

# Scaling new heights

As Sagar Cements continues to grow at a significant pace, capturing new markets and implementing innovative practices across the Board, it becomes a strategic imperative to assess performance and progress through the sustainability lens."



**Shri. K. V. Vishnu Raju**  
Chairman

### Dear Stakeholders,

A warm welcome to all the readers as the new chairperson of Sagar Cements. I am privileged to work with a trusted and reputed brand in the Cement manufacturing sector today and I hope that with all your support, we can make it attain new heights. I am happy to share that we have become the successful bidder for Andhra Cement in the National Company Law Tribunal (NCLT) process. This acquisition essentially adds 2.6 MTPA capacity taking our total capacity over 10 MTPA. We have been able to achieve our targeted capacity of 10 MTPA two years in advance, and this I think will

go a long way in strengthening our presence in the southern market.

### Cement industry

A 6-8% increase in cement production is expected in the next fiscal driven by booming demand induced because of large-scale infrastructure projects undertaken by the government. The demand is set to remain high and the whole cement industry is feeling optimistic about these developments. This is expected to drive top-line for cement companies in the short to medium term as manufacturers are gearing up with capacity augmentations.



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### Changing dynamics

A by-product of globalisation, any unfavourable event in one part of the world can trigger a chain reaction that affects the rest of the world. Rising raw material and energy costs add up to 60% of our production costs. While we are keeping our dependence on imported coal to a minimum, an elevated freight and fuel cost is affecting us.

strategies can give us cost benefit as we can drive the logistics and transport in a much better way. It should be looked at as a tech enabled function which would help us optimise costs.

### ESG and business

In FY2023, we developed our ESG roadmap with targets for 2030 and 2050. This ambitious undertaking will enable us to switch from an energy-intensive to a net-zero cement company. It will open new gateways for securing investments under green financing. We have put in place well-defined policies and undertaken focused initiatives to reduce our environmental footprint, while strengthening relationships with our stakeholders. We continue towards reaching zero CO2 emissions in the near future with the help of innovative carbon capture technologies and solar calcination of limestone.

I take this opportunity to thank our people who have put in tremendous efforts to help us achieving our objective. In addition, I want to sincerely thank all our investors, clients, partners, communities, and other stakeholders who have placed their trust in Sagar Cements. We are humbled by your support and encouragement and assure to attain newer heights with our persistent hard work.

Best regards,

**K. V. Vishnu Raju**  
Chairman

### Tech adoption

Large scale technology upgradation has enabled us to bring in efficiency in our manufacturing and operation processes. We are collecting and monitoring data over multiple touch points that is allowing us a better control over production and quality. Revenue benefits are achieved through the application of AI powered smart systems while also taking us one step ahead in realising our green commitments. I believe investing in innovative supply chain