



SAGAR CEMENTS LIMITED

CIN: L26942TG1981PLC002887

Registered Office: Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033, Telangana

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Website: www.sagarcements.in | e-mail: info@sagarcements.in

POSTAL BALLOT NOTICE

[Pursuant to Sections 108 and 110 of the Companies Act, 2013 read with the Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member,

Notice is hereby given pursuant to Sections 108 and 110 of the Companies Act, 2013 ("the Act") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof for the time being in force. Ministry of Corporate Affairs ("MCA") General Circulars No.14/2020, dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December, 2021 and 3/2022 dated 5th May, 2022 and 11/2022, dated 28th December, 2022 (collectively referred to as "MCA Circulars"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and subject to other applicable laws and regulations, it is proposed to seek the approval of the members of the Company to the resolutions appended below, proposed to be passed through Postal Ballot ("Postal Ballot") by way of voting through electronic means ("remote e-voting").

In view of the ongoing COVID-19 pandemic crisis, MCA vide its aforesaid MCA Circulars, had advised the companies to take all decisions requiring members approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. Further, the Company will send Postal Ballot Notice ("Notice") by email to all its shareholders who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the members will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the above said MCA Circulars.

In compliance with the requirements of the said MCA Circulars, hard copy of Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the shareholders for this Postal Ballot and shareholders are required to communicate their assent or dissent through the remote e-voting system only.



The proposed resolutions and the Explanatory Statement stating the facts as required in terms of Section 102 of the Act as appended hereto form part of this Notice.

In compliance with Sections 108 and 110 of the Act, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations and in accordance with the aforesaid MCA Circulars, the Company is offering the facility to its Members, to exercise their right to vote on the resolutions appended to this Notice, by electronic means ('remote e-voting') only. For this purpose, the Company avails electronic voting platform of KFin Technologies Limited (KFIN), Registrar and Share Transfer Agent of the Company, for facilitating e-voting.

The Board of Directors of the Company has appointed Shri S.Srikanth, Practicing Company Secretary (M.No.22119) of M/s. B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) to act as a Scrutinizer to conduct the Postal Ballot only through e-voting process in a fair and transparent manner.

The resolutions, if approved by the requisite majority, shall be deemed to have been passed on the last date of remote e-voting i.e. 3rd May, 2023, in terms of the Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India.

1. **Appointment of Shri Ravichandran Rajagopal (DIN: 00110930) as an Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“Resolved that pursuant to the provisions of Sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 17(1C), 25 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Article 88 of the Articles of Association of the Company, Shri Ravichandran Rajagopal (DIN: 00110930), who was appointed by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director to act as an Independent Director of the Company with effect from 27thMarch 2023, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years with effect from 27thMarch 2023.



2. **Approval of material related party transaction**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“Resolved that consent of the shareholders be and is hereby accorded under Regulation 23 (4) and other applicable regulations, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the following in respect of the credit facilities for Rs.665 crores availed from State Bank of India (“the lenders”) by Andhra Cements Limited, a subsidiary and related party of the company.

1. To furnish an unconditional and irrevocable corporate guarantee to the lenders as security for the above said credit facilities.
2. To pledge 25% of the equity shares held by Sagar Cements Limited in the said subsidiary in favour of the lenders to further secure the above said credit facilities.

Resolved Further that any two directors of the company be and are hereby authorized jointly and or severally to execute necessary documents, declarations, agreements required for the above purpose., if required, under the Common Seal of the Company to be affixed in the presence of Company Secretary / Chief Financial Officer of the Company.

By Order of the Board of Directors
For **Sagar Cements Limited**

R.Soundararajan
Company Secretary
Membership No.F4182

31st March, 2023
Hyderabad

Regd. Office:
Plot No.111, Road No.10,
Jubilee Hills, Hyderabad-500 033
Telangana
CIN: L26942TG1981PLC002887



Notes:

1. The businesses mentioned above require the consent of the members of the Company through Postal Ballot by e-voting.
2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 stating all material facts and the reasons for the proposals set out in the Resolution No.1 and 2 is annexed herewith.
3. The relevant details required to be given under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment / re-appointment are given in Annexure.
4. On account of threat posed by COVID-19 Pandemic and in terms of the MCA Circulars, the Company will send Notice only by email to the members who have registered their email addresses with the Company or depository / depository participants and hard copy of Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the members would take place through the e-voting system only. Therefore, those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below in e-voting Instructions.
5. The notice is being sent to all the Members electronically i.e. by email only as per the MCA Circulars to those Members who have registered their email addresses with the Company/Depository(s) and whose name appear in the Register of Members/Record of Depositories as on 24th March, 2023 i.e. the cut-off date.
6. In the light of the MCA Circulars, shareholders who have not yet registered their email addresses and in consequence the e-voting notice could not be serviced, may temporarily get their email registered with the Company’s Registrar and Share Transfer Agent, KFin Technologies Limited, by clicking the link: <https://ris.kfintech.com/clientservices/postalballot/registration.aspx>. Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this Postal Ballot. In case of any queries, shareholder may write to einward.ris@kfintech.com or contact Mr. K.Raj Kumar, Assistant Vice President, KFin Technologies Limited at 040-67162222 or at 1800-3094-001 (Toll Free).
7. It is clarified that for permanent registration of email address, the shareholders are requested to register their email addresses, in respect of their electronic holdings with the Depository through the Depository Participants concerned and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent, KFin Technologies Limited, Selenium Building, Tower B, Plot No(s). 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032, by following due procedure.



8. Those shareholders who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants / the Company's Registrar and Share Transfer Agent, KFin Technologies Limited to enable servicing of notices / documents / Annual Reports electronically to their email addresses.
9. The Notice and Explanatory Statement with the requisite enclosures, has also been made available on the website of the Company <https://sagarcements.in> and on the website of e-voting agency i.e. <https://evoting.kfintech.com> and on the website of BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com> and <https://www.nseindia.com> respectively, in the relevant sections. Relevant documents referred to in the notice, if any, will be available for inspection electronically until the last date for receipt of votes through e-voting process. Members seeking to inspect such documents can send an email to **info@sagarcements.in**.
10. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Regulation 44 of the Listing Regulations, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Secretarial Standard-2 issued by the Institute of Company Secretaries of India on General Meeting (SS-2), the Company is offering e-voting facility to enable the Members to cast their votes electronically and vote on the resolution through the e-voting facility provided by KFin. The instructions for e-voting are provided as part of this Notice.
11. Postal Ballot (e-Voting) commences on Tuesday, the 4th April, 2023 (9.00 a.m. IST) and ends on Wednesday, the 3rd May, 2023 (5.00 p.m. IST).
12. A member cannot exercise his/her vote through proxy on postal ballot. However, corporate and institutional members shall be entitled to vote through their authorized representatives. Corporate and institutional members are requested to provide a proof of authorization (board resolution/ authority letter/ power attorney, etc.) in favour of their authorised representatives to the Scrutinizer through e-mail to **cs@bssandassociates.com** with a copy marked to **evoting@kfintech.com**. Alternatively, the aforesaid documents can directly be uploaded on the e-voting portal of KFin Technologies Limited, while casting the vote.
13. Resolutions passed by the members through postal ballot are deemed to have been passed as if they are passed at a General Meeting of the members.
14. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, the Company has sent reminder letters/intimations to the holders of physical securities, for furnishing of PAN, KYC details and Nomination details. Shareholders concerned are requested to forward the duly filled-in documents along with the related proofs as mentioned in the forms referred in the letter, to the Company's Registrar and Share Transfer Agent (RTA) on the following address:



KFin Technologies Limited

Unit: Sagar Cements Limited

Address: Selenium Building, Tower B, Plot No.31 & 32, Gachibowli,
Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032.

e-mail: einward.ris@kfintech.com

The scan copies of the forms and documents may also be mailed through your registered email id with RTA at their email id einward.ris@kfintech.com duly signed or e-signed.

15. All the material documents referred to in the explanatory statement will be available for inspection electronically until the last date for receipt of votes through the e-voting process. Members seeking to inspect such documents can send an email to info@sagarcements.in.

General information and instructions relating to e-voting.

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFIN, on the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting facility will be available during the following period:

Commencement of e-voting	4 th April, 2023 (9.00 a.m. IST)
End of e-voting	3 rd May, 2023 (5.00 p.m. IST)

- v. The voting rights of shareholders/ beneficiary owners shall be reckoned in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. The shareholders of the Company who are holding shares either in dematerialised or in physical form, as on the cut-off date, can cast their vote electronically. A person who is not a shareholder as on the cut-off date, should treat this Notice for information purposes only.
- vi. The voting rights for the shares of the Company are one vote per equity share, registered in the name of the member. The voting rights of the members shall be in proportion to the percentage of paid-up share capital of the Company held by them.



- vii. Any person holding shares in physical form as of the cut-off date, may obtain the login ID and password by sending a request at **evoting@kfintech.com**. However, if he / she is already registered with KFIN for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
- viii. In case of Individual Shareholders holding securities in demat mode as on the cut-off date may follow steps mentioned below under “Login method for remote e-Voting” (Step 1).
- ix. In case of Individual Shareholders holding securities in physical mode and other than Individual Shareholders holding securities in physical mode/electronic mode as on the cut-off date may follow the steps mentioned below under “Login method for remote e-Voting” (Step 2).
- x. The details of the process and manner for remote e-Voting are explained herein below:
 - Step1: Access to Depositories- Voting system in case of individual Shareholders holding shares in demat mode.
 - Step2: Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non- individual shareholders holding shares in physical/demat mode.

Details on Step 1 are mentioned below:

- i) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. Existing Internet-based Demat Account Statement(‘IDeAS’) facility registered Users:</p> <ul style="list-style-type: none">i. Visit the e-services of NSDL https://eservices.nsdl.com either on a personal computer website or on a mobile.ii. On the e-services home page click on the ‘Beneficial Owner’ icon under ‘Login’ which is available under ‘IDeAS’ section. Thereafter enter the existing user ID and password.iii. After successful authentication, Members will be able to see e-voting services under ‘Value Added Services’. Please click on ‘Access to e-voting’ under e-voting services, after which the e-voting page will be displayed.



	<p>iv. Click on company name i.e. ‘Sagar Cements Limited’ or ESP i.e. KFintech.</p> <p>v. Members will be re-directed to KFintech’s website for casting their vote during the remote e-voting period.</p> <p>Those not registered under IDeAS:</p> <p>i. Visit https://eservices.nSDL.com for registering</p> <p>ii. Select ‘Register Online IDeAS for NSDL IDeAS Portal’ or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>iii. Visit the e-voting website of NSDL https://www.evoting.nSDL.com.</p> <p>iv. Once the homepage of e-voting system is launched, click on the icon ‘Login’ which is available under ‘Shareholder/ Member’ section. A new screen will open.</p> <p>v. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password/OTP and a verification code as shown on the screen.</p> <p>vi. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</p> <p>vii. Click on Company name i.e. ‘Sagar Cements Limited’ or KFintech after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period.</p>
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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest</p> <p>i. Visit URL: https://web.cdslindia.com/myeasinew/home/login Or URL: https://www.cdslindia.com</p> <p>ii. Click on New System Myeasi</p>



	<ul style="list-style-type: none"> III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ul style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1. <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ul style="list-style-type: none"> I. Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & email as recorded in the demat Account. <p>After successful authentication, user will be provided links for the respective ESP, i.e. KFIN Technologies Limited where the e-Voting is in progress.</p>
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Type of shareholders	Login Method
Individual Shareholders login through their demat accounts / Website of Depository Participant	<ul style="list-style-type: none"> I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click one-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.



	<p>iii. Click on options available against company name or e-Voting service provider–KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</p>
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Important note: Members who are unable to retrieve User ID/Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Type of shareholders	Login Method
Securities held with NSDL Securities held with CDSL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 18001020990 and 1800224430 Please contact CDSL helpdesk by sending a request at helpdesk. evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

- ii) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in physical/demat mode and shareholders holding securities in physical mode.
- (A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of e-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- i. Open your web browser during the remote e-voting period and navigate to <https://evoting.kfintech.com>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
 - iii. After entering these details appropriately, click on "LOGIN".



- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the e-voting Event Number (EVEN) of Sagar Cements Limited and click on "Submit".
- vii. If you are holding shares in Demat form and had logged onto <https://evoting.kfintech.com> and casted your vote earlier for any other Company, then your existing login id and password are to be used.
- viii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above.
- ix. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- x. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- xi. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- xii. You may then cast your vote by selecting an appropriate option and click on "Submit".



- xiii. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote.
- xiv. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xv. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., authorizing its representative to cast its vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ID **cs@bssandassociates.com** with a copy marked to **evoting@kfintech.com**. The scanned image of the above mentioned documents should be in the naming format “Corporate Name Event No.”
- xvi. In case of any queries, you may refer the Frequently Asked Questions(FAQs)for Members and e-voting User Manual for Members available at the download Section of <https://evoting.kfintech.com> or contact Mr. K.RajKumar, Assistant Vice President of KFin Technologies Limited at 1800-3094-001 (toll free number).
- xvii. Once the vote on a resolution stated in this notice is cast by Member through remote e-voting, the Member shall not be allowed to change it subsequently and such e-vote shall be treated as final.
- xviii. The Scrutinizer's decision on the validity of the vote shall be final and binding.
- xix. Details of Scrutinizer: Shri S.Srikanth, Practicing Company Secretary (M.No.22119) of M/s. B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
- xx. The Scrutinizer after scrutinizing the votes cast in favour or against, if any, in remote e-voting will make a Scrutinizer's Report within two working days of conclusion of the e-voting period, forthwith to the Chairman or to any other person authorized by the Chairman of the Company in writing, who shall counter sign the same.



- xxi. The Results declared along with the Scrutinizer's Report shall be hosted on the website of the Company i.e. <https://sagarcements.in> and on the website of KFin Technologies Limited i.e. <https://evoting.kfintech.com>. The results shall simultaneously be communicated to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
- xxii. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Telugu daily newspaper circulating in Hyderabad (in vernacular language, i.e. Telugu).

By Order of the Board of Directors
For **Sagar Cements Limited**

R.Soundararajan
Company Secretary
Membership No: F4182

31st March, 2023
Hyderabad

Regd. Office:
Plot No.111, Road No.10,
Jubilee Hills, Hyderabad-500 033
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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.1: Appointment of Shri Ravichandran Rajagopal (DIN: 00110930) as an Independent Director of the Company

With a view to broad basing the Board of Directors (“the Board”), through induction of experienced professionals, the Board on the recommendation of its Nomination & Remuneration Committee (NRC), had appointed Shri Ravichandran Rajagopal (DIN: 00110930) as an Additional Director to act as Independent Director for a period of 5 (Five) years effective from 27th March 2023, as per the provisions of Sections 149, 150, 152 and 161 of the Companies Act, 2013 (“the Act”), subject to the approval of the shareholders.

In terms of Regulations 17(1C) and 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (“Listing Regulations”), approval of shareholders by way of a Special Resolution for the above appointment needs to be obtained at the next general meeting or within a time period of three months, from the date of the said appointment, whichever is earlier.

Shri Ravichandran Rajagopal, who is not disqualified from being appointed as Director in terms of Section 164 of the Act, has given his consent to act as Director. The Company has received a declaration from him under Section 149(7) of the Act and Regulation 25 (8) of the Listing Regulations to the effect that he meets the criteria of independence. The Company has, in terms of Section 160 (1) of the Act, also received in writing, a notice from a Member proposing his candidature for the office of Director. In the opinion of your Board, Shri Ravichandran Rajagopal fulfils the conditions for appointment as an Independent Director as specified in the Act and the rules made thereunder, and the Listing Regulations and he is also independent of the management.

The Board is of the view that the knowledge and experience gained by Shri Ravichandran Rajagopal over a period of time, which includes in cement industry, would be beneficial to the company. Considering the experience and knowledge of Shri Ravichandran Rajagopal, it is in the interest of the Company that he be appointed as an Independent Director of the Company. Copy of the letter of appointment of Shri Ravichandran Rajagopal as an Independent Director setting out its terms and conditions is available for inspection on the website of the Company at <https://sagarcements.in>

The details required under the provisions of Secretarial Standard-2 on General Meetings read with Listing Regulations are provided as Annexure hereto.



Except Shri Ravichandran Rajagopal and his relatives, none of the Directors, Key Managerial Personnel of the Company and any of their relatives is in any way, concerned or interested, financially or otherwise in the resolution, except to the extent of their shareholdings, if any, in the company.

The Board recommends the Special Resolution as set out at Item No.1 of this Notice for approval of the shareholders.

Item No. 2: Approval of material related party transaction

As a part of the Corporate Insolvency Resolution Process (CIRP) in respect of the Corporate Debtor viz., Andhra Cements Limited (“ACL”) under the provisions of Insolvency and Bankruptcy Code, the Amaravati Bench of National Company Law Tribunal approved a Resolution Plan submitted by Sagar Cements Limited (“SCL”).

Following the above development, SCL has infused a sum of Rs.322.23 crores into ACL, against which sum, it has acquired 8,75,63,533 equity shares of Rs.10/- each at a premium of Rs.26.80 per share constituting 95% of the share capital of Andhra Cements Limited, by virtue of which, ACL has become subsidiary of SCL and its “related party”.

As part of further implementation of the above said Resolution Plan, SCL has arranged for credit facilities to an extent of Rs.665 crores to ACL from State Bank of India vide its Sanction Letter IFB/HYD/AMT-V/2022-23, dt.6.3.2023.

One of the terms and conditions of the said sanction is that SCL should provide to the Lender an unconditional and irrevocable corporate guarantee and pledge of 25% of the shares held by SCL in ACL in favour of the Lender, as security for the said credit facilities.

The above proposals are well within the overall threshold limit of Rs.3000 crores, earlier approved by the shareholders under Section 186 of the Companies Act, 2013, yet as the current proposals to furnish a corporate guarantee and pledge the shares as mentioned above are in respect of ACL, a related party and being material in nature, these transactions are deemed to be material related party transactions requiring specific approval from the shareholders under Regulation 23 (4) and other applicable Listing Regulations.

The management of SCL had provided the Audit Committee with all the requisite details of said proposed transactions with ACL. Based on the detailed information provided by the management, the Audit Committee has approved providing Corporate Guarantee and creation of pledge on the shares held by SCL in ACL in favour of the Lender for securing the amount up to Rs.665 Crores for the sum borrowed by ACL.



The Board has also recommended entering into above said material related party transaction with ACL.

Further details of the proposed transactions with ACL, are as follows:

S. No.	Particulars	Description
1	A summary of the information provided by the management of the listed entity to the audit committee	
a)	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Andhra Cements Limited ("ACL"); and ACL is subsidiary to Sagar Cements Limited ("SCL").
b)	Type, material terms and particulars of the proposed transaction	Already furnished as part of the Explanatory Statement.
c)	Tenure of the proposed transaction	Proposed transaction relates to providing Corporate Guarantee and security by creating pledge on 25% of equity shares held by SCL in ACL for an amount up to Rs.665 Crores for the borrowings by ACL. Corporate Guarantee/Security shall be valid till repayment of loan by ACL.
d)	Value of the proposed transaction	Amount up to Rs.665 Crores
e)	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	SCL's annual consolidated turnover based on the audited financial statements for FY 2021-22 is Rs.1,59,687 Lakhs. Proposed transactions shall constitute 41.64% of the annual consolidated turnover of SCL.
f)	RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis.	Not applicable as ACL's annual turnover based on the audited financial statements for FY 2021-22 is Nil.
2.	Justification for why the proposed transaction is in the interest of the listed entity	Already furnished as part of the Explanatory Statement.
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
4.	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable



5.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	Not applicable as ACL's annual turnover based on the audited financial statements for FY 2021-22 is Nil. As on 31.03.2022, ACL did not have any subsidiary / associate company to consolidate its accounts.
6.	Any other information that may be relevant.	Nil

Accordingly, the necessary resolution is submitted in Item No.2 of the Notice and your Board recommends the same for approval of the shareholders.

Dr. S.Anand Reddy, Mr. S.Sreekanth Reddy, Mrs. S.Rachana, Mr. K.V.Vishnu Raju and Mrs. O.Rekha, Directors of the Company, hold directorships in ACL. Mr. K.Prasad, CFO holds the position of CFO in ACL.

None of the Directors and Key Managerial Personnel of the company and their relatives is in any way concerned or interested financially or otherwise in the resolution, except to the extent of their designations and shareholding, if any, in SCL and in ACL.

By Order of the Board of Directors
For **Sagar Cements Limited**

R.Soundararajan
Company Secretary
Membership No.F4182

31st March, 2023
Hyderabad

Regd. Office:
Plot No.111, Road No.10,
Jubilee Hills, Hyderabad-500 033
Telangana
CIN: L26942TG1981PLC002887



Annexure to the explanatory statement of Notice dated 31st March, 2023

Information of Director seeking appointment as Independent Director

S.No.	Description	
1	Director Identification Number (DIN)	00110930
2	Name (in full)	Shri Ravichandran Rajagopal
3	Father's Name (in full)	Shri Rajagopal
4	Address	No.J-12/A, H.No.8-2-293/82/J-111/112/A, Prasashan Nagar, Road No.72, Jubilee Hills, Hyderabad-500 033
5	E-mail ID	Rajagopal.ravi@srivishnu.edu.in
6	Mobile Number	9989544099
7	Date of Birth and age	10-07-1962, Age: 60 years
8	Nationality	Indian
9	Educational Qualifications	B.E.(Mechanical) from Regional Engineering College, Tiruchirapalli Post Graduate Diploma in Management from Indian Institute of Management, Calcutta
10	Income Tax PAN	ABSPR3368P
12	Experience	Manager – Ciba Geigy Limited from 1988 – 1992 Director – Vijay Cements from 1992 – 1997 Director – Elico Healthcare Services Limited from 1997 – 2009 Vice Chairman – Sri Vishnu Educational Society since November, 2009 Presently, Whole-time Director in Anjani Foods Limited
13	Other Directorships	Anjani Foods Limited, Whole-time Director Anjani Vishnu Holdings Limited, Director Vishnu Foundation Technology Business Incubator, Director Senta Foodwork Private Limited, Director Tulya Beverages Private Limited, Director PH4 Food & Beverages Private Limited, Director
14	Names of listed entities in which he also holds the directorship and the membership of Committees of the board	<u>Directorships:</u> Whole-time Director in Anjani Foods Limited <u>Membership of Committees:</u> Audit Committee and Stakeholders Relationship Committee
15	Listed entities from which the person has resigned in the past three years	Nil
16	Membership/Chairman of the Committees of the Board of other public limited companies (Membership / Chairmanships of only Audit Committees and Stakeholders Relationship Committees in other public limited companies have been considered)	Nil
17	Number of shares held in the Company	Nil



18	Date of first appointment on the Board	27.03.2023
19	Terms and Conditions of appointment	As per the Special Resolution set-out in Item No.1 and its explanatory statement read with Letter of Appointment available on the company's website
20	Number of meetings of the Board attended during the financial year 2022-23	1
21	Remuneration last drawn	NA
22	Remuneration proposed to be paid	No remuneration is proposed excepting sitting fee
23	Inter-se Relationship with Other Directors and KMP of the Company	Nil
24	Skills and capabilities required for the role and the manner in which the proposed person meets such requirements including nature of expertise in specific functional areas	Shri Ravichandran Rajagopal is a professional, having rich expertise and skills in areas which include Cement, Dairy, Food products and Healthcare services. His ability to build cross functional teams and build the organization from ground up has been an important part of his capabilities. The Company believes that his skills, knowledge, and experience on the Board will complement the effective functioning of the Company.