

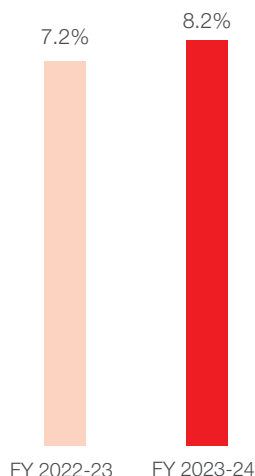
# MANAGEMENT DISCUSSION AND ANALYSIS

## Indian economic overview

In FY 2024, the Indian economy sustained its position as one of the fastest-growing major economies, outperforming several advanced and developing economies. Notwithstanding headwinds such as volatile commodity prices and disruptions in global trade due to worsening geopolitical conflicts in Europe and the Middle East, the Indian economy demonstrated resilience. Timely intervention by the Reserve Bank of India (RBI) and effective governmental initiatives ensured the inflation rate in India stood at 5.4% in the reported year<sup>1</sup>.

On the strength of a flourishing service sector, growing domestic demand for consumer services and export demand for business services, as well as higher public investments, the Indian economy surpassed its global counterparts. According to the National Statistical Office, India's GDP grew by 8.2% in FY 2024, as per the second estimate.<sup>2</sup>

## GDP growth FY 2023-24



Source: PIB

The timely and decisive monetary policy stance adopted by the Reserve Bank of India (RBI) through appropriate policy rates and liquidity measures have contributed to the economy's robustness and resilience. Strong growth in economic activity has also imparted buoyancy to revenue collections in the country. In FY 2024, the gross GST collections was ₹20.18 lacs crore, registering a growth of 11.7%<sup>3</sup>. Over the last few years, public capex has been consciously pushed up, as evidenced by higher allocations for infrastructure development in successive budgets.

The Government has also been promoting schemes such as the Urban Infrastructure Development Fund (UIDF). This underscores the Indian government's focus on bolstering the infrastructure sector, which, in turn, will be a multiplier for the economic growth. Additionally, by rolling out housing schemes such as the PM Awas Yojana, the Government of India is assisting its citizens with affordable housing facilities. In FY 2024, the construction sector has clocked a growth rate of 10.7%<sup>4</sup>. This expansion is likely to positively impact other allied sectors and further fuel the growth of the domestic economy.

## Outlook

Indian economy continues to be showing strong momentum and, with higher capacity expansion and utilisation across sectors, the economy's performance is likely to remain robust in the coming years. The nation's strong macroeconomic fundamentals, fiscal consolidation, manageable external balance and substantial foreign exchange reserves contribute positively to the vision of a Viksit Bharat. In the years ahead, businesses are expected to perform better with stable interest rates and deleveraged balance sheets. Private capital is expected to gain momentum in the second quarter of FY 2025, following the general elections. The interim budget for FY 2025 has introduced favourable government schemes and increased capex outlay, strengthening the Indian infrastructure sector.

<sup>1</sup><https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=20240208113526&msec=190>

<sup>2</sup><https://pib.gov.in/PressReleaseDetailm.aspx?PRID=2022323>

<sup>3</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2016802>

<sup>4</sup><https://pib.gov.in/PressReleaseFramePage.aspx?PRID=1993550#:~:text=2024.&text=INCOME%2C%202023%2D24-.Indian%20economy%20is%20to%20grow%20by%20a%20robust%207.3%25%20in.double%20digits%20growth%20of%2010.7%25>

### Viksit Bharat@2047

With the Indian economy witnessing sustained growth, it is on track to reach USD 5 trillion by FY 2028.<sup>5</sup> By FY 2047, the domestic economy is estimated to be worth USD 30 trillion.<sup>6</sup> In FY 2024, the Prime Minister of India announced its vision of building a Viksit Bharat@2047, with the objective of creating a prosperous Bharat possessing state-of-the-art infrastructure and facilities.

### Impact of Viksit Bharat on different sectors of the economy

#### Infrastructure

To realise the vision of a Viksit Bharat, the Indian government is prioritising the creation of best-in-class infrastructure. Major efforts include the development of the Middle East-Europe Economic Corridor, which will further drive the Indian government's Viksit Bharat initiative.

#### Housing

The Pradhan Mantri Awas Yojana (PMAY), focused on housing development and urbanisation, will also contribute to the Viksit Bharat 2047 initiative. Further, PMAY will offer citizens affordable housing solutions, develop metropolitan and urban areas and empower underserved communities.

#### Transportation

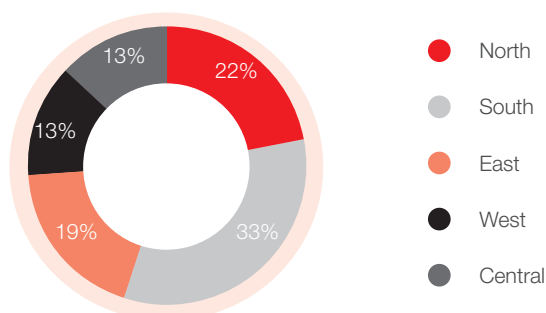
The development of transport infrastructure will rationalise the high logistics costs through improved nationwide connectivity and mobility, thus enabling India to realise its vision of becoming Viksit Bharat by 2047.

## Industry overview

### India's cement industry overview

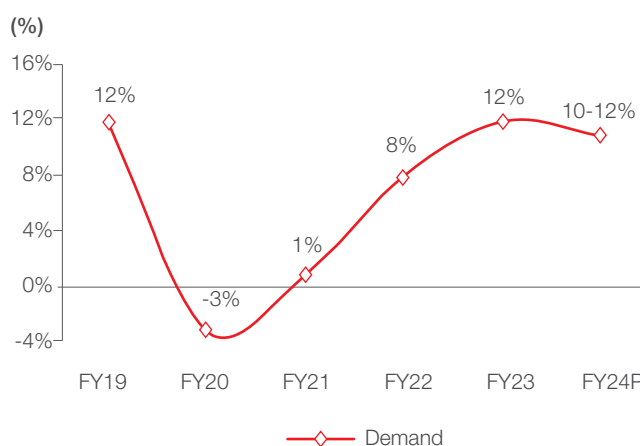
India is the second-largest cement producer in the world and in FY 2024, Indian cement production accounted for over 8% of the total global installed capacity.<sup>7</sup> With a growing population, there is a greater need for housing and infrastructure, which, in turn, is fuelling the expansion of the cement industry in India. During FY 2024, the volume of cement in India witnessed a positive growth of 12% Year on Year (Y-o-Y) basis, thereby, attaining a market size of 243 million MTPA.<sup>8</sup> The domestic cement industry is considered the most energy and carbon-efficient globally due to increased R&D and technology adoption, consuming Alternative fuels and raw material (AFR), using renewable energy including WHRS to reduce carbon emissions.

### Region-wise Installed Capacity



Source: CMIE, Infomerics Economic Research.

### Cement demand momentum to continue



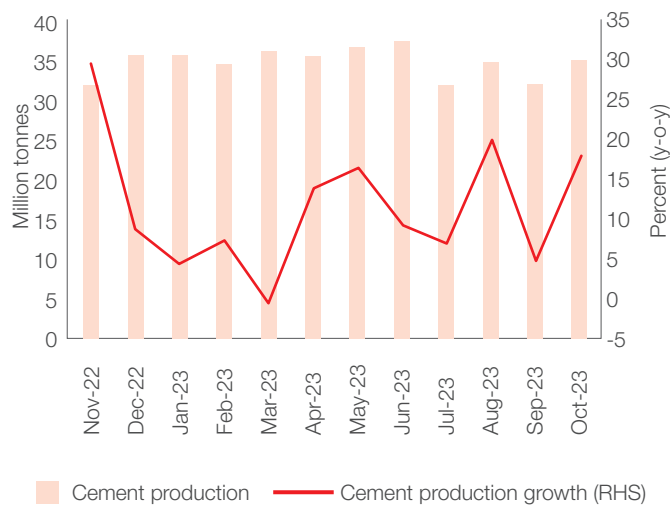
<sup>5</sup><https://economictimes.indiatimes.com/news/india/india-to-be-a-usd-5-trillion-economy-by-fy28-reach-usd-30-trillion-by-2047-fm/articleshow/106697419.cms?from=mdr>

<sup>6</sup><https://government.economictimes.indiatimes.com/blog/to-build-30-trillion-economy-by-2047-focus-on-climate-change-food-security-skills-urbanisation-healthcare/107548250>

<sup>7</sup><https://www.infomerics.com/admin/uploads/Cement-Industry-Report-May2023.pdf>

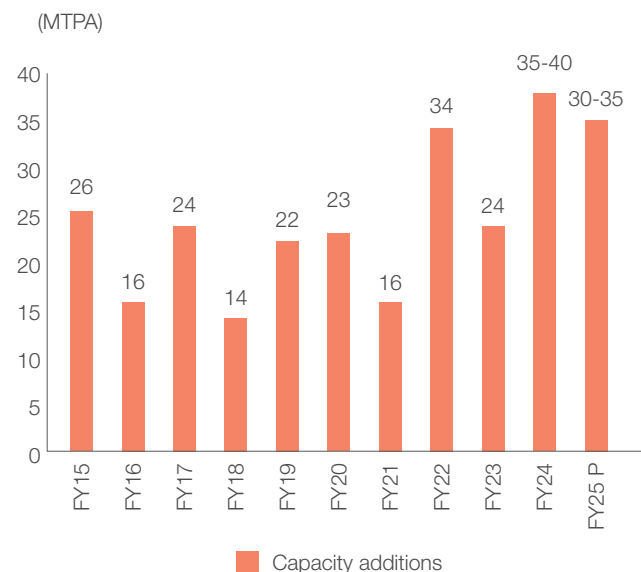
<sup>8</sup>Indian Cement Sector ICRA Report December 2023

## Cement Production



Sources: Joint Plant Committee and Office of the Economic Adviser, Ministry of Commerce and Industry.

## Cement capacity addition the highest in over a decade in fiscal 2024



Source: <https://www.crisil.com/en/home/newsroom/press-releases/2024/01/cement-makers-to-add-150-160-mtpa-capacity-by-fiscal-2028.html>

## Key enablers

### 1. Growing housing demand

The expansion of the cement industry in India is supported by increased housing demand, a growing population, rising income and a flourishing real estate sector. Rapid urbanisation is also driving up cement consumption. The housing demand in Tier I and II cities is estimated to reach 93 million units by 2036, according to reports from the Confederation of Real Estate Developers' Associations of India (CREDAI), which will drive up construction activities and cement consumption.<sup>9</sup> The Government of India has also been actively contributing to the growth of the housing sector in India and is expected to launch favourable schemes to help communities in urban areas dwelling in rented houses, slums, chawls or unauthorised colonies to build their homes.

### 2. Developments in public infrastructure

The development of public infrastructure is significantly propelling the cement industry's growth in India. This includes the construction of roads, bridges, highways, railway stations, airports, seaports, institutions and hospitals. The critical need for robust public infrastructure ensures a sustained demand for cement, making it a key driver of industry growth. The Government of India is additionally expected to increase the expenditure for infrastructure development to ₹11,11,111 crore in FY 2025, which will account for 3.4% of the GDP.<sup>10</sup>

### 3. Increased industrialisation

Rapid industrialisation in India will lead to more infrastructure, building and housing projects as well as factories and warehouses and logistics hubs, thereby resulting in greater cement demand. The Government has also established the Uttar Poorva Transformative Industrialisation Scheme (UNNATI) to promote industrial development.

### Major government initiatives<sup>11</sup>

The government has been sharpening its focus on the infrastructure sector and has launched various schemes for the development of following:

#### Roads

The Bharatmala Pariyojana is a centrally funded project aimed at developing 34,800 km of national highways. Phase I of the project is ongoing and it is expected to be concluded by FY 2028. Also, the Indian government intends to develop 22 greenfield motorways.

<sup>9</sup><https://economictimes.indiatimes.com/industry/services/property/-construction/housing-demand-set-to-touch-93-million-by-2036/articleshow/106715323.cms?from=mdr>

<sup>10</sup><https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2001136>

<sup>11</sup><https://www.investindia.gov.in/team-india-blogs/indias-push-infrastructure-development>

## Airports

Ude Desh Ka Aam Nagarik (UDAN) is the Ministry of Civil Aviation's flagship scheme, which aims to connect regional airports in smaller towns. Budget allocation for this scheme stood at ₹1,244.07 crore in FY 2024.

## Railways

A majority of Indians prefer commuting via trains, as railways still remain the most affordable transport option for inter-state connectivity. In FY 2024, the Indian railways made diligent efforts to develop modern stations and trains.

## Outlook

India's cement industry is set to expand its capacity to fulfil the growing demand from housing and infrastructure sectors, with high growth prospects for years to come. As per the analysts, the capacity of the Indian cement industry is expected to expand at a CAGR 4-5% until 2028.<sup>12</sup> In addition to this, the National Council for Cement and Building Materials (NCCBM) forecasts additional capacity expansion of approximately 80 million tonnes by 2025.<sup>13</sup>

## Company Overview

Orient Cement, founded in 1979, as a Division of Orient Paper and Industries, was demerged and its equity shares were listed on stock exchanges in 2012, and since then it has emerged as one of the most respected cement manufacturers in India. The Company is primarily engaged in cement manufacturing and selling, and it has a presence in various states such as Maharashtra, Telangana, Andhra Pradesh, Karnataka, Tamil Nadu, Gujarat, and some parts of Madhya Pradesh & Chhattisgarh.

Over the years, the Company has earned the trust of its clients owing to the quality and reliability of its products and services. Leveraging cutting edge facilities, the Company uses high grade raw materials to manufacture cement. The Company's key manufacturing equipment is from leading global OEMs. The Company has manufacturing facilities in Devapur (Telangana), Chittapur (Karnataka) and Jalgaon (Maharashtra).

The Company undertakes consistent innovation to meet the evolving needs of its customers. To drive its long-term growth, the Company focuses on diversifying its product mix and enhancing the quality of its products by deploying cutting-edge manufacturing processes and technologies.

## Featured projects

- Forum Sujana Mall, Hyderabad
- Birsi Airport, Maharashtra
- Vastu Nagar, Jalgaon City
- Hotel Express Inn, Nashik
- Apollo Hospital, Mumbai
- Sports Stadium, Mumbai-Agra Highway
- NTPC Power Plant, Maharashtra
- Nagpur Highway
- Sripada Dam

## Key differentiators

### 1. Customer-centric approach and strategic location

Orient Cement understands the needs of its customers and prioritises delivering on their expectations. This approach has enabled the Company to foster customer loyalty, which, in turn, has substantially contributed to its growth. Further, the Company has also positioned its plants strategically so that it can incessantly serve its clients at an optimised freight cost.

### 2. Robust distribution network

The Company has an extensive distribution network that enables it to reach rural markets and fulfil the unmet needs of rural regions. This is further strengthened by a solid network of dealers and retailers, which enables the Company to effectively meet its targets.

### 3. Emphasis on innovation and sustainability

The Company's dedication to driving consistent innovation leads to the creation of innovative products that deliver on shifting customer preferences. The Company's focus on sustainability leads it to create products with a lower carbon footprint, further driving its long-term growth.

### 4. Diversified product mix

Orient Cement offers a diverse product mix across multiple customer value propositions and price points, which offers it broader market access and provides customers with the convenience of selecting from a wide range of products.

<sup>12</sup><https://indiacementreview.com/2024/01/12/growth-and-equilibrium/>

<sup>13</sup><https://www.infomerics.com/admin/uploads/Cement-Industry-Report-May2023.pdf>

## 5. Being a data-driven organisation

Orient Cement is India's first cement Company to transition from SAP ECC to SAP S/4HANA Rise on the cloud. The Company completed this shift in just three and a half months—a process that typically requires six to nine months. This feat accentuates the Company's operational efficiency through increasing digitalisation and showcasing its strategic deployment of data in decision-making.

### Financial overview

FY 2024 saw significant fluctuations in cement demand and prices. In the markets served by the Company, the demand stayed muted for most of the year compared to expectations, barring some spurts in parts of the year. Cement prices too remained soft for most parts of the year.

Traditionally, Q4 sees high demand and prices but this trend didn't materialize in Q4FY24 and both volumes and realisations remained sub-par.

While infrastructure demand rose primarily due to Central Government infra push, consumer sentiment in the retail segment remained low due to high inflation, tight money supply and other issues. The Company has reported strong YoY performance on most matrices and delivered on the aspirational plan till November 2023 but the adverse market conditions in the last 4 months of FY 2024 has taken the sheen off the final results for the full year.

Despite all the challenges, during the year under review, your Company has delivered an improved financial performance YoY, through its strategic shifts and better cost management. The Company reported revenues of ₹ 3,200.61 crore, a growth of 9% compared to ₹ 2,949.57 crore in the previous year. The capacity utilization of the Company for the full year under review has been approximately 72%, an improvement of 400 percentage points over the previous year. Cement sales volume for the year has grown by 6% to nearly 61 lacs metric tons.

The Company's EBITDA stood at ₹ 464.75 crore in FY 2023-24, an increase of approximately 23% compared to ₹ 376.55 crore in the previous year, mainly supported by higher volume and lower fuel costs on account of lower petcoke prices, higher alternative fuel consumption and consumption of non-fossil power from Waste Heat Recovery System (WHRS) and solar. Higher demand from the infrastructure segment has led to a higher sale of Ordinary Portland Cement (OPC), which impacts the manufacturing costs negatively. All other costs like repairs and maintenance, advertising, and other fixed expenses have been managed at the optimised levels.

The Company has reported a post-tax profit of ₹ 174.85 crore in FY 2023-24, compared to ₹ 122.82 crore in FY 2022-23, an increase of 42%. The Board had declared and paid an interim dividend of ₹ 0.75/- per equity share worth ₹1/- (fully paid-up) for the financial year 2023-24 and has now proposed a final dividend of ₹ 1.50/- per equity share worth ₹1/- (fully paid-up) for the financial year 2023-24.

While the international prices of petcoke fluctuated during the year, the overall trend for the year was moderately downward. However, the domestic coal prices again went up during the year. Your Company has done well on fuel cost management by further improving its operating efficiencies using digital tools, taking strategic and timely calls on procuring fuels, developing newer options for fuel, ensuring price arbitrage and availability, and an overarching thrust on the replacement of fossil fuels with alternative fuels. Your Company continued its initiative to enlarge its alternative fuel basket. During the year, the Company has started generation of power from the 1<sup>st</sup> phase of its Waste Heat Recovery System (WHRS) installed at its Chittapur plant, which has reduced the overall requirement of coal for power generation. The above initiatives have helped the Company to address one of the prime objectives of environmental sustainability by promoting green, clean, and sustainable operations along with reducing costs.

During the year, your Company has sustained the utilization of its solar power capacity set up under Captive Scheme with AMP Solar Systems Private Limited at its optimum level and substituted approximately 59% of its power needs at the Grinding Unit at Jalgaon, Maharashtra. In continuation of the Company's thrust on increasing green power consumption, your Company has further entered into a captive arrangement for its Jalgaon grinding unit for 3.7 MWdc which will increase the renewable energy consumption percentage for the plant to more than 85% and 16MWdc for the Chittapur plant, power generation from the arrangement is scheduled to start during 2<sup>nd</sup> quarter of financial year 2024-25. 2<sup>nd</sup> phase of WHRS at the Chittapur plant is commissioned on April 29, 2024, which will further increase the non-fossil fuel power contribution at the Chittapur plant. During the year, fly ash rake handling facility built at its Chittapur plant has started operations and has improved the fly ash sourcing flexibility from distant sources at cheaper costs, apart from reducing road traffic and pollution. The Company has also taken a fly ash rake on a lease basis to maximize the utilization of the fly ash rake handling system and its benefits.

Higher B2B sales, which have longer credit periods, and import of pet coke in vessel-load late in the year have stretched the working capital. The Company has fully repaid the long-term loan taken for setting up of its Chittapur Plant well before the scheduled date by managing the cash flow efficiently. The Company's balance sheet is almost net debt-free and now strong enough to take the load of the Company's aggressive expansion plans.

## Key Financial Ratios

Particulars	March 31, 2024	March 31, 2023	Change (%)
Earnings Per Share (₹)	8.53	5.99	42%
Return on Net Worth <sup>%</sup>	10.41%	7.93%	31%
Debt Equity Ratio <sup>#</sup>	0.07	0.24	-71%
Interest Coverage <sup>@</sup>	31.43	23.00	37%
Operating Profit Margin	14.59%	12.82%	14%
Net Profit Margin <sup>^</sup>	5.47%	4.23%	29%
Debtors' Turnover	14.20	17.39	-18%
Inventory Turnover	9.19	10.92	-16%
Current Ratio	1.29	1.04	24%

<sup>%</sup>Return on Networth improved due to enhanced current year's profit.

<sup>#</sup>Debt equity ratio improved due to the reduction of debt resulting from scheduled repayments, enhanced EBITDA, and improved cash flow.

<sup>@</sup>Interest Coverage improved due to the repayment of the term loan and the lower utilization of the cash credit facility.

<sup>^</sup>Net Profit margin improved due to enhanced profits for current year mainly attributed to higher volume, improved prices and reduced fuel costs.

## Operational overview

The Company has undertaken several initiatives in FY 2024 to drive operational efficiency and growth. The Company has streamlined its brand architecture, with premium product offerings like Birla.A1 Dolphin - a water-repellent cement, in addition to its existing premium brands Birla.A1 StrongCrete and Birla.A1 OrientGreen, which have diversified the product portfolio of the Company.

Orient Cement diligently expanded its distribution network, with the western region emerging as the primary contributor to sales in FY2024, closely followed by south and central India. Embracing

technology integration and data-driven decision-making further fortified the Company's operational efficiency.

The Company has successfully commissioned a 10.1 MW Waste Heat Recovery System (WHRS) in Chittapur. The WHRS helps the Company reduce its reliance on fossil fuels and substitute thermal power with solar power, thereby, strengthening the Company's commitment to foster a healthier tomorrow. Orient Cement is further planning to expand its WHRS units in Chittapur and Devapur. Also, the Company made proactive contribution towards the environment and sustainability through adhering to regulatory compliance, undertaking actions for biodiversity protection and reducing reliance on fossil fuels.

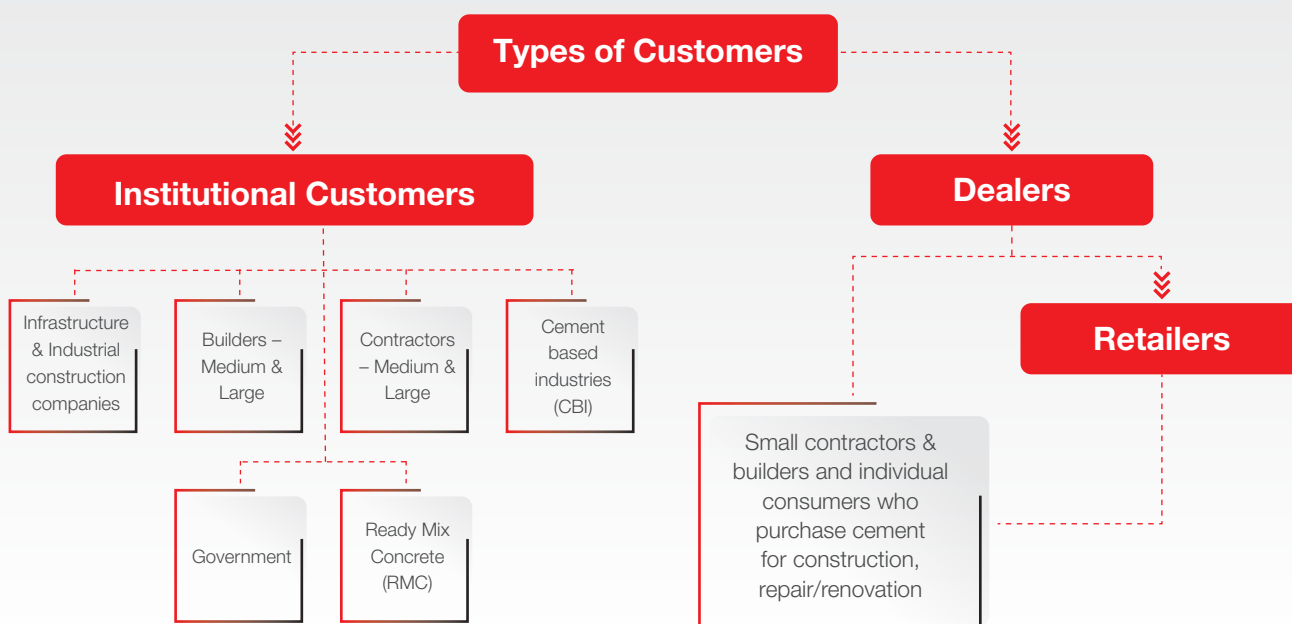
## Digitisation

The Company's digitalisation strategy focuses on data-driven decisions, reliable tech platforms, user-centric service management, value chain optimisation and embedded security. To enhance productivity, encourage sustainability and sharpen its competitive edge, the Company relies on IT solutions that-

- Enhance the Company's agile decision-making ability and further contribute to efficient resource utilisation.
- Improve the Company's strategic planning and market responsiveness.
- Establish enduring relationships with customers by offering tailored solutions; thereby ensuring customer satisfaction.

In the upcoming year, the Company intends to establish a Data Warehouse and upgrade its Data Centre infrastructure. In addition to this, the Company has developed a comprehensive IT and Digitalisation roadmap for the next three years to enhance its efficiency, agility and competitiveness.

## Sales and Distribution

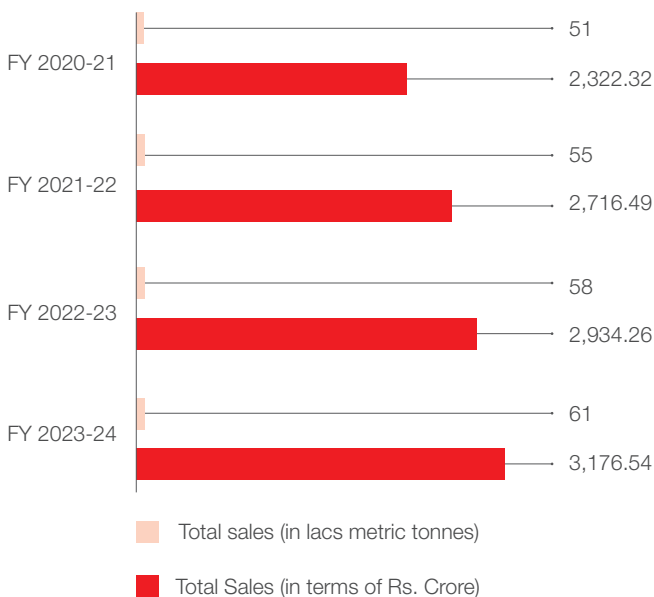




In FY 2024, the Company has invested further to enhance its sales and distribution infrastructure. Orient Cement uses advanced technologies to enhance transparency and to track its deliverables effectively. Further, training and development programmes are organised by the Company to enhance the abilities of its sales and distribution teams.

In FY 2024, the total sales of the Company amounted to 61 lacs metric tonnes up from 58 lacs metric tonnes in FY 2023. 'Birla.A1 OrientGreen' an eco-friendly cement was launched in FY 2023. In FY 2024, its sales increased 7 times. Additionally, in FY 2024, the Company has launched a water repellent cement 'Birla.A1 Dolphin' and it has been received well by the markets. The sales of the 'Birla.A1 Dolphin' have been driven by the innovative and strategic marketing initiatives undertaken by the Company.

#### Total sales volume and value



#### Branding and marketing

##### Marketing initiatives

##### New brand identity for Birla.A1 Premium Cement

The Company has introduced a refreshed brand logo for 'Birla.A1 Premium Cement', which is a blend of both modernity and the product's core identity.

##### Building on the strength of Birla A1's Strategy

The Company has embarked on a brand transition to 'Mother Brand Strategy' and this transition helped in the establishment of a robust brand identity for the mother brand, 'Birla.A1 Cement'.

##### Build water-safe. Build Strong Campaign

The Company has launched 'Birla.A1 Dolphin All Weather Cement' and to communicate the brand's values, unique benefits and

competitive advantage to the target audience, the Company has established effective communication channels.

##### Market research for the 'Birla.A1' brand

The Company conducted market research to gain insights into consumer behaviour and better understanding of market dynamics.

##### Concrete Xpert Bike Engineer Service

The Company has introduced an innovative marketing initiative, 'Concrete Xpert Bike Engineer' service, across selected regions. This marketing initiative is focused on providing on-site assistance to our customers in additional locations by skilled engineers. The Company is now planning to expand this to all its market.

##### We Care

In FY2024, the Company's 'We Care' programme enhanced the well-being of its channel partners and strengthened the Company's identity as a responsible and caring corporate. The Company provided its dealers with opportunities to prioritise their health and well-being through 'Fit Together' programmes, and 'Health Talks'. Participants in these sessions received essential insights from fitness instructors and certified nutritionists.

##### Brand awareness

The Company has implemented various initiatives to further raise brand awareness of its portfolio of brands and products.

##### Brand change activity

The Company unveiled the new logo for 'Birla.A1 Premium Cement' and launched 'Birla.A1 Dolphin'. Other initiatives to enhance the brand recall of the Company include advertisements at major dealer and retailer counters, carrying out wall painting initiatives in rural markets and distributing branding material such as posters, brochures, leaflets, giveaways and table-top items among its channel partners.

##### Digital Campaigns

##### 1. Birla.A1 StrongCrete

##### 'Bolo Nahi Badlo' campaign

The campaign highlighted the five benefits of using 'Birla.A1 StrongCrete' for construction.

##### Monsoon Campaign

The campaign showcased the features of 'Birla.A1 StrongCrete'; it was shared across multiple social media platforms.

##### Strong Minds Contest

This was a social media contest that aimed to inform the target audience about the features of 'Birla.A1 StrongCrete' by generating increased engagement.

## 2. Birla.A1 Dolphin

Birla.A1 Dolphin was strategically introduced through feature posts and explainer videos on Birla.A1's social media handles.

## 3. Birla.A1 OrientGreen

### Hyderabad Campaign

The Company launched a campaign in Greater Hyderabad markets to raise awareness of this 'responsible cement'. The campaign has been successful, with the video engaging millions of viewers.

## 4. Birla.A1 Cement

### Ghar AV Campaign

The focus of this campaign was to highlight the strength derived from strong relationships within a home.

### Developing engaging content for showcasing product portfolio

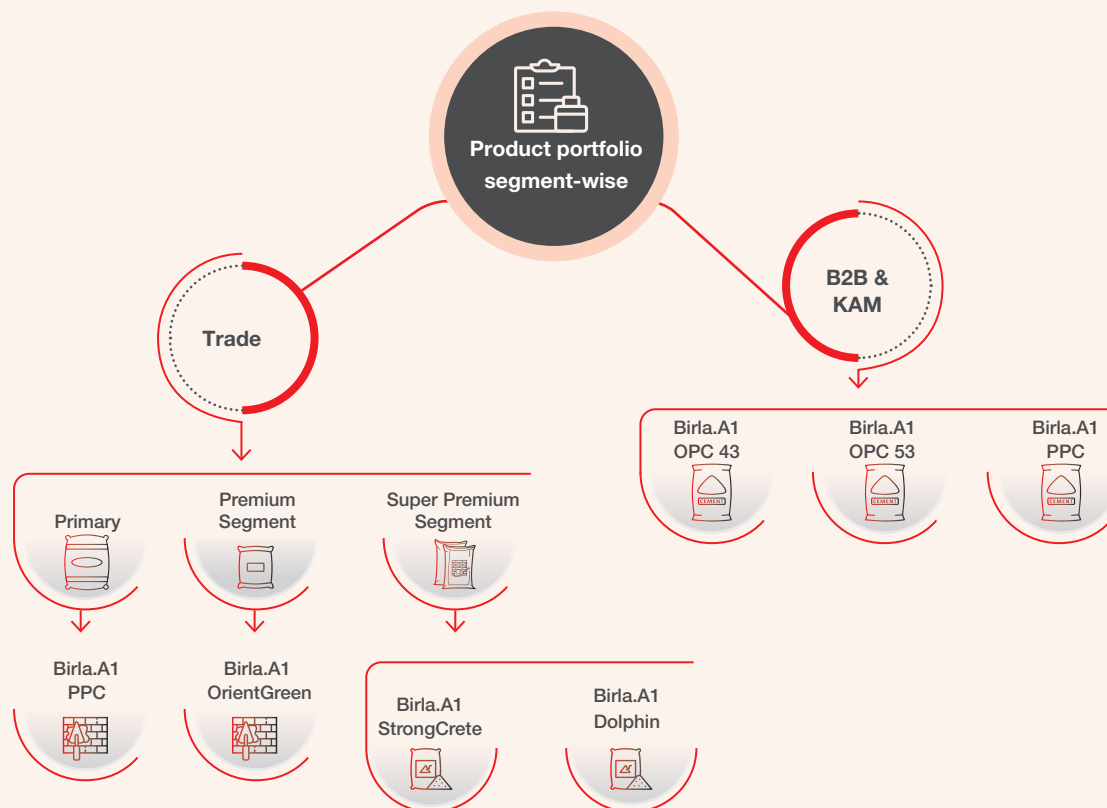
- Short Videos
- Dolphin Benefits
- Mother Brand 'Birla.A1 Cement' Video
- Ghar AV 'Ghar Mazboot Rishte Mazboot'

### Leveraging social media platforms by

- Conducting extensive research to gain market insights.
- Reaching the target audience.
- Proactively engaging through social media platforms.
- Utilising analytical tools to improve digital engagement.

The Company has created a robust Campaign Tracking system to effectively manage all inquiries generated through the social media.

## Products





### Birla.A1 Dolphin

The Company introduced 'Birla.A1 Dolphin' the water-repellent cement. Customers have appreciated the product's special qualities and since its launch, the brand has been well-received by customers.

#### Product features

- A super-premium product
- An all-weather cement product
- Provides comprehensive waterproofing with 40% reduced water absorption
- Suitable for various construction applications
- Protects steel bars from rusting, thereby providing superior corrosion protection

### Birla.A1 StrongCrete

Birla.A1 StrongCrete, most suitable for concrete applications which includes foundations, beams, columns, and slabs, is engineered with innovative technology. Birla.A1 StrongCrete, powered by OptiMix18™, not only strengthens homes but also provides durability for a long time.

#### Product features

- Achieves higher strength, faster
- Finest blaine gives better finish
- Includes OptiMix18tm
- Lower heat of hydration
- Double calcium-silicate-hydrate gel

### Birla.A1 OrientGreen

Birla.A1 OrientGreen aligns with the Company's objective of creating safe and sustainable ecosystems for future generations by providing better, eco-friendly solutions throughout its life cycle. The CII - Green Products and Services Council awarded it the 'GreenPro' accreditation.

#### Product features

- Lower carbon footprint
- Rust resistance
- Requires less water
- Moisture and tamper-proof packaging
- Offers superior strength

### Birla.A1 Premium Cement – PPC

Birla.A1 Premium Cement is made by grinding of clinker, gypsum and very fine-grained highly reactive fly ash together. The uniform particle size distribution enhances strength and density while reducing porosity in concrete. This offers more durability and best in class compressive strength after 28 days of curing.

#### Product features

- Offers higher strength and resistance
- Provides higher resilience to 'cracking' due to reduced heat-of-hydration

### Birla.A1 Premium Cement – OPC 53 Grade

Birla.A1 Premium Cement is a pioneer of 53-grade Cement in India. With the introduction of the Orient Gold 53-Grade cement in 1992, Orient Cement revolutionised building construction. Orient Gold's success is a testament to the Company's commitment to providing consumers with only the best. The brand has been rechristened as Birla.A1 Premium Cement - OPC 53 Grade and integrated under the Company's mother brand. After 28 days of curing, it achieves a compressive strength of at least 53 MPa.

#### Product features

- High compressive strength
- Less time to construct

### Birla.A1 Premium Cement – OPC 43 Grade

Birla.A1 Premium Cement was originally named as Orient 43 Grade Cement. The product was one of the earliest successes of Orient Cement. It was manufactured under controlled process conditions with sophisticated plant and machinery. The product also gained immense popularity within a short period and made Orient Cement a household name. The brand was integrated under the Company's mother brand and was rechristened as Birla.A1 Premium Cement-OPC 43Grade. The product achieves a minimum of 43 MPa as compressive strength after 28 days of curing.

#### Product features

- A general-purpose cement
- Suits pre-cast, pre-stressed RCC construction
- Ideal for general civil construction, including projects like buildings, bridges and more

### Logistics

Efficient logistics management is critical to the cement industry. The Company relies on optimised storage facilities for its various raw materials and fuels, each tailored to their unique requirements. Moreover, a dedicated fleet transports these materials from their sources to the plants continuously.

To maintain precision and oversight, the Company utilizes 'Qlik sense' a digital tool to update and monitor stocks, receipts, and consumption daily. Additionally, for order allocation to transporters, we employ vendor collaboration software, fostering transparency and enhancing service provision.

In a bid to streamline operations and reduce environmental impact, the Company has embraced paperless work practices. Digital proof of delivery and billing systems remove the need for physical documentation, thus curbing waste generation in the form of paper bills and challans. These initiatives are part of the Company's commitment to reducing its Scope 3 CO<sub>2</sub> emissions footprint. Also, the Company is prioritizing material movement through railways as it is more sustainable and emits fewer emissions, aligning with its focus on environmental responsibility and sustainability.



## Procurement

The Company has simplified, automated and digitised its procurement process to ensure compliance with its vision and values as well as adhering to regulatory standards. The Company leverages platforms such as SAP, Procure Engine, SharePoint and Qlik sense for its procurement processes. Orient Cement further focuses on locally procuring greener fuels and raw materials.

### Initiatives for cost optimisation and efficient resource mobilisation

- Identified alternate vendors and benchmarked prices through market analysis to capture cost-saving opportunities.
- Other mitigating options have been developed to counter lower-quality linkage coal.
- The procurement of leased rake has contributed to lower costs and more effective fly-ash movement for the Chittapur plant.

The Company aims to achieve Net Zero Carbon by 2070. In addition to this, the Company has invested in and commissioned a 10.1 MW Waste Heat Recovery System (WHRS) and is sourcing solar power to reduce its reliance on fossil fuels.

The Company at its Chittapur unit has developed and installed an in-house shredder, which will further improve MSW and plastic waste usage as alternate fuels, which is also a step forward towards sustainability.

## Sustainability

The Company ensures that profitability is not achieved at the cost of sustainability, focusing on strengthening its socio-economic, environmental and governance pillars. By 2030, it aims to attain a 25% Thermal Substitution Rate (TSR) and 50% of the total energy to come from renewable energy & WHRS. Aligning with India's commitment to becoming Net Zero by 2070, the Company is aspiring to become Net Zero for both Scope 1 and 2 emissions by 2070. The Company is a member of the Global Cement & Concrete Association (GCCA) and strives to contribute to the global efforts against climate change. As a GCCA member, the Company continues to learn & implement the initiatives from global practices in various areas such as environment, biodiversity, circular economy, water management, health and safety. The Company is also collaborating with various Indian regulators to develop the country's Net Zero Roadmap.

Orient Cement fosters sustainability in cement production by undertaking several initiatives focused on the following:

## Environment

### Emissions

The Company adheres to all relevant environmental rules and regulations by continuously monitoring its emissions and taking prompt corrective actions. During FY 2024, the Company has not

received any significant notices and was not subject to any penalties. The Company is pursuing the following initiatives to curb its CO<sub>2</sub> emissions:

#### Scope 1 emissions:

- o Reducing specific thermal energy
- o Reducing specific electrical energy
- o Reducing the clinker factor
- o Improving the Thermal Substitution Rate
- o Improving the utilisation of low-grade limestone
- o Increasing the use of renewable energy
- o Generating power using WHRS
- o Collaborating closely with technology suppliers for developing secondary CO<sub>2</sub> abatement technologies for Carbon Capture Utilisation and Sequestration (CCUS)

#### Scope 2 emissions:

- o Migration towards renewable energy
- o Reduction in plant specific electrical energy

#### Scope 3 emissions:

- o Migration towards bulk transportation
- o Minimising employee business commutation by leveraging the benefits of digitisation
- o Migration towards bio fuels
- o Migration towards electric vehicles

During FY 2024, the Company's CO<sub>2</sub> performance i.e., Scope-1,2 and 3 (8 categories) have been assured by M/s TUV India Private Limited

### Water management

The Company is cognisant of concerns pertaining to water scarcity; it therefore implements several water management measures for:

- reducing specific water consumption
- recycling and reusing treated water
- undertaking rainwater harvesting

The Company consistently works to reduce its specific water consumption and has achieved marginal reduction in specific water consumption when compared with FY 2022-23. During the year 2023-24, the Company has adopted and rolled out GCCA Global Water protocol to capture and report its water footprint.

During FY 2024, the Company's water performance have been assured by M/s TUV India Private Limited. Your Company's efforts resulted in achieving water positive index of 1.6.

### Plastic Waste Management

The Company, adhering to Extended Producer Responsibility (EPR), engages in the co-processing of substantial quantities of plastic waste obtained from municipalities, waste recyclers,

regulators and local recyclers. The Company complies with EPR regulations and believes this practice to be essential for effective plastic waste management.

### Waste Heat Recovery System

The Waste Heat Recovery System (WHRS) helps the Company reduce its reliance on fossil fuels for power generation and also lowers its fuel costs. During FY 2024, the Company commissioned a WHRS system with a capacity of 10.1 MW at its Chittapur Plant and this has generated 25,673MW energy by March 31, 2024, thereby contributing 16% to the plant's total energy requirement. Moreover, the WHRS significantly contributed towards reducing greenhouse gas (GHG) emissions by the Company.

### Biodiversity

Orient Cement is aware of the impact of its mining operations on biodiversity. To minimise this the Company has collaborated with local forest authorities and conducted large-scale afforestation drives, planting native and diverse species. The Company has achieved over a 90% survival rate in its plantation initiatives. During FY 2024, the Company has planted ~45000 number of saplings.

**~5000**

Trees planted in premises

**40000**

Trees planted in mines

### Circular economy

The Company is dedicated to fostering a circular economy as it considers this essential for meeting its Thermal Substitution Rate (%) targets. The Company aims to minimise waste, save resources and reduce adverse environmental impact by undertaking projects for fly ash utilisation, alternative fuel co-processing and using low-grade limestone. Additionally, the Company co-processes a range of waste materials in its kilns. The Company's focused efforts have helped it in :

- o Co-processing 1.11 lac metric tonnes of waste including plastic material in kilns
- o Using 17,000 metric tonnes of waste in CPP
- o Achieved 17% of Thermal Substitution Rate (TSR) thereby conserving 1,40,000 metric tonnes of coal

### Health and safety

The Company believes in the philosophy of 'Work Safe-Live Safe'. The Company has strict safety protocols and procedures in place which aim to prevent accidents in the workplace. The Company has mechanised mining operations and implemented SOPs to minimise occupational hazards. Employees receive safety training during their induction, which covers infrastructural, electrical and fire safety requirements. Existing employees undergo a behavioural-based safety training programme. Routine safety inspections and audits are also conducted to ensure the proper implementation of safety practices.

### Zero fatality

The Company prioritises ensuring Zero fatality within its organisation. The Company has adopted the necessary safety protocols across the organisation. The continuous efforts of the Company have contributed to maintaining 'Zero fatality' for six consecutive years.

### Certifications:

All the plants of the Company are certified by the Integrated Management System', covering the following areas:

**ISO 9001**  
Quality Management  
System

**ISO 14001**  
Environment  
Management System

**ISO 45001**  
Occupational Health and  
Safety Management System

**ISO 50001**  
Energy  
Management System

**ISO 27001**  
Information Security  
Management System (ISMS)

### Human Resource

The Company prioritises building a future-ready workforce. It encourages open communication among its team members and fosters camaraderie, thereby creating a positive work environment. The Company's HR policies focus on talent and leadership development, internal job rotation, capability building and automation-driven process efficiencies. The initiatives undertaken by the Company aim to provide its team members with flexible work options, including working from home.

### Great Place to Work certified

The Company is a **Great Place To Work® Certified™ organization** for a **fifth time** in a row by Great Place to Work Institute (India) and Ranked 50th in the top 100 best Companies to work for 2023. Furthermore, the Company featured in the Top 25 - India's Best Workplaces in Manufacturing - 2024, India's Best Workplaces™ in Cement & Building Materials 2024 and identified as one of the Top 50 organisations among India's Best Workplaces Building a Culture of Innovation by All - Large, 2024.

The above laurels are key milestones in the Company's journey toward becoming an "Exceptional Organisation" based on its approach towards fostering Care, Connect and Develop (CCD), leading to a High-Trust, High-Performance Culture.

## Some of key people initiatives that helped the Company in its journey are listed below:

### Talent Acquisition

During the year under review, the Company has streamlined its hiring process by further strengthening the digitisation of the recruitment and onboarding process on Sahayog, (SAP SuccessFactors). The Company ensures diversity and inclusion in its hiring practices and has made it mandatory to hire women in specific roles. Further, the Company focuses on developing internal talent through job rotations.

# 25%

**emerging positions filled up by preparing and promoting in-house talent**

The robust processes for constantly nurturing talent pipeline enable the Company to leverage internal talent for filling up significant number of open positions as they emerge.

### Learning and development

Every team member is provided with an individual development plan specific to their role, responsibilities, performance and aspirations. Various training programmes, both internal and external are conducted according to the Training Calendar. Additionally, the Company conducts webinars and knowledge sharing sessions regularly by internal team members.

### Technical Utkrishtata

As part of Technical Utkrishtata, the Company partnered with OEM MNC vendors and organised two major trainings this year. One of these programmes was a three-day training programme on 'Packers and Loading Machines' at the Chittapur facility for all the team members working in Packing and Loading. This programme aimed to enhance operational efficiency in engineering and manufacturing processes. Also, a two-day training on 'Ball Mill Operation and Maintenance' at Devapur plant was organised for all the members involved in Ball Mill operations. The training covered the basics of Ball Mill Design, the operating principle, focused on how to perform the specified maintenance activities and ensure availability of the mill system.

**Multi-value proposition** - Positioning different products with Distinct Value Propositions

In FY 2024, the Company partnered reputed partners to develop and design its 'Multi Value Proposition' initiative to enable all Sales and Technical Services team members to enhance selling skills in multi brand / products from the Company with a focus on value selling, behavioural and mind set shift. The project engaged 150

team members from Trade Sales team in seven batches and 60 members from the Technical Services in 4 batches. The programme included a uniform selling approach across geographies as well as an understanding of each product's value proposition, which would result in better sales.

The programme comprised group discussions, case studies and presentations. Additionally, virtual workshops were conducted periodically, along with on-going mentoring and monitoring/reviewing by the Batch Anchors and facilitators to further enhance the learning process. Participant feedback for this programme has been positive, with high ratings.

### Train the Trainer

Considering the feedback received from team members involved in internal training and knowledge sharing, the Company organised a three-day 'Train the Trainer' session to strengthen facilitation skills for the exchange of technical and functional knowledge for the experienced managers. The programme was the team's first exclusive initiative of this nature. Over the course of three days, the trainer offered diverse insights, with the final day dedicated to impactful presentations by each participant. Participants have started taking up training sessions and webinars in their respective functions and locations.

### SkillSoft e-learning platform

The Company offers online learning opportunities through an e-learning platform, to help team members improve their skills and knowledge in varied fields. The platform includes business, digital, project management, soft skills, sales, marketing, productivity and collaboration courses. A total of 400 selected members were granted access to this portal following a rigorous selection process. On successful completion of the courses, participants have received certificates and badges.

### Medhas for Sales and Marketing

Monthly knowledge-sharing sessions are held on subjects such as go-to-market strategy, success stories in premium product sales and insights from multi-value proposition training. The presentations are made by team members followed by open discussions with the senior leaders. Valuable lessons are documented for future reference, which fosters team collaboration and knowledge retention.

### POSH Certification Programme for ICC members

Staying true to the Company's resolve of maintaining a safe work environment, free from sexual harassment and discrimination, the Company has conducted a virtual workshop on POSH for Internal Complaints Committee (ICC). A total of 30 members across the organisation have attended this exclusive Certification programme. All the team members have timely completed the POSH e-Learning course.

## Employee engagement

### MD and CEO connect

The MD and CEO of the Company interacts with team members as part of this initiative. In FY 2024, the MD and CEO of the Company engaged with all team members in E-Town Hall, Workplace Live and Town Halls across various plants and locations.

### New hands meet

It is a programme organised for new members once they complete three to six months in the organisation. In this, new members formally meet and interact with the Company's leadership team and HR representatives. This interaction helps new team members learn about the organisation and creates a supportive work environment.

### People Connect (P-Connect)

P-Connect - Bindas Bolo is a real-time proactive communication programme that is held to engage all team members to listen to and understand their diverse perspectives. Suggestions and feedback are encouraged, further building trust and fostering camaraderie in the workplace.

### Coffee with Leaders

The Coffee with Leaders-Bindas Suno is a candid discussion where the leaders get to know the team members at a personal level, learn about their professional aspirations and resolve their challenges. The leaders share their stories and experiences which are very interesting. The leaders also gauge the team member's career aspirations and find out ways and means to improve the business operations.

### Team Fit for the Future – Trade Sales Team

Team Fit for Future (T3F) was initiated to inculcate cultural transformation across sales team members. In October 2023, the MD and CEO met all Zonal Managers, Regional Managers, Divisional Heads, Sales Heads and President of Sales and Marketing in Pune to understand T3F's progress and offer insights for the future.

### Total Quality Sales (TQS) Transformation of B2B Business

To enhance the overall Quality of Sales with the B2B partners and improve the team approach to achieve a higher wallet share of the business and clear focus on identified sectors.

While it is imperative to focus on Trade Sales to build good brand equity, it is equally important to strengthen the B2B business with robust approach towards opportunities and risks. In this endeavour, the leadership team connects with the B2B sales team to emphasize on the importance of 'Total Quality Sales' (TQS).

### Organisation-wide open-door culture.

Over the years, Orient Cement has been practicing an open-door culture where any team member can walk in, share any opinion

and gain feedback from the senior leadership team. This is helping in building openness and transparency across the organisation. The open transparent, warm, and caring culture is a product of numerous such initiatives and practices to live the Company's values thus displaying its belief of a "Care-Connect-Develop (CCD)" organization.

### Health, wellness and sports initiatives

Under the F3 Club initiatives, Fun, Fitness and Festivities are planned and organised across the organisation frequently. The Company aims to provide easy access to healthcare benefits and support services. The Company's Annual Engagement Calendar both at Corporate and Plant levels is tailored to the needs of the team members. By implementing these initiatives, the Company has witnessed a positive feeling across.

### Employee recognition and appreciation

Employee recognition and appreciation are vital components for boosting employee morale and enhancing job satisfaction. Recognising this, the Company organises the 'Star of the Month' programme. It is conducted every month to acknowledge and reward employee efforts; this programme extends to both Management Staff and Permanent Workers.

### Connect with Families

Through the 'Connect with Families' initiative, the Company emphasises 'work-life integration'. The Company invites team members and their family to Company celebrations, achievements, fun and rewards. Throughout the year, there are various opportunities for such family connects at plants, sales offices and corporate offices.

### We Care

'We Care' initially started as a feedback and query platform and then transformed into a comprehensive programme focused on health, wellness, idea generation and engagement for both team members.

### Fairness in Policies, Practices, Processes, and Actions

The Company focuses on building a culture of trust and fairness. The Company ensures that it offers equal opportunities across its talent management process.

### Engagement through LEAP Managers

LEAP is a high-impact programme that has contributed to breaking the communication barriers and helped bring managers and their respective team members together by encouraging effective dialogue. LEAP managers have been the catalyst in ensuring the structured engagement of their respective teams. They have been practicing the Giftwork practices at their team level, which in turn has increased collaboration amongst the team and increased team cohesiveness.



## Human Rights

Human rights are enshrined in Orient Cement's core values of 'Respect for All' and 'Celebrate Diversity', where 'All' includes the Company's employees, workers, contractors, suppliers, channel/business partners and the communities where it operates. The Company has implemented policies and practices to identify, assess and minimise potential breaches of conduct and promptly resolve grievances.

The Company has a truly inclusive work culture that empowers its team members to thrive and unlock their full potential, regardless of their gender, age, nationality, region, religion, sexual orientation or disability. Respect for human rights is fundamental to how the Company carries out its operations and treats its people. As the Company believes that respecting human rights is essential for its sustainability efforts and for businesses to flourish, it remains committed to working for the well-being of humanity, saving the planet, as well as defending and advancing privacy, safety, freedom of opinion and expression and other human rights.

## Risk management




Risk management is more than a regulatory obligation for the Company; it is a strategic imperative that guides the decision-making and operational excellence of the Company. The Company operates in a dynamic business environment and remains steadfast in its commitment to identifying, assessing, tracking and effectively mitigating risks to safeguard its business, enhance stakeholder value creation and contribute to sustainable development.

The Company has a Risk Management Committee and an Audit Committee that oversee the implementation of its risk management framework. The Company adheres to a robust Board-approved Risk Management Policy, which offers a comprehensive overview of the Company's risk management processes and the associated responsibilities of committee members.

## Risk management process



Risks		Risk description	Risk mitigation strategy
<b>Volatile prices of raw material and fuels</b>		Global conflicts have resulted in volatility in the prices of raw materials and fuels. This has additionally impacted the supply chain for pet coke and coal, impacting the cement industry.	The Company has undertaken measures such as expanding the supplier base for pet coke and increasing alternative raw material options including washery coal, Saudi pet coke and chemical gypsum; thereby increasing the use of alternative fuels and streamlining the sourcing of fly ash. Further, with investments in WHRS and renewable energy, the Company has reduced its dependence on fuel requirements.
<b>Surplus capacity and increasing competition risks</b>		Risks associated with market volatility, competitive pressures, or shifts in customer needs should be considered when working on construction projects. Inadequate knowledge of industry trends may impact the market position of the Company.	The leadership team of the Company regularly reviews the capacity expansion and growth strategies of the Company. There is structural overcapacity in Southern India. Also, the Company is facing intense competition from its core markets, including Maharashtra, Telangana and Karnataka. To consolidate its position in this competitive industry, the Company is actively working to enhance its brand positioning. Further, the Company has launched two new premium cement brands as a strategy for effective channel engagement, to improve its competitiveness and to sustain its leadership position. Further, the Company is intending to undertake regional diversification of its production facilities.

Risks		Risk description	Risk mitigation strategy
<b>Inefficient distribution and supply chain risk</b>		Backdropping, diversion or similar malpractices can adversely affect the Company's revenue, lead to a decline in market share and disrupt operations.	The Company ensures transparency and tracks deliveries by leveraging digital solutions like GPS and Electronic Proof of Delivery (EPOD) with geotagging capabilities.
<b>Health and safety risks</b>		Improper health and safety measures can expose the workers to various risks and hinder the Company's overall productivity. Therefore, the Company must incorporate effective occupational health and safety measures to prevent any workplace accidents.	Ensuring health and safety at the workplace is the foremost priority of the Company. The Company consistently monitors its operations while also conducting necessary programmes to ensure the health and safety of its personnel.
<b>Regulatory risks</b>		The Company needs to align its operations and business decisions with relevant rules and regulations. Failure to comply with these rules may lead to legal conflicts, financial losses and disruptions to the Company's operations.	The legal team of the Company makes it a priority to ensure regulatory and legal compliance in key jurisdictions. Further, the Company's compliance activities are monitored centrally.
<b>Information Technology (IT) risks</b>		With increasing reliance on technology and digital systems in construction projects, cybersecurity risks are becoming more prevalent. Lack of trained personnel and robust cybersecurity measures may expose project data to threats, increasing the risks of data breaches, hacking or unauthorised access.	The Company has implemented SAP S/4HANA with SAP Rise to ensure the security of its data centre. The Company uses NextGen firewalls, VPN solutions and multi-factor authentication that help ensure the Company's network security. The Company regularly conducts sessions to raise cybersecurity awareness across the organisation. In addition to this, Vulnerability assessment and Penetration testing (VAPT) is conducted every year to identify risks and vulnerabilities in the Company's network.

## Corporate Social Responsibility

Orient Cement remains resolute in its commitment to nurturing stronger communities and enabling societal well-being through its CSR projects. By integrating the CSR activities undertaken by the Company not only fulfills its ethical obligations but also contributes to the holistic development of the communities it operates in.

### Providing quality educational environment

Orient Cement believes in the power of education to empower the leaders of tomorrow. The Company has been running a school at Devapur, Telangana, that provides education opportunities for students coming from all walks of life. Furthermore, the Company has been relentlessly contributing towards educational and developmental activities at schools, providing computers, sports equipment and other required equipment to schools at the plants.

The Company aims to provide a holistic educational environment for children. For instance, Orient Cement has provided essential furniture to the public library at Nashirabad and set up mid-day meal room and boys' washroom at Zilla Parishad Primary School, Jalgaon Khurd. The Company's consistent efforts are a reflection of the Company's commitment to serving those in need and improving the educational environment for the children.

## Promoting health and wellness

To promote health and wellness in the local community, the Company has organised various health camps and webinars. These events are conducted monthly, offering the local residents with the opportunity to get proper health consultation and diagnosis. Through setting up a dispensary facility and providing ambulance services, Orient Cement ensures that the basic healthcare needs of the villagers are met. These health camps and dispensaries provide support to individuals suffering with medical conditions helping them access consultations and manage their health effectively.

### Rural development

Orient Cement has relentlessly undertaken various initiatives to promote rural development. The Company has not only contributed towards Women Skill Centre but also has played a significant role in constructing roads, borewells, community hall in the villages near plants. These efforts highlight the Company's unwavering dedication to support and development of the communities in its operating environment.





## Outlook

India's robust economic growth creates lucrative opportunities for driving Orient Cement's expansion. The growing need for construction activities owing to rapid urbanisation and infrastructural development is expected to increase the market demand for cement products.

Leveraging the strong foundation built over the years, Orient Cement is well-positioned to attain the predetermined growth targets. A diversified product mix, coupled with advanced technology, will further propel the Company's growth journey. With the Company increasing its focus on premium and sustainable products, it is projected to fortify its position in the market. Further to this, the Company is strategising its policies to achieve its goal of 'Net Zero Carbon' goal by 2070.

## Internal control systems and their adequacy

The Company has internal control systems that are appropriate for the business requirements, size of operations, and applicable regulations. The Board of Directors and the Audit Committee are independent of management and are responsible for ensuring the sufficiency and effectiveness of the company's internal controls. To address the identified risks, the company has adopted control systems. Such controls are implemented by policies, standard operating procedures (SOPs), and Internal Financial Control (IFC) risk and control matrices.

Digitization initiatives, such as ERP - SAP S/4HANA with SAP Rise, sales force automation for interactions between the sales team and customers, transaction flow via electronic proof of delivery (EPOD), invoice upload to the customer portal and automated invoice matching, approval workflow automation by the approved DOA with SharePoint 2.0, and its integration with SAP transactions, have strengthened the control environment. As the use of digital applications and exposure to an external network increase, cybersecurity evaluations are done frequently.

The Company has retained Ernst & Young (E&Y) as its Internal Audit (IA) partner. With standard risk coverage, all essential business processes were thoroughly evaluated to gain an understanding of the operations related to the Company's business. Continuous Control Monitoring (CCM) is a key part of extracting value from data analytics. In addition, the company has an internal audit department staffed by skilled professionals who plan, conduct, coordinate, and monitor audit activities, as well as follow up on compliance and indicated actions.

Furthermore, the Company's whistleblower policy allows all stakeholders to report and assist the organisation in detecting and preventing any suspicious behaviour. The whistle-blower follow up mechanism then conducts a thorough investigation into all reports to detect and curb any violations. The whistleblower policy ensures complete confidentiality and protects the whistleblower from any attempted harassment.

The Company uses an advanced internal financial controls (IFC) system in which process owners self-assess critical controls quarterly utilising the control's self-assessment tool, in addition to external assessments by audit partners. Control documents are updated with revised practices, and responsibilities for control execution are updated regularly.

Looking ahead, the company will use data analytics and automation in audit and other procedures to properly scope and deep dive into designated key areas. The company continues to raise stakeholder understanding of governance, risk, and compliance through training, workshops, and culture development.

## Cautionary statement

The goals, estimates, plans and projections of Orient Cement are detailed in this section. These statements may qualify as 'forward-looking statements' under the rules governing applicable securities laws and regulations. Statements that gaze forward are predicated on several anticipations and assumptions about the future. The Company makes no guarantees as to the accuracy of these expectations or the Company's ability to meet them. Due to the influence of other circumstances outside of the Company's control, the actual outcome may differ considerably from those stated in the statement or inferred. The Company disclaims any obligation to publicly update, change, or revise any forward-looking statements in light of new information, developments, or occurrences.

By order of the Board of Directors  
**For Orient Cement Limited**

Place: New Delhi  
 Date: May 1, 2024

**CK Birla**  
 Chairman  
 (DIN 00118473)