and Section 178 of the Act.
- ii. The terms of reference of the NRC are available on the Company's website <https://sagarcements.in/> as part of the Nomination and Remuneration Policy adopted by the Company.

Nomination and Remuneration Policy:

The Policy on Nomination and Remuneration adopted by the Company is aimed at attracting, retaining, developing and motivating workforce. Individual performance is assessed and rewarded through an annual appraisal process. Details of this policy are available on the Company's web site, www.sagarcements.in.

- iii. The details of the composition of the Nomination and Remuneration Committee as on 31st March 2022, the attendance at its meetings during the year 2021-22, are given below:

Name of the Member	Category	Number of meetings held during the financial year 2021-22	
		Held	Attended
Shri V.H. Ramakrishnan, Chairman	Independent Director	2	2
Shri K. Thanu Pillai	Independent Director	2	2
Mrs. O. Rekha	Independent Director	2	2
Mrs. S. Rachana	Non-Executive Director	2	2

The NRC had met twice during the year 2021-22 on 12th May 2021 and 1st July 2021.

- iv. The Company presently does not have any Employee Stock Option Scheme.
- v. Performance Evaluation Criteria / Policy for Independent Directors:

The Company has adopted a Policy for evaluating the performance of its Independent Directors, and the same is available on the Company's web site.

5. Remuneration of Directors

Remuneration to Non-Executive Directors:

Currently, Non-Executive Directors are not paid any remuneration other than the sitting fee of ₹ 40,000/- for each meeting of the Board and Committees thereof attended by them. However, sitting fees payable to the nominee director are paid directly to the institution he/she represents.

Details of sitting fees paid to the Non-Executive Directors during the year 2021-22 are given below:

Sl. No.	Name of the Director	Sitting Fee (In Rupees)
1	Shri K. Thanu Pillai	9,60,000
2	Shri. V.H. Ramakrishnan	9,60,000
3	Mrs. Sudha Rani Naga (APIDC Nominee) Their sitting fees were directly paid to the Institution they represented.	3,20,000
4	Mrs. S. Rachana	4,40,000
5	Mrs. O. Rekha	9,60,000
6	Shri John-Eric Fernand Pascal Cesar Bertrand	1,20,000
7	Shri Jens Van Nieuwenborgh (Alternate Director to Shri John-Eric Bertrand)	1,60,000
Total		39,20,000

There are no other pecuniary relationship or transactions between the Non-Executive Directors and the Company.

Remuneration to the Managing Director and Whole-Time Directors:

The Company pays remuneration to its Managing Director (MD) and Joint Managing Director (JMD) (Whole-Time Directors) by way of salary and perquisites, which are fixed components and by way of commission, a variable component. Remuneration to Whole-time Directors is paid in accordance with the recommendation made by the Nomination and Remuneration Committee and the approval as accorded by the Board of Directors, which is subject to further approval of the shareholders.

The Whole-Time Directors were paid the following remuneration for the year 2021-22.

Description	Dr. S. Anand Reddy (MD)	Shri S. Sreekanth Reddy (JMD)
Salary	145.16	130.65
Perks (75% of the salary)	108.87	97.98
Sub-Total	254.03	228.63
Commission	490.00	490.00
Total	744.03	718.63

In addition to the above, the Whole-Time Directors are entitled to contribution to Superannuation Fund or Annuity to the extent these are not taxable, gratuity at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of their tenure.

Services of the Whole-Time Directors with the Company may be terminated by either party, giving the other party six months' notice. No severance fee is contemplated. The Company has not issued any stock options to anyone.

6. Stakeholders' Relationship Committee

i. The stakeholders' relationship committee is in line with the provisions of Regulation 20 of SEBI Listing Regulations and section 178 of the Act.

ii. The broad terms of reference of the stakeholders' relationship committee are as under:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/notice/annual reports, and other related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

iii. This Committee had the following directors as its members as on 31st March 2022:

Name of the Member	Category of the Director
Mrs. Sudha Rani Naga, Chairperson	Nominee/Non-Executive Director
Dr. S. Anand Reddy, Member	Managing Director
Shri K. Thanu Pillai, Member	Independent Director

Shri R. Soundararajan, Company Secretary, is the compliance officer for the above purpose. Based on the information obtained from the Company's Registrars, the Company had received 54 complaints from the investors during the year 2021-22 as detailed below and all these complaints, being routine in nature, were redressed in the normal course by the Registrars themselves. There were no complaints pending as on 31st March 2022.

Sl. No.	Particulars	Opening	Received	Resolved	Pending
1	Non-receipt of shares after transfer / transmission	0	0	0	0
2	Non-receipt of dividend warrants	0	36	36	0
3	Non-receipt of Annual Report	0	0	0	0
4	Non-receipt of Securities	0	17	17	0
5	Non-receipt of duplicate / transmission / deletion of share certificates	0	0	0	0
6	SEBI/BSE/NSE/CSE complaints	0	1	1	0
Total		0	54	54	0

During the year, one meeting of the Stakeholders' Relationship Committee was held on 28th January 2022 and all the members of the Committee were duly present at the meeting.

iv. Name, designation and address of Compliance Officer:

Shri R. Soundararajan
Company Secretary
Sagar Cements Limited
Regd. Office: Plot No.111, Road No.10
Jubilee Hills, Hyderabad-500 033
Telephone: 91 40 23351571 Fax: 91 40 23356573

7. Risk Management Committee

- The Board of Directors in their meeting held on 1st July 2021, constituted a Risk Management Committee. The composition of the Risk Management Committee is in line with the provisions of Regulation 21 of SEBI Listing Regulations.
- The terms of reference of the Risk Management are available on the Company's website www.sagarcements.in as part of the Risk Management Policy.
- The details of the composition of the Risk Management Committee as on 31st March 2022, the attendance at its meetings held during the year 2021-22, are given below:

Name of the Member	Category	Number of meetings held during the financial year 2021-22	
		Held	Attended
Shri S. Sreekanth Reddy, Chairman	Joint Managing Director	2	2
Shri V.H. Ramakrishnan	Independent Director	2	2
Mrs. O. Rekha	Independent Director	2	2
Shri K. Prasad	Chief Financial Officer	2	2

The Risk Management Committee had met twice during the year 2021-22 on 23rd February 2022 and 25th March 2022.

Other Committees

Investment Committee

With a view to evaluating major capital expenditure proposals and investment opportunities available to the Company from time to time, the Board has constituted an Investment Committee with the following Directors as its members/Chairman:

Name	Category
Shri K. Thanu Pillai	Chairman
Dr. S. Anand Reddy	Member
Shri V.H. Ramakrishnan	Member
Mrs. O. Rekha	Member

The Investment Committee had met twice during the year 2021-22 on 27th October 2021 and 20th November 2021 and all the members of the Committee were duly present at the meeting.

Securities Allotment Committee

With a view to allot securities as and when approved by the Board/Shareholders, the Company has constituted a committee known as Security Allotment Committee and the following Independent Directors are its members:

Name	Category
Shri K. Thanu Pillai	Chairman
Shri. V.H. Ramakrishnan	Member
Mrs. O. Rekha	Member

During the year, one meeting of the Securities Allotment Committee was held on 1st December 2021 and all the members of the Committee were duly present at the meeting.

Corporate Social Responsibility Committee

CSR Committee of the Company has been constituted in line with the provisions of Section 135 of the Act.

The Company is committed to operate and grow its business in a socially responsible way, by, inter-alia, reducing the environmental impact of its operations and increasing its positive social impact. It aims to achieve growth in a responsible way by encouraging people to take small every day actions that will make a big difference. This CSR Policy of the Company is guided by the following principles:

- To conduct its operations with integrity and responsibility keeping in view the interest of all its stakeholders.
- Growth and environment should go hand in hand.
- Availing of opportunities for collaborating with different stakeholders including Governments, NGOs, Suppliers and Distributors to tackle the challenges faced by the society.

During the year, one meeting of the Committee was held on 28th January 2022.

The composition of the CSR Committee and details of the attendance at the meeting is given below:

Name of the Member	Category	Number of meetings held during the financial year 2021-22	
		Held	Attended
Shri K. Thanu Pillai, Independent Director	Chairman	1	1
Dr. S. Anand Reddy, Managing Director	Member	1	1
Shri S. Sreekanth Reddy, Joint Managing Director	Member	1	1
Mrs. S. Rachana, Non-Executive Director	Member	1	1

8. General Body Meetings

i. General Meeting

The details of the time, venue and the date of the last three Annual General Meetings of the Company are given below:

AGM	Date	Time	Venue
40 th AGM	28 th July 2021	2.00 p.m.	Through VC/OAVM
39 th AGM	9 th September 2020	3.00 p.m.	Through VC/OAVM
38 th AGM	24 th July 2019	4.00 p.m.	Hotel Golkonda, Masab Tank, Hyderabad-500 028

Following are the details of Special Resolutions passed in the above said Annual General Meetings:

No Special Resolutions were passed at the 38th and 39th Annual General Meetings.

At the 40th AGM, three special resolutions were passed in respect of Re-appointment of Dr. S. Anand Reddy as Managing Director, Re-appointment of Shri S. Sreekanth Reddy as Joint Managing Director and sub-division of share capital in to smaller amount and consequent changes in the Memorandum and Articles of Association of the Company.

No postal ballot was conducted during the financial year 2021-22. There is no proposal to pass any special resolution exclusively through postal ballot.

Procedure for Postal Ballot – when conducted

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders in electronic form to the email addresses, where available, or in physical form through permitted mode where email addresses are not available. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutiner submits his report to the Chairman and the results of voting by postal ballot are announced within 48 hours of conclusion of the voting period. The results are displayed on the website of the Company (www.sagarcements.in), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

9. Means of Communication

Quarterly Results:

As part of compliance with Regulation 33, 10 and 47 of the SEBI Listing Regulations, the Company furnishes its quarterly and annual financial results to the Stock Exchanges where its shares have been listed, followed by publication in the newspapers in accordance with the said Regulations.

Newspapers in which the results were published:

Details of newspapers in which quarterly results relating to the Financial Year 2021-22 were published are given below:

Quarter ended	Date of Publication	Name of the newspapers carrying the publication
30 th June 2021	29 th July 2021	Financial Express and Andhra Prabha
30 th September 2021	29 th October 2021	
31 st December 2021	29 th January 2022	
31 st March 2022	13 th May 2022	

Website where displayed:

The Financial Results and the Shareholding pattern of the Company are made available on the Company's website 'www.sagarcements.in' and also on the website of NSE and BSE as part of corporate filing made by the Company from time to time with the said stock exchanges.

Press Release

Press Releases as and when issued by the Company following the publication of financial results in respect of financial results are also made available at the Company's website.

Presentation made to Institutional Investors and Financial Analysts:

Excepting on occasions when the Company had to respond in a general way to the queries now and then received from investors / analysts regarding the affairs of the Company, there were no specific presentations made to any of them during the year 2021-22. Copies of the press-release, as and when issued by the Company, mostly after submission of financial results to the Stock Exchanges, are simultaneously made available to the Stock Exchanges and the transcriptions of conference call held with the analysts / investors following the declaration of financial results are also put up on the Company's website.

Management Discussion and Analysis Report

The Integrated Report of the Company contains the Management Discussion and Analysis as annexure to the Directors' Report.

Subsidiary Companies

As on 1st April 2021, the Company had two wholly owned subsidiaries viz. Sagar Cements (R) Limited and Jajpur Cements Private Limited and one subsidiary viz. Sagar Cements (M) Private Limited. However, Sagar Cements (R) Limited had since been merged with Sagar Cements Limited, Holding Company vide order issued by the National Company Law Tribunal on 15th March 2022 and a copy of the said order is made available on the web site of the Company viz. www.sagarcements.in The audit committee reviews the consolidated financial statements of the Company containing financials of these subsidiaries. The minutes of the board meetings of the subsidiaries are periodically placed before the Board of Directors of the Company.

10. General Shareholder Information:

a. Annual General Meeting:

Date & Time	3.00 p.m. on Thursday, the 30 th June 2022
Venue	Through Video Conference /Other Audio-Visual Means

b. Financial Year: 1st April 2021 to 31st March 2022

c. Book Closure Dates: From 24th June 2022 to 30th June 2022 (both days inclusive)

d. Dividend Payment Date:

The Board has recommended a dividend @ 35% i.e., ₹ 0.70 per share, subject to its declaration by the members at the Annual General Meeting and the same will be paid to the eligible shareholders within 30 days of the said declaration.

e. Listing on Stock Exchanges:

The paid-up share capital of the Company as on 31st March 2022 was ₹ 23,50,00,000/- consisting of 11,75,00,000 equity shares of ₹ 2/- each. All these shares have been listed on the National Stock Exchange of India Ltd. Mumbai and BSE Ltd., Mumbai. There are no dues against listing fee payable to these stock exchanges.

f. Stock and ISIN Codes for the Company's shares:

Name of the Stock Exchange	Scrip Code
National Stock Exchange of India Limited, "Exchange Plaza", 5 th Floor, Bandra -Kurla Complex, Bandra (East), Mumbai – 400 051	SAGCEM
BSE Limited, P J Towers, Dalal Street, Mumbai – 400 001	502090
ISIN	INE229C01021

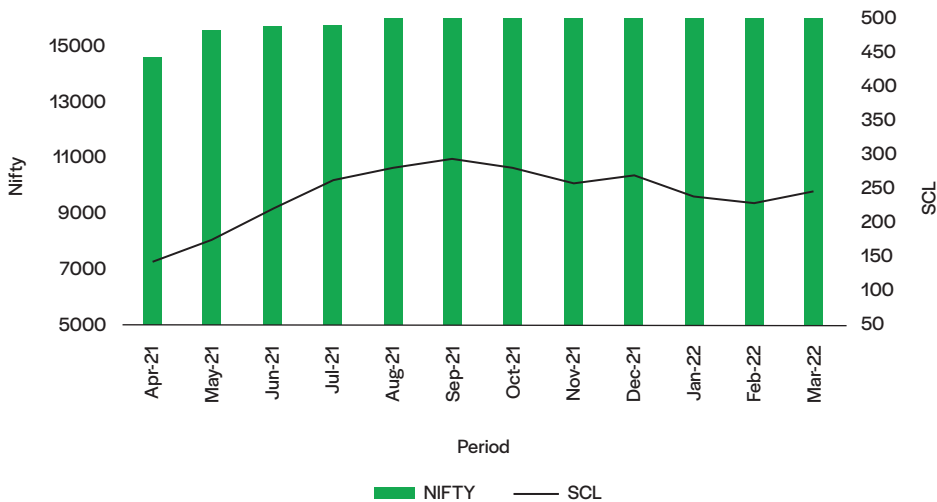
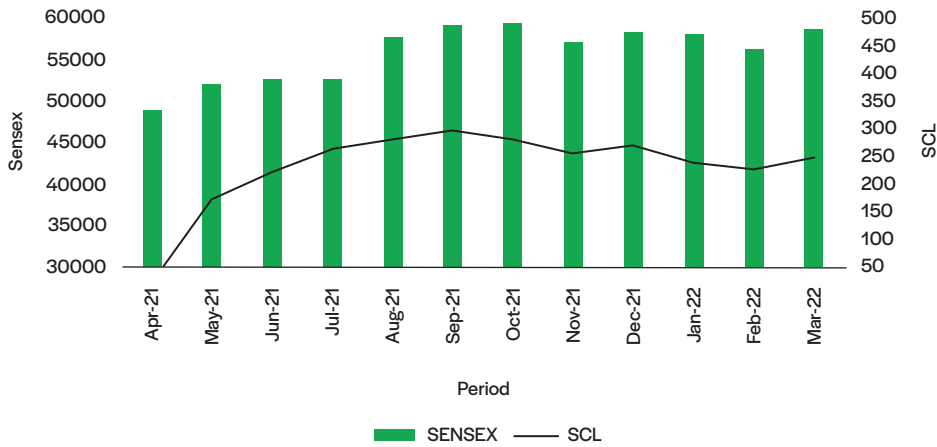
g. Market Price Details:

Monthly High, Low and closing prices for the Company’s shares during the Financial Year as traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below:

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
April 2021	163.60	140.15	143.57	163.80	141.00	142.86
May 2021	187.60	140.88	175.09	187.50	141.34	174.88
June 2021	239.00	164.00	219.86	239.00	164.00	219.70
July 2021	278.00	216.20	262.46	278.00	215.00	262.72
August 2021	319.00	266.10	280.10	310.00	252.80	279.95
September 2021	305.00	266.15	294.00	305.70	266.85	294.55
October 2021	314.50	257.20	279.65	341.85	260.85	280.25
November 2021	296.00	246.05	257.35	298.00	246.30	257.15
December 2021	275.00	235.35	269.55	274.80	235.10	269.70
January 2022	292.00	236.25	238.45	294.70	236.05	238.45
February 2022	266.75	222.40	227.55	267.00	221.95	227.80
March 2022	274.90	202.50	246.90	275.00	202.05	246.35

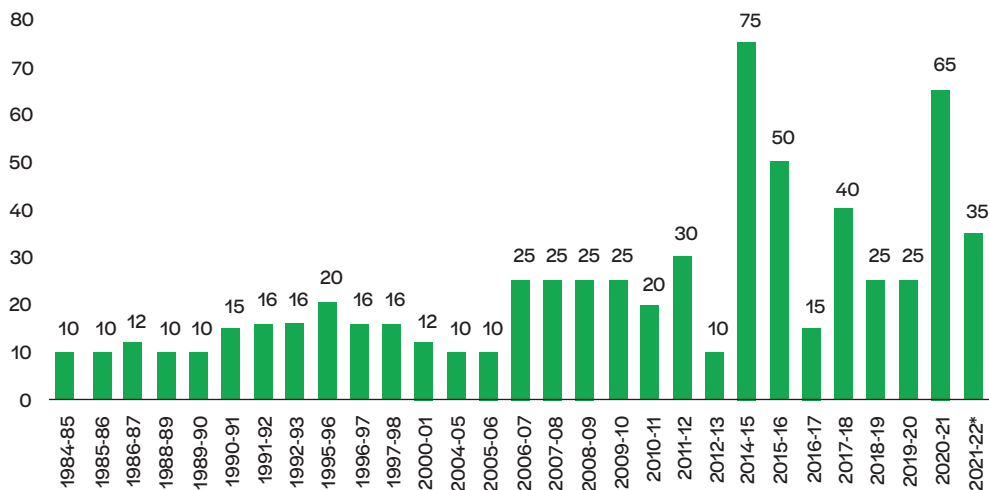
Note: The face value of Equity Shares was sub-divided from ₹ 10 each to ₹ 2/- each effective from 18th August 2021. To facilitate easy comparison, prices were recast from April 2021.

The Company Share Price movements during the year 2021-22 as compared with SENSEX and NIFTY, are depicted below:



h. Dividend History

Dividend rate on Equity Share



* Subject to the confirmation /declaration by the shareholders at the ensuing AGM, the Board has recommended a dividend at ₹ 0.70 per share (35%) for the year 2021-22.

The voting rights on the unclaimed shares outstanding as on 31st March 2022 shall remain frozen till the rightful owners of such shares claim the shares concerned.

i. Transfer of Unclaimed / Unpaid Dividend amounts to the Investor Education and Protection Fund (“IEPF”):

The un-claimed dividends for the financial year ended 31st March 1996 onwards and up to the financial year ended 31st March 2015 (Interim Dividend) were duly transferred to the Investor Education and Protection Fund set up by the Government of India in accordance with the Act as applicable at the time of such transfer. Details of the unclaimed dividends for the subsequent periods are available on the Company’s website, www.sagarcements.in.

j. Registrars and Share Transfer Agents:

KFin Technologies Limited
Selenium Building, Tower B, Plot No(s) 31-32, Gachibowli,
Financial District, Nanakramguda, Serilingampally Mandal
Hyderabad -500032
Toll Free No: 1800-3094-001
e-mail: einward.ris@kfintech.com
Website: <https://www.kfintech.com>

l. Shareholdings Particulars as on 31st March 2022

(i) Distribution of Shareholdings:

Sl. No.	Category (Shares)	No. of Shareholders	%	No. of Shares	%
1	1 - 50	27523	63.94	523131	0.45
2	51 - 100	5345	12.42	432808	0.37
3	101 - 200	3184	7.40	482509	0.41
4	201 - 300	1526	3.55	389355	0.33
5	301 - 500	3280	7.62	1548003	1.32
6	501 - 1000	1021	2.37	840927	0.72
7	1001 - 5000	916	2.13	2093161	1.78
8	5001 - 10000	112	0.26	836464	0.71
9	10001 - 20000	60	0.14	831087	0.71
10	20001 - 50000	29	0.07	860142	0.73
11	50001 - 100000	19	0.04	1242596	1.06
12	100001 and above	31	0.07	107419817	91.42
Total		43046	100.00	117500000	100.00

k. Share Transfer System:

Around 99.24% of the shares of the Company are held in electronic form. Transfer of these shares is affected through the depositories with no involvement of the Company.

The shareholders may kindly note that in accordance with SEBI Notification dated 8th June 2018, with effect from 1st April 2019, except in case of transmission or transposition of securities, fresh requests for effecting the transfer of securities (shares) are not processed by the Company/Registrar (RTA), if the shares concerned are held in physical form.

As regards transmission of shares held in physical form, the documents required for transmission, like original share certificate, death certificate, succession certificate/legal heir certificate can be lodged either with the Company at its Registered Office or with the Company’s Registrars and Share Transfer Agents, whose address has been given above.

(ii) Shareholding Pattern:

Description	No. of holders	Shares	% to Total Share Capital	in Demat Form	
				No. of Shares held in Demat Form	% to total shares held
Promoter Group	14	59078010	50.28	59078010	50.28
Domestic Companies	135	31047386	26.42	31034131	26.41
Mutual Funds	7	10396875	8.85	10390875	8.84
Public - Individuals	42249	9042596	7.70	8183446	6.96
Foreign Portfolio Investors	32	6158974	5.24	6158974	5.24
Insurance Companies	1	2480	0.00	2480	0.00
Non-Resident Indians	538	755195	0.64	755195	0.64
Clearing Members	64	92954	0.08	92954	0.08
Indian Financial Institutions/Banks	4	19750	0.02	500	0.00
IEPF	1	901340	0.77	901340	0.77
Trusts	1	4440	0.00	4440	0.00
Total	43046	117500000	100.00	116602345	99.24

m. Dematerialisation of Shares and Liquidity:

Trading in the shares of the Company needs to be in the electronic form only. The Company has subsisting agreements with both NSDL and CDSL for the purpose. The ISIN number for the Company's shares is – INE229C01021. Shares representing more than 99.24% of the share capital were kept in dematerialised form as on 31st March 2022 as detailed below:

In physical form		In Demat Form				Total	
		With NSDL		With CDSL			
Shares	%	Shares	%	Shares	%	Shares	%
897655	0.76	65843967	56.04	50758378	43.20	117500000	100.00

n. Details of Outstanding GDR / ADR / Warrants or any other Convertible Instruments:

The Company has not issued any GDR/ADR.

o. Plants Location:**Cement Plants:**

- Mattampally
Via: Huzurnagar
Suryapet District, Telangana – 508 204
Tel: 08683–247039
- Bayyavaram Village
Kasimkota Mandal
Visakhapatnam District
Andhra Pradesh – 531 031
Tel: 08924 – 244098 / 244550
- Gudipadu Village
Yadiki Mandal
Ananthapur District
Andhra Pradesh – 515408
Tel: 08558-200272

Hydel Power Plants:

- Guntur Branch Canal Hydel Project
Tsallagundla Adda Road, Nekarikallu Mandal
Guntur District, Andhra Pradesh-522 615
- Lock-in-Sula Hydel Project
Banumukkala Village, Banakacherla Regulator
Pamulapadu Mandal, Kurnool District, A.P.-518 422

Plant location of the Subsidiary viz. Sagar Cements (M) Pvt. Ltd.

Karondiya (Vill.)
Post – Jeerabad-454446
The Gandhwani
Dist. Dhar (M.P.)

Plant location of the Wholly-Owned Subsidiary viz. Jajpur Cements Pvt. Ltd.

Kalinganagar, Industrial Complex
Tahsil-Dangadi
Dist. Jajpur, Odisha.

p. Address for Investors Related Correspondence:

Company Secretary
Sagar Cements Limited
Registered Office: Plot No.111, Road No. 10, Jubilee Hills
Hyderabad – 500 033
Tel. 040 – 23351571 Fax: 040 – 23356573
E-mail: soundar@sagarcements.in

q. Credit Rating and Details of Revision:

Rating Agency	Type of Instrument	Rating as on 1 st April 2021	Rating as on 31 st March 2022
India Ratings and Research Private Limited	Fund-based Working Capital Limits	IND A-/ Stable/IND A2 +	IND A/RWE / IND A1/RWE
	Non-Fund based Working Capital Limits	IND A2 +	IND A1/RWE
	Term Loan	IND A-/ Stable	IND A/RWE
	Non-convertible Debentures (NCDs)	-	IND A/RWE

11. Other Disclosures**i. Related Party Transactions:**

Full disclosures of related party transactions entered into during the year 2021-22 as per the Ind AS 24 issued by Institute of Chartered Accountants of India (“the ICAI”) have been given under Note 34 of the Notes to Standalone Financial Statements for the year ended 31st March 2022. These transactions were entered into by the Company in its ordinary

course of business and at arm's length basis. There were no materially significant transactions with Directors, their relatives or the Senior Management or other related entities that may have potential conflict with the interests of the Company at large. The Register of Contracts containing transactions in which Directors are deemed to be interested, is placed before each meeting of the Board. All related party transactions had prior approval of the Audit Committee, which later reviewed and ratified these transactions wherever required.

ii. Statutory Compliance, Penalties and Strictures:

There were no instances of non-compliance by the Company on any matter relating to capital market during the last three years or any penalties imposed or strictures passed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to capital market during the said period.

iii. Establishment of Vigil mechanism, Whistle Blower Policy and Affirmation

The Company has adopted a 'Vigil Mechanism' and 'Whistle Blower Policy'. The said policy has been put up on the website of the Company. No personnel has been /will be denied access to the audit committee.

iv. Compliance with Mandatory Requirements and Adoption of Non-Mandatory requirements:

- The Company had implemented all the mandatory requirements applicable to it under SEBI Listing Regulations.
- The audited financial statements of the Company are unqualified.

Company's current exposures to the major commodities are given below:

Commodity Name	Exposure INR (₹ in Crores)	Exposure in Qty in (MT)	% Of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Pet Coke / Coal (Imported)	85.76	1,04,649	100%	-	100%	-	100%
Pet Coke / Coal (Domestic)	304.65	4,14,872	0%	-	0%	-	0%

vii. Utilisation of Funds Raised through Issue of Non-Convertible Debentures

During the financial year 2021-22, the Company issued on private placement basis and allotted 5,000 Secured Redeemable Non-Convertible Debentures (NCDs) of face value of ₹ 1,00,000/- (Rupees One Lakh only) each, aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred and Fifty Crores only). The funds raised through NCDs have been utilised to meet general business requirements, addressing working capital needs as well as expansion of business activities.

viii. Certificate from the Company Secretary in practice to the effect that none of the directors has been debarred or disqualified has been given in the annexure to this report.

ix. None of the recommendations made by any Committee at its meetings was rejected by the Board.

(c) The Internal Auditors directly report to the Audit Committee, and make presentations on their reports.

v. The Policy on dealing with related party transactions and the policy for determining 'material' subsidiaries are available on the Company's website http://sagarcements.in/wp-content/uploads/2020/08/SCL_Policy-on-Related-Party-Transactions.pdf and https://sagarcements.in/wp-content/uploads/2020/08/Scl_Policy-on-Material-Subsidiary__27.1.16.pdf respectively.

vi. Commodity Price risks and Hedging Activities:

Commodity price risk is a financial risk on an entity's financial performance upon fluctuations in the prices of commodities that are beyond the control of the entity, since they are primarily driven by external market forces.

Any Sharp fluctuations in prices will create significant business challenges, impacting the profitability of the Company.

Sagar Cements Limited has captive limestone mine which is one of the major raw materials to produce cement. Commodities like Iron ore, bauxite and laterite are utilised in the manufacturing process but they are not significant.

Further the price of other major raw materials like Coal and Pet Coke which are close to 45% of the cost of production, have a significant impact on the performance of the Company since they are primarily driven by the external market forces. To meet the price fluctuations in the price of these commodities, company secures materials to meet around six months of its operational requirement, by optimising the domestic and import sources through establishment of long-term financial instruments.

x. Fee paid to Statutory Auditors:

A total fee of ₹ 105 Lakhs was paid to the Statutory Auditors towards all services rendered by them to the Company and to its subsidiaries viz. Sagar Cements (M) Private Limited and Jajpur Cements Private Limited for the year 2021-22.

xi. Disclosure in Relation to Sexual Harassment

During the year 2021-22, the Company did not receive any complaints of sexual harassment in relation to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

xii. Reconciliation of Share Capital Audit

A firm of practicing Company Secretaries carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depositories Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the

total issued and listed equity share capital. Their audit report confirms that the total issued / paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares held in demat form with NSDL and CDSL.

xiii. The Company has adopted a Policy on Determination of Materiality for Disclosures and the said policy has been put up on the website of the Company www.sagarcements.in.

xiv. Code of Conduct

The members of the board and senior management personnel have affirmed their compliance during the year ended 31st March 2022 with the Code applicable to them. A certificate by the CEO and Managing Director to this effect has been given in the annexure to this report.

12. The Company has duly complied with the requirements of the Corporate Governance Report of Sub-paras 2 to 10 of Part (C) of Schedule V of the SEBI Listing Regulation.

13. The following discretionary requirements have been adopted pursuant to Part E of Schedule II of SEBI Listing Regulations.

- (a) The financial statements of the Company are with unmodified opinion.
- (b) The Internal Auditors of the Company are directly reporting to the Audit Committee.
- (c) The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director. The Chairman is not related to the Managing Director.

14. The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses

(b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations.

15. The compliance certificate from the Company Secretary in practice regarding compliance with conditions of corporate governance has been annexed to the Directors Report.

16. The Disclosures with respect to demat Suspense Account/ Unclaimed Suspense Account (Unclaimed Shares)

Pursuant to Regulation 39 of the SEBI Listing Regulations, reminder letters have been sent to shareholders whose shares remain unclaimed from the Company. Based on their response, such shares have been transferred to “unclaimed suspense account” as per the provisions of Schedule VI of the SEBI Listing Regulations. The disclosure as required under Schedule V of the SEBI Listing Regulations is given below:

Disclosure with Respect to Unclaimed Shares:

Sl. No.	Description	Shareholders	Shares
a	Aggregate number of shareholders and the outstanding shares unclaimed at the beginning of the year	4	800
b	Number of shareholders who approached claiming shares against the above	1	100
c	Number of shareholders to whom shares were transferred against (a) above	-	-
d	Shares transferred to IEPF under Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016	-	-
e	Aggregate number of shareholders and the outstanding unclaimed shares at the end of the year	3	3500

Business Responsibility Report

Under the regulation 34 of the Listing Regulations, as currently applicable, top 1,000 listed companies are required to submit the Business Responsibility Report as part of their Annual Report describing the initiatives taken by them from an environmental, social and Governance perspective, in the format prescribed for the purpose.

The Company recognises that the business enterprises are accountable not only to their shareholders from a financial performance perspective but also to the larger society which is also its stakeholder. The enterprises are increasingly seen a critical component of the social system. Adoption of good business practices in the interest of the social set-up and the environment are therefore as vital as their financial and operational performance.

The initiatives taken by the Company in fulfilling the above objectives are given below in the prescribed format:-

Section A: General Information about the Company

Sl. No.	Particulars				
1	Corporate Identity Number (CIN) of the Company	L26942TG1981PLC002887			
2	Name of the Company	SAGAR CEMENTS LIMITED			
3	Registered address	Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033, Telangana, India			
4	Website	www.sagarcements.in			
5	E-mail ID	info@sagarcements.in			
6	Financial Year reported	Year ended 31/03/2022			
7	Sector(s) that the Company is engaged in (Industrial activity code wise)	Group	Class	Sub Class	Description
		239	2394	23941 & 23942	Manufacture of Clinker and Cement
8	List three key products / services that the Company manufactures / provides (as in balance sheet)	Manufacture of Clinker & Cements of OPC, PPC, PSC, SRC & GGBS grades			
9	Total number of locations where business activity is undertaken by the Company				
	a) Number of International Locations (Provide details of major 5):	Nil			
	b) Number of National Locations	<p>Cement Plants:</p> <p>Mattampally, Via, Huzurnagar, Suryapet District Telangana-508204</p> <p>Bayyavaram Village, Kasimkota Mandal Visakhapatnam District-531031, Andhra Pradesh</p> <p>Gudipadu Village, Yadiki Mandal, Ananthapur District Andhra Pradesh-515408</p> <p>Hydel Power Units:</p> <p>Guntur Branch Canal Hydel Project Tsallagundla Adda Road, Nekarikallu Mandal Guntur District-522 615, Andhra Pradesh</p> <p>Lock-in-Sula Hydel Project Banumukkala Village, Banakacherla Regulator Pamulapadu Mandal, Kurnool District-518 422 Andhra Pradesh</p>			
10	Markets served by the Company- Local / State / National / International	Local	State	National	International
		✓	✓	✓	-

Section B: Financial details of the Company

1	Paid-up Capital (INR)	₹ 2,350 Lakhs
2	Total Turnover (INR)	₹ 1,56,429 Lakhs
3	Total profit after taxes (INR)	₹ 10,378 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 255 Lakhs on CSR activities, constituting 3.32% of the average profit after taxes in the previous three financial years.
5	List of activities on which expenditure in 4 above has been incurred:-	All CSR activities conducted by the Company are in alignment with those identified under Schedule VII of Companies Act, 2013 and are listed as follows:

Sl. No.	CSR Project or activity identified under Schedule VII of Companies Act, 2013	Sector in which the project is covered	Expenditure incurred during the period (₹)
1	Preventive Health Care and for Promotion of Safe Drinking Water	Preventive health care and promotion of sanitation and making available safe drinking water.	1,27,48,761
2	Training and Education	Promotion of Education and infrastructure for it.	49,90,862
3	Training and Promotion of Sports	Organising sports events and sponsor of sports personnel	3,23,521
4	Rural Development	Laying of Roads and related works	73,92,890
Total CSR spent			2,54,56,034

Section C: Other Details

1	Does the Company have any Subsidiary Company / Companies?	Yes. The Company has two subsidiary companies viz. 1. Sagar Cements (M) Private Limited 2. Jaipur Cements Private Limited
	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	Yes. M/s. Sagar Cements (M) Private Limited and M/s. Jajpur Cements Private Limited participates in the BR initiatives of the parent company.
	Do any other entity / entities (e.g. suppliers, distributors etc.) participate in the BR initiatives of the Company. If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	No. The other entities with whom the Company does business do not participate in the BR initiatives of the Company.

Section D: BR Information

1. Details of Director / Directors Responsible for BR

(a) Details of the Director / Director Responsible for Implementation of the BR Policy / Policies

1	DIN Number	00123889
2	Name	Shri S. Sreekanth Reddy
3	Designation	Joint Managing Director

(b) Details of the BR Head

No.	Particulars	Details
1.	DIN Number	00123889
2.	Name	Shri S. Sreekanth Reddy
3.	Designation	Joint Managing Director
4.	Telephone number	040 23351571
5.	e-mail id	sreekanth@sagarcements.in

2. Principle Wise (as per NVGs) BR Policy / Policies:

The nine principles are as under:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all its employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of Compliance (Reply in Y / N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	https://sagarcements.in/investors/policies								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit /evaluation of the working of this policy by an internal or external agency?	<p>The Company publishes its Sustainability Report on an Annual basis which is GRI Standards compliant A+ i.e. an internationally accepted reporting framework which is also assured by an independent certifying agency and is available on the website of the Company, https://sagarcements.in/investors/policies</p> <p>For the Financial Year 2022, the Company is publishing the integrated annual report and hence, no separate Sustainability Report shall be published. The Integrated Annual Report can be accessed from website of the Company through the link https://sagarcements.in/investors</p>								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance Related to BR:

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.	The Joint Managing Director along with other senior officials of the Company assesses the BR performance of the Company on a monthly basis and then appraise the same to the Board.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	<p>The Company publishes its Sustainability Report on an Annual basis which is GRI Standards compliant A+ i.e. an internationally accepted reporting framework which is also assured by an independent certifying agency and is available on the website of the Company, https://sagarcements.in/investors/policies</p> <p>For the Financial Year 2022, the Company is publishing the integrated annual report and hence, no separate Sustainability Report shall be published. The Integrated Annual Report can be accessed from website of the Company through the link https://sagarcements.in/investors</p>

Section E: Principle-Wise Performance

Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable

1	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The Company has got a Code of Conduct and Vigil Mechanism that were approved by the Board of Directors. These are applicable to the Board Members and Senior Management of the Company and an annual affirmation on compliance of the Code is obtained from them. The Company persuade parties associated with it to follow the principles of ethics, etc. and gives importance to Corporate Governance which is an integral part of the management of the Company.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	There were no complaints on ethics / transparency and accountability during the year.

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

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.	<p>(a) The Company is engaged in the manufacture of cement that helps customers to build sustainable structures which are more durable and more environment friendly and resource efficient. The Company is primarily engaged in the production of blended cement which uses fly-ash, a natural waste, as an additive and slag a waste from blast furnace in steel plants contributing toward the improvement in the environment.</p> <p>(b) The Company also concentrates on reducing the use of clinker in the cement thereby resulting in conservation of lime stone and reducing the CO2 emissions.</p> <p>(c) The Company also effectively generates power from its waste heat recovery, solar and hydel power plants, addressing the carbon emissions, saving of fuels in the process of power generation.</p> <p>(d) The Company is also making efforts in water conservation by means of rain water harvesting, use of water rejected, after treatment in process.</p> <p>(e) The Company is also making efforts in the use of AFR (Alternate Fuels and Raw materials) in its production process and has made significant progress on this front. The Company is working on putting the robust framework in place for improved use of AFR.</p> <p>(f) The Company is committed to make efforts to reduce CO2 intensity of its products, while pursuing furthering the CO2 reduction vide conventional levers like; improved resource efficiency, use of waste materials, improved energy efficiency, improved ratio of renewal energy, reduction of emissions in transport etc. Company is extending support / collaborating with IIT Hyderabad, other Government organisations in their R&D activities in the field of Carbon Capture, Storage & Usage (CCSU)</p> <p>(g) The Company achieved significant success in making its operations environment friendly and the production plant at Bayyavaram is accredited as GRRENCO PLATINUM while its other plants at Mattampally & subsidiary Company unit located at Gudipadu are accredited as GRRENCO GOLD. The cement produced at all these 3 plants are accredited as GREEN CEMENT PRODUCTS (GREENPRO).</p>									
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	<p>(a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?</p> <p>On the production front, the Company has been continuously striving hard to reduce the power and fuel consumption thereby contributing for the improvement of environment. Supply chain management plays a key role in achieving economies in cost of inward materials and logistics cost of outward movement. The Company could achieve significant success in its efforts to reduce CO2 emission from transportation by means of increased use of rail transport, increased quantity of Bulk Transport, Increased ratio of two-way (bi-directional) transport.</p> <p>The details of power and fuel consumption are as follows:</p> <table border="1"> <thead> <tr> <th>Consumption per unit of Production</th> <th>FY2021-22</th> <th>FY2020-21</th> </tr> </thead> <tbody> <tr> <td>Electricity (KWH/T of Cement)</td> <td>78.89</td> <td>75.85</td> </tr> <tr> <td>Thermal Energy (K.Cal/Kg of Clinker)</td> <td>742</td> <td>723</td> </tr> </tbody> </table>	Consumption per unit of Production	FY2021-22	FY2020-21	Electricity (KWH/T of Cement)	78.89	75.85	Thermal Energy (K.Cal/Kg of Clinker)	742	723
Consumption per unit of Production	FY2021-22	FY2020-21									
Electricity (KWH/T of Cement)	78.89	75.85									
Thermal Energy (K.Cal/Kg of Clinker)	742	723									
	(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The end usage of cement by customers and its purposes are not available with the Company and hence the reduction in consumption of energy and water by them by utilising our product cannot be quantified. However, the Company is promoting & providing technical support for adopting environment friendly practices in the use of cement and in construction.									
3	Does the Company have procedures in place for sustainable sourcing (including transportation)?	Yes									

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	The major raw material required for the Company is lime stone and the plant is located in proximity to the limestone deposits resulting in the minimum of transport cost, with lesser fuel and lesser carbon emission. Also, the Company has installed a crusher machinery in the mine and below ground level, avoiding ramp thereby reducing vehicle transport distance and fuel consumption. With an intent to further optimise the energy use, the Company has installed Secondary Crusher to further size reduction thereby achieving further reduction in specific electric energy consumption Most of the other raw materials are procured by the Company from nearby sources and their selection process and practices adopted by the Company are focused towards delivering quality raw material at the cheapest costs incurring very less freights in a sustainable manner. All the inputs are sourced on a sustainable basis and the Company has also long-term agreements / leases in place for gypsum, limestone, fly-ash, slag etc. The Company is increasing the usage of alternative fuels in its process.
4 Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Yes
(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company gives preference to local vendors for supply of stores, spares, PP bags and repair works. Contractors who are engaged in the repairs and maintenance of plants are employing their workmen from the nearby villages by providing opportunities to them to earn livelihood. The local vendors are provided with safety equipment and apparatus and are expected to adhere to the safety procedures of the Company. Skilled engineers of the Company are visiting the suppliers manufacturing units and offices at regular intervals and interacting with them to promote their skill development and also in making their operations and practices more environment friendly.
5 Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so	The Company is engaged in manufacture of cement and power and does not directly discharge any effluent or wastes. The fly-ash from its power plants is entirely used in the cement production. The waste discharged from the power plant operations is purified, recycled and used in process, for dust separation, gardening and house-keeping in the colony. The excess heat available from the kiln is also captured by the waste heat recovery plant and used for generation of power at the cheapest cost. All waste materials like copper slag, fly ash, gypsum are being used in the process. Oil wastes are disposed of duly complying with pollution control procedures to approved vendors.

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

1 Please indicate the Total number of employees.	No. of permanent employees is 751 (Managerial – 211 & Non-Managerial - 535)												
2 Please indicate the Total number of employees hired on temporary / contractual / casual basis	Number of Contract Employees engaged through Registered / contractual / casual basis. Licensed Contractors - 1047 (Packing Plant & Other areas) (Mines & security not included)												
3 Please indicate the Number of permanent women employees	8												
4 Please indicate the Number of permanent employees with disabilities	Nil												
5 Do you have an employee association that is recognised by the management	Yes. There are recognised trade unions constituted as per the terms of the Trade Unions Act at the Company's manufacturing units.												
6 What percentage of your permanent employees is members of this recognised employee association?	23.16%												
7 Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	<table border="1"> <thead> <tr> <th>No. Category</th> <th>No. of complaints filed during the financial year</th> <th>No. of complaints pending as on end of the financial year</th> </tr> </thead> <tbody> <tr> <td>1 Child labour / forced labour / involuntary labour</td> <td>Nil</td> <td>NA</td> </tr> <tr> <td>2 Sexual harassment</td> <td>Nil</td> <td>NA</td> </tr> <tr> <td>3 Discriminatory employment</td> <td>Nil</td> <td>NA</td> </tr> </tbody> </table>	No. Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year	1 Child labour / forced labour / involuntary labour	Nil	NA	2 Sexual harassment	Nil	NA	3 Discriminatory employment	Nil	NA
No. Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year											
1 Child labour / forced labour / involuntary labour	Nil	NA											
2 Sexual harassment	Nil	NA											
3 Discriminatory employment	Nil	NA											
8 What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	The EHS audit has been carried out in all 3 of the Company's production facilities by the renowned NSC (National Safety Council) expert teams. The employees of the Company got trained and the recommendations received from the audit are being implemented by the Company's trained personnel.												
(a) Permanent Employees	91%												
(b) Permanent Women Employees	Nil												
(c) Casual / Temporary / Contractual Employees	100%												
(d) Employees with Disabilities	Nil												

Principle 4: Businesses should respect the interests of and be responsive to all their stakeholders

1	Has the Company mapped its internal and external stakeholders? Yes/No	Yes.
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.	The Company is in the process of identifying its marginalised stakeholders by way of vendors, stockiest and contract workers who are situated in and around its factory locations which are essentially under-developed locations requiring attention.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.	<p>Most of the Corporate Social Responsibility (CSR) activities undertaken by the Company are towards the welfare of the people and stakeholders in and around factory locations by providing health and sanitary care, educational facilities and vocational training, infrastructural facilities like road, water, etc. Most of the welfare schemes undertaken by the Company are targeted towards upliftment of the poor and down-trodden and marginalised stakeholders located in and around factories to enable them to have a sustainable livelihood, aimed at rural development.</p> <p>During the Covid-19 pandemic, the Company had carried out the sanitisation near the plant and provided the dry and cooked food as immediate relief to the stranded workers. Awareness programs were conducted on the usage of masks, hand washing and social distancing.</p>

Principle 5: Businesses should respect and promote human rights

1	Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The Company does have a Human Rights policy which currently covers only the employees of the Company.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaints for violation of human rights were received by the Company during the financial year.

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

1	Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The Company has a Policy on Safety Health and Environment (SHE), which covers all the operations of the Company. Subsidiaries are not covered in BR initiatives of the Company.
2	Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y / N If yes, please give hyperlink for webpage etc.	<p>Yes. The Company is committed to reduce Greenhouse Gas (GHG) emissions and have got short-term and long-term targets in this regard.</p> <p>All these targets are aimed at:</p> <ol style="list-style-type: none"> Improving the blended cement ratio by using slag and fly ash and by reducing clinker factor in the overall cement by paving way for carbon reduction. Continuous focus on reduction of thermal and electrical energy consumption. Continuous efforts to increase the ratio of Renewable energy to total energy. Continuous efforts to increase (TSR) Thermal Substitution Ratio. Installation of Waste Recovery System and renewable energy in the form of hydel power plants. Utilisation of waste products from its thermal power plants like fly ash to improve the environment. Development of ponds and afforestation of the mined area to ensure greener environment. Installation of high efficiency bag filters in place of ESPs to ensure emissions are well within the permissible limits and continuous monitoring of the same by relevant authorities.
3	Does the Company identify and assess potential environmental risks? Y / N	The Company has a Risk Management Policy and the potential environmental risk and other risks form part of Business Risk Management review, where all such risks are identified and mitigation process are formulated.
4	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No

5	Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y / N. If yes, please give hyperlink for webpage etc.	<p>(a) As already mentioned, the Company has taken lot of steps towards clean technology, energy efficiency and renewable energy through installation of 8.3 MWH hydel power plants, 1.45 MWH solar power plant and 8.8 MWH Waste heat recovery plant.</p> <p>(b) The Company is focusing on improving the usage of additives and reducing the clinker in cement to ensure carbon reduction and also focus on value added varieties of cements.</p> <p>(c) The Company continuously monitor and takes measures for reducing power and fuel consumption.</p> <p>(d) The Company is closely following the Technology advancements in energy storage sectors and will adapt as soon as they become feasible to augment the renewable energy generation & use and also mobility.</p>
6	Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes. Emissions / Waste generated by the Company are within the permissible limits prescribed by the Central and State Pollution Control Boards. There are no significant wastes produced by the Company.
7	Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	No

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

1	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	<p>The Company is a member of:</p> <p>(a) Cement Manufacturers Association (CMA)</p> <p>(b) National Council for Cement and Building Materials (NCCBM)</p> <p>(c) Confederation of Indian Industry (CII)</p> <p>(d) Federation of Indian Chambers of Commerce and Industry (FICCI)</p> <p>(e) South India Cement Manufacturers Association (SICMA)</p>
2	Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) ?	No

Principle 8: Businesses should promote inclusive growth and equitable development

1	Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof	As part of CSR, the Company has developed detailed programmes focused on developing the neighborhood and ensuring a better livelihood for the underprivileged people. Towards these programmes, all stakeholder groups are addressed which, inter alia, include promotion of basic education, rural employment, sustainable operations of the public health centers, development of infrastructure like roads, lights, drinking water supply, medical camps and facilities and social reforms, which will ultimately pave way for a sustained livelihood for the neighborhood.
2	Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?	The Company's projects are implemented through In-house. Some of the healthcare and welfare activities are also being undertaken through governmental agencies and private hospitals and NGOs
3	Have you done any impact assessment of your initiative?	The Company is generally reviewing the impact assessment of its CSR initiatives, which is reflected in the form of feedback from the beneficiaries. However, the Company is also in the process of formulating a scheme for a systematic review of the performance of the various programmes and the resultant benefits.
4	What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?	₹ 255 Lakhs towards Eradication of Poverty, Promotion of Education and Skill Development, Rural Development, Environment, Rural Sports, Promotion of Gender Equality etc., as detailed in Sl. No. 4 under Section B of this Report.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes. The Company follows a process before undertaking any community development project. These projects are undertaken based on either the request from the community or based on the survey and initiative taken by the Company for improvement of the society and the environment. An assessment report is prepared regarding the cost and benefits that will accrue to the community people and based on the importance, these projects are listed and being implemented one by one on various issues like primary education improving the educational facilities, providing furniture to schools, maintenance of primary health centers, drinking water supply scheme, healthcare and sanitation and infrastructure development.

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

1	What percentage of customer complaints / consumer cases are pending as on the end of financial year?	The Company has been continuously meeting its stockiest and consumers to appraise them on various issues regarding quality, setting time, strength, etc. and also to understand their concerns. Most of the concerns are being reviewed regularly and then resolved immediately then and there to their satisfaction. There were no complaints from end-consumers pending as of 31/03/2022 from consumers.
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)	The Company displays all the information regarding the product on the cement bag as mandated by Bureau of Indian Standards (BIS) and relevant Local Laws as applicable.
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.	The Company does not indulge in any anti-competitive activities. There were no complaints pending in this respect.
4	Did your Company carryout any consumer survey / consumer satisfaction trends?	The senior marketing officials periodically visit main customers, namely, stockiest, sub-dealers, consumers, as part of the appraisal programme and get the feedback on the satisfaction levels on supply, quality and other terms, etc.

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,
Sagar Cements Limited,
Plot No.111, Road No.10, Jubilee Hills,
Hyderabad, Telangana – 500033.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sagar Cements Limited** having CIN: L26942TG1981PLC002887 and having registered office at Plot No.111, Road No.10, Jubilee Hills, Hyderabad, Telangana - 500033 (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 and 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 31st 2022 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 Authorities.

Disclosure with Respect to Unclaimed Shares:

Sl. No.	Name of Director	DIN	Date of appointment in Company
01	Anand Reddy Sammidi	00123870	21/11/2007
02	Sreekanth Reddy Sammidi	00123889	26/06/2008
03	Kolappa Thanu Pillai	00123920	30/01/2012
04	Valliyur Hariharan Ramakrishnan	00143948	23/09/2015
05	Rachana Sammidi	01590516	18/03/2015
06	John Eric Fernand Pascal Bertrand	06391176	17/10/2012
07	Jens Van Nieuwenborgh (Alternate Director to John Eric Fernand Pascal Bertrand)	07638244	20/11/2018
08	Rekha Onteddu	07938776	30/06/2020
09	Sudha Rani Naga	09032212	20/01/2021

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

for **B S S & Associates**
Company Secretaries

S. Srikanth

Partner

ACS No.: 22119

C.P.No.: 7999

UDIN: A022119D000300650

Place: Hyderabad
Date: 11th May 2022

Declaration Regarding Compliance by Board Members and Senior Management Personnel with The Company's Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31st 2022, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the Vice President and above cadre and the Company Secretary as on March 31st 2022.

Hyderabad
11th May 2022

Dr. S. Anand Reddy

Managing Director

DIN: 00123870

Certificate on Corporate Governance

To,
The Members,
Sagar Cements Limited,
Plot No.111, Road No.10, Jubilee Hills,
Hyderabad, Telangana – 500033.

1. We have examined the compliance of the conditions of Corporate Governance by Sagar Cements Limited (the 'Company') for the financial year ended on March 31st 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Paras C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations').

Management's Responsibility

2. The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Our Responsibility

3. Pursuant to the requirements of the SEBI Listing Regulations, our responsibility is limited to examining the procedures and implementations thereof, adopted by the Company and express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in paragraph 1 above.

Opinion

4. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Paras C, D and E of Schedule V of the SEBI Listing Regulations, as applicable for the financial year ended on March 31st 2022.

Other Matters and Restriction on Use

5. This report 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
6. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

for **B S S & Associates**
Company Secretaries

S. Srikanth
Partner

ACS No.: 22119

C.P.No.: 7999

UDIN: A022119D000300716

Place: Hyderabad

Date: 11th May 2022