

# Strengthening resilient foundations

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**K. V. Vishnu Raju**  
Chairman



## Dear Shareholders,

As we wrap up another eventful year, I am pleased to take you through our journey over the past fiscal year. FY 2026 has reinforced how resilience, discipline and a long-term perspective are essential for staying ahead of the curve. As India continues to invest in infrastructure, urban housing and development, the cement industry remains closely aligned with the nation's economic progress and development aspirations. In this backdrop, Sagar Cements remained focused on strengthening its operational capabilities while advancing its sustainability priorities.

*During the year, strategic initiatives aimed at improving manufacturing efficiency, optimising energy use and enhancing operational performance further strengthened the Company's foundation. These efforts enabled us to respond effectively to changing market dynamics while continuing to focus on long-term value creation.*

## ANCHORED IN INDIA'S INFRASTRUCTURE GROWTH

Sustained public and private investments in infrastructure and housing are powering India's growth momentum and laying the foundation for future economic expansion. Large-scale developments, especially transportation networks, logistics corridors, urban infrastructure and affordable housing are expected to accelerate cement demand across regions in the coming years.

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The sector is undergoing a period of transformation, with increasing emphasis on sustainability, efficiency and responsible resource management. As growth opportunities expand, industry expectations are evolving, making it essential for companies to balance operational performance with environmental stewardship. We believe organisations that can deliver on these priorities will be better positioned to create long-term value.

## STRENGTHENING OPERATIONAL CAPABILITIES

During the year, we undertook several initiatives to improve productivity and strengthen operations across our manufacturing network. Investments in technology upgrades, energy-saving measures and process improvements helped enhance plant performance and reliability.

We also streamlined logistics to improve supply chain efficiency. Efforts to reduce lead distances, strengthen distribution and deepen customer engagement enabled us to build a more agile and responsive operating network.

Operational resilience continues to remain a key focus area for the Company. Strengthening manufacturing capabilities while maintaining disciplined cost management has helped us remain competitive and adapt effectively to changing market conditions.

## ADVANCING THE SUSTAINABILITY AGENDA

Sustainability continues to guide our long-term direction and decision-making. In FY 2025, we reached a significant milestone by becoming the first Indian cement company to have Net Zero by 2050 GHG Emission reduction targets validated by the SBTi, in line with their Corporate Net Zero Standard. This milestone reflects our commitment to reducing emissions in line with globally recognised climate goals. Our aim is to implement SBTi validated targets and make all efforts to achieve our goals. During the year, we increased the use of renewable energy, improved energy efficiency and made efforts to increase alternate fuel and raw materials usage.

Enhanced sustainability disclosures and independent assurance processes further strengthened our ESG oversight and helped earn the confidence of our stakeholders.

We also continued to prioritise water conservation, efficient use of resources and responsible manufacturing practices across operations.

## SUSTAINING LONG-TERM VALUE CREATION

Our strategy hinges on responsible growth and prudent capital allocation, with disciplined execution and investments in technology and sustainability initiatives continuing to define our approach to value creation.

Equally important to us is the consistent support and trust of our stakeholders. Employees, customers, partners, shareholders and communities have each played an important role in the journey of Sagar Cements. We are deeply grateful for your partnership.

Built on decades of operational strength, we remain focused on building a resilient organisation that can contribute meaningfully to India's infrastructure growth while delivering long-term value to stakeholders.

Best regards,

**K. V. Vishnu Raju**  
Chairman

