



## **SAGAR CEMENTS LIMITED**

CIN: L26942TG1981PLC002887

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

Tel: +91-40-23351571, 23356572 | Fax: +91-40-23356573

Website: [www.sagarcements.in](http://www.sagarcements.in) | e-mail: [info@sagarcements.in](mailto: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 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 22/2020 dated 15<sup>th</sup> June, 2020, 33/2020 dated 28<sup>th</sup> September, 2020, 39/2020 dated 31<sup>st</sup> December, 2020, 10/2021 dated 23<sup>rd</sup> June, 2021, 20/2021 dated 8<sup>th</sup> December, 2021, 3/2022 dated 5<sup>th</sup> May, 2022 and 11/2022, dated 28<sup>th</sup> 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 that it is proposed to seek the approval of the members of the Company to the resolution appended below, proposed to be passed through Postal Ballot ("Postal Ballot") by way of voting through electronic means ("remote e-voting").

On account of 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 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 MCA Circulars.

In compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot 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 resolution and the Explanatory Statement stating the facts as required in terms of Section 102 of the Act as appended hereto form part of this Postal Ballot Notice (“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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in accordance with MCA Circulars, the Company is offering the facility to its Members, to exercise their right to vote on the resolution 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 resolution, if approved by the requisite majority, shall be deemed to have been passed on the last date of remote e-voting i.e. 21<sup>st</sup> September, 2023, in terms of the Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India.

**1. To consider and approve Alteration in the Articles of Association of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), and any other law as may be applicable, consent of the members of the Company be and is hereby accorded for the insertion of the following para as part of Clause 97 in the Articles of Association of the Company:

“Further, if it is provided by any Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, the Board of Directors of the Company shall appoint the person nominated by the Debenture Trustee(s) in terms of Clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as may be amended from time to time) as a Nominee Director of the Company at the earliest from the date of receipt of nomination from the Debenture Trustee and within the time period as specified under Securities and Exchange Board of India (Issue and Listing of



Non-Convertible Securities) Regulations, 2021 and other applicable provisions or regulations and modifications, including any amendments thereto.

A Nominee Director so appointed may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. The Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares.”

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution.”

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

**R.Soundararajan**  
**Company Secretary**  
Membership No.F8142

8<sup>th</sup> August, 2023  
Hyderabad

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



## Notes:

1. The Ministry of Corporate Affairs ('MCA') vide General Circular No. 11/2022 read with other circulars issued for this purpose from time to time ('MCA Circulars') has permitted the companies to transact items through postal ballot in accordance with the framework provided therein, in compliance with the applicable provisions of the Companies Act, 2013 ('Act') & the Rules framed thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The businesses mentioned in the Notice 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 is annexed herewith.
3. 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.
4. 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 18<sup>th</sup> August, 2023 i.e. the cut-off date.
5. 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](mailto: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).
6. 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.



7. The Company has also made arrangements to publish notice in newspapers namely, Financial Express and Andhra Prabha informing the shareholders the aforesaid procedure to register their email address with the Depository Participant(s)/ RTA/ the Company.
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 Technologies Limited. The instructions for e-voting are provided as part of this Notice.
11. Postal Ballot (e-Voting) commences on Wednesday, the 23<sup>rd</sup> August, 2023 (9.00 a.m. IST) and ends on Thursday, the 21<sup>st</sup> September, 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. The resolution, if passed by the requisite majority through Postal Ballot, will be deemed to have been passed on the last date specified for voting i.e., 21<sup>st</sup> September, 2023. The Resolution passed by the members through postal ballot shall be deemed to have been passed as if they are passed at a General Meeting of the Members.



14. 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 resolution 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	23 <sup>rd</sup> August, 2023 (9.00 a.m. IST)
End of e-voting	21 <sup>st</sup> September, 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 e-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><b>1. Existing Internet-based Demat Account Statement(‘IDeAS’) facility registered Users:</b></p> <p>i. Visit the e-services of NSDL <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer website or on a mobile.</p> <p>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.</p> <p>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> <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><b>Those not registered under IDeAS:</b></p> <ol style="list-style-type: none"> <li>i. Visit <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> for registering</li> <li>ii. Select 'Register Online IDeAS for NSDL IDeAS Portal' or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>iii. Visit the e-voting website of NSDL <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a>.</li> <li>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.</li> <li>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.</li> <li>vi. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>vii. Click on Company name i.e. '<b>Sagar Cements Limited</b>' or KFinTech after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period.</li> </ol>
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<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. <b>Existing user who have opted for Easi / Easiest</b> <ol style="list-style-type: none"> <li>i. Visit URL: <a href="https://web.cdslindia.com/myeasine/home/login">https://web.cdslindia.com/myeasine/home/login</a> Or URL: <a href="https://www.cdslindia.com">https://www.cdslindia.com</a></li> <li>ii. Click on New System Myeasi</li> <li>iii. Login with your registered user id and password.</li> <li>iv. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFinTech e-Voting portal.</li> <li>v. Click on e-Voting service provider's name to cast your vote.</li> </ol> </li> </ol>





	<p><b>2. User not registered for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1.</li> </ol> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a></li> <li>II. Provide your demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; email as recorded in the demat Account.</li> </ol> <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	<ol style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility.</li> <li>II. Once logged-in, you will be able to see e-Voting option.</li> <li>III. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>IV. Click on options available against company name or e-Voting service provider—<b>KFintech</b> and you will be redirected to e-Voting website of <b>KFintech</b> for casting your vote during the remote e-Voting period without any further authentication.</li> </ol>



**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	Helpdesk details
Securities held with NSDL Securities held with CDSL	Please contact NSDL helpdesk by sending a request at <b>evoting@nsdl.co.in</b> or call at toll free no.: <b>18001020990</b> and <b>1800224430</b>  Please contact CDSL helpdesk by sending a request at helpdesk. <b>evoting@cdslindia.com</b> or contact at <b>022-23058738</b> or <b>022-23058542-43</b>

**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 7500) 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.



- 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. 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.
- xviii. 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.
- xix. The Scrutinizer's decision on the validity of the vote shall be final and binding.
- 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 and submit the same to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same, who shall based on the Scrutinizer's report declare the results not later than two working days of conclusion of the e-voting period.
- 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

8<sup>th</sup> August, 2023  
Hyderabad

**Regd. Office:**

Plot No.111, Road No.10,  
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**CIN: L26942TG1981PLC002887**



## EXPLANATORY STATEMENT CONTAINING MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### On Item No.1 - To consider and approve Alteration in the Articles of Association of the Company

Securities and Exchange Board of India vide its notification number SEBI/LAD-NRO/GN/2023/119 dated February 2, 2023 (“SEBI Notification”), amended the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI NCS Regulation”). Pursuant to the amendment(s), “If an issuer is a company, it shall ensure that its Articles of Association require its Board of Directors to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors.

Pursuant to the said Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, It shall be the duty of every debenture trustee to appoint a nominee director on the Board of the company in the event of:

- (i) two consecutive defaults in payment of interest to the debenture holders; or
- (ii) default in creation of security for debentures; or
- (iii) default in redemption of debentures.

Further, in case Articles of Association (AOA) of an issuer company whose debt securities are already listed on the date of SEBI Notification do not contain a provision for appointing a Nominee Director nominated by Debenture Trustee then such issuer company should amend their AOA to comply with the provisions of the SEBI NCS Regulations.

Sagar Cements (R) Limited (SCRL), an erstwhile subsidiary of your company had issued 1500 Non-convertible Debentures (NCDs) of Rs.10,00,000/- each to International Finance Corporation. With the merger of the said subsidiary with Sagar Cements Limited (SCL), the later has also become a debt listed company. While, the Articles of Association of SCL do contain provision for appointment of Nominee Directors in certain circumstances, they do not contain any article empowering the Debenture Trustee(s) to appoint a Nominee Director. In view of this, the Articles of Association is required to be amended to incorporate a provision for empowering the appointment of Nominee Director(s) by Debenture Trustee(s) under the circumstances mentioned in Regulation 15 (1) (e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

Pursuant to Section 14 of the Companies Act, 2013, the alteration of Articles of Association of the Company requires approval of the members of the Company through a special resolution.



Accordingly, the Board of Directors of the Company vide its resolution dated 8<sup>th</sup> August, 2023, has inter alia, approved the insertion of a new para in the Article 97 of Articles of Association of the Company for the above purpose, subject to the approval of the member of the Company.

The draft of the amended AOA of the Company is available for inspection by the members in accordance with the applicable provisions of the Companies Act, 2013.

Your Directors recommend the resolution set out in the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel, Promoters of the Company and their relatives thereof is in anyway concerned or interested financially or otherwise in the proposed resolution.

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

**R.Soundararajan**  
**Company Secretary**  
Membership No.F8142

8<sup>th</sup> August, 2023  
Hyderabad

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