



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:2023-24

19th October 2023

The National Stock Exchange of India Ltd.,
"Exchange Plaza", 5th Floor
Bandra – Kurla Complex
Bandra (East)
Mumbai – 400 051

The Secretary
BSE Limited
P J Towers
Dalal Street
Mumbai – 400 001

Symbol: SAGCEM

Scrip Code: 502090

Series: EQ

Dear Sirs

Sub: Regulation 33 of SEBI (LODR) Regulations 2015 – Furnishing of Un-audited Standalone and Consolidated Financial Results for the second quarter and half-year ended 30th September, 2023

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Further to our letter dated 27th September, 2023, we are pleased to forward herewith our un-audited stand-alone and consolidated financial results for the second quarter and half-year ended 30th September, 2023, which were taken on record and approved by our Board at their meeting held on today, after review by the Audit Committee. We are also forwarding herewith the Limited Review Report furnished by our Statutory Auditors on the above financial results, which was also taken on record by our Board at its said meeting.

The above said meeting of the Board of Directors commenced at 3.45 p.m. and concluded at 4.30 p.m.

We would request you to kindly take the above information / documents on record.

Thanking you

Yours faithfully
For Sagar Cements Limited


R.Soundararajan
Company Secretary

Encl: as above



Registered Office : Plot No. 111, Road No.10, Jubilee Hills, Hyderabad - 500033, Telangana State, India.

Phone : +91-40-23351571, 23356572 Fax : +91-40-23356573 E-mail : info@sagarcements.in Website : www.sagarcements.in

CIN : L26942TG1981PLC002887 GSTIN : 36AACCS8680H2ZY

Factories : Mattampally Village & Mandal, Suryapet District, Telangana State - 508204. Phone : 08683 - 247039 GSTIN : 36AACCS8680H1ZZ

Bayyavaram Village, Kasimkota Mandal, Anakapally District, Andhra Pradesh State - 531031. Phone : 08924-244550 Fax : 08924-244570 GSTIN : 37AACCS8680H1ZX

Gudipadu Village, Yadiki Mandal, Ananthapur District, Andhra Pradesh State - 515408. Phone: 08558-200272 GSTIN : 37AACCS8680H1ZX

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SAGAR CEMENTS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **SAGAR CEMENTS LIMITED** (the "Company"), for the quarter and six months ended September 30, 2023 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)



C Manish Muralidhar
(Partner)
(Membership No. 213649)

Place: Hyderabad
Date: October 19, 2023
UDIN: 23213649BGVCCV7334

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2023

(₹ in lakhs, except per share data and unless otherwise stated)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		(Unaudited)	(Unaudited) (Refer note 4)	(Unaudited) (Refer note 4)	(Unaudited)	(Unaudited) (Refer note 4)	(Refer note 4)
1	Income						
	(a) Revenue from operations	45,951	42,876	43,770	88,827	93,353	1,96,382
	(b) Other income	449	573	1,597	1,022	2,939	22,658
	Total income	46,400	43,449	45,367	89,849	96,292	2,19,040
2	Expenses						
	(a) Cost of materials consumed	11,496	8,855	7,887	20,351	15,976	34,797
	(b) Purchase of stock-in-trade	741	532	685	1,273	1,488	2,437
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,826)	(243)	(1,695)	(3,069)	(1,215)	2,186
	(d) Employee benefits expense	2,287	2,055	1,978	4,342	4,248	8,643
	(e) Finance costs	1,800	1,958	4,023	3,758	7,907	15,972
	(f) Depreciation and amortisation expense	2,829	2,692	2,824	5,521	5,534	11,355
	(g) Power and fuel expenses	16,359	15,784	20,306	32,143	37,895	75,391
	(h) Freight and forwarding expense	8,551	7,774	7,570	16,325	15,997	33,844
	(i) Other expenses	5,465	5,659	5,831	11,124	11,313	24,235
	Total expenses	46,702	45,066	49,409	91,768	99,143	2,08,860
3	(Loss)/ Profit before tax (1 - 2)	(302)	(1,617)	(4,042)	(1,919)	(2,851)	10,180
4	Tax expense						
	(a) Current tax	-	-	(261)	-	-	2,330
	(b) Deferred tax	19	(281)	(1,453)	(262)	(1,135)	497
	Total tax expense	19	(281)	(1,714)	(262)	(1,135)	2,827
5	Net (loss)/ profit for the period/ year (3 - 4)	(321)	(1,336)	(2,328)	(1,657)	(1,716)	7,353
6	Other Comprehensive Income						
	(i) Remeasurements gain on defined benefit plans	-	-	-	-	-	21
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(7)
	Total Other Comprehensive Income	-	-	-	-	-	14
7	Total Comprehensive (loss)/ Income (5+6)	(321)	(1,336)	(2,328)	(1,657)	(1,716)	7,367
8	Paid up equity share capital (Face value of ₹ 2 per share)						2,614
9	Other equity						1,65,804
10	Earnings per share of ₹ 2 each						
	(a) Basic (in ₹)	(0.25)	(1.02)	(1.78)	(1.27)	(1.34)	5.68
	(b) Diluted (in ₹)	(0.25)	(1.02)	(1.78)	(1.27)	(1.34)	5.68
		(*)	(*)	(*)	(*)	(*)	

(*) - Not Annualised



Standalone Balance Sheet

(₹ in lakhs)

Particulars	As at	As at
	September 30, 2023	March 31, 2023
	(Unaudited)	(Refer note 4)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	1,47,853	1,43,513
(b) Capital work-in-progress	2,719	7,217
(c) Right of use assets	663	723
(d) Goodwill	3,938	3,938
(e) Intangible assets		
(i) Mining rights	1,934	2,018
(ii) Other Intangible assets	31	30
(f) Financial assets		
(i) Investments	50,361	49,642
(ii) Loans	7,013	6,983
(iii) Other financial assets	2,751	3,059
(g) Income tax assets (net)	435	435
(h) Other non-current assets	921	1,386
Total Non-current assets (1)	2,18,619	2,18,944
Current assets		
(a) Inventories	22,630	22,172
(b) Financial assets		
(i) Trade receivables	19,047	14,067
(ii) Cash and cash equivalents	10,367	13,106
(iii) Bank balances other than Cash and cash equivalents	2,672	1,988
(iv) Loans	59	48
(v) Other financial assets	1,569	1,213
(c) Other current assets	7,079	9,066
(d) Income tax assets (net)	234	75
Total Current assets (2)	63,657	61,735
TOTAL ASSETS (1+2)	2,82,276	2,80,679
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,614	2,614
(b) Other equity	1,63,232	1,65,804
Total Equity (1)	1,65,846	1,68,418
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	27,757	32,753
(ia) Lease liabilities	90	90
(ii) Other financial liabilities	8,606	8,619
(b) Provisions	1,016	831
(c) Deferred tax liabilities (net)	10,093	10,355
(d) Other non-current liabilities	229	229
Total Non-current liabilities (2)	47,791	52,877
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	27,525	26,348
(ia) Lease liabilities	99	157
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	1,609	161
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	31,669	23,934
(iii) Other financial liabilities	1,357	1,442
(b) Provisions	366	363
(c) Other current liabilities	6,014	6,979
Total Current liabilities (3)	68,639	59,384
TOTAL EQUITY AND LIABILITIES (1+2+3)	2,82,276	2,80,679



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Statement of standalone cash flows for the six months ended September 30, 2023

(₹ in lakhs)

Particulars	Six months ended September 30, 2023		Six months ended September 30, 2022	
	(Unaudited)		(Unaudited) (Refer note 4)	
A Cash flow from operating activities				
Loss before tax		(1,919)		(2,851)
Adjustments for				
Depreciation and amortization expense	5,521		5,534	
Finance costs	3,758		7,907	
Interest income	(1,012)		(2,886)	
Advances written off	-		1	
Expected credit loss allowance on trade receivables	-		100	
Provision for incentives receivable from government	450		450	
Net loss on fair value change in financial instruments	6		-	
Unrealised gain on foreign currency transactions and translation	(6)		-	
Loss/ (profit) on sale of property, plant and equipment (net)	50		(42)	
		8,767		11,064
Operating profit before working capital changes		6,848		8,213
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Trade receivables	(4,980)		(8,386)	
Inventories	(458)		(5,300)	
Other financial assets	(601)		(998)	
Other assets	1,594		(2,489)	
		(4,445)		(17,173)
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	9,189		11,813	
Other financial liabilities	(510)		472	
Provisions	188		180	
Other liabilities	(965)		(4,271)	
		7,902		8,194
Cash generated from operating activities		10,305		(766)
Less: Income tax paid		(159)		(824)
Net cash generated from operating activities		10,146		(1,590)
B Cash flow from investing activities				
Capital expenditure on property, plant and equipment including capital advances	(5,111)		(4,974)	
Deposits not considered as cash and cash equivalents				
- Placed	(3)		(28,988)	
- Matured	366		-	
Proceeds from disposal of plant and equipment	77		83	
Purchase of investments	-		(1,241)	
Interest received	405		171	
Net cash used in investing activities		(4,266)		(34,949)
C Cash flow from financing activities				
Proceeds from allotment of equity shares	-		35,000	
Expenses on issue of shares	-		(712)	
Proceeds from non-current borrowings	-		1,372	
Repayment of non-current borrowings	(4,477)		(5,782)	
Loan given to employees (net)	(41)		-	
Unsecured loans given (net)	-		(500)	
Proceeds from current borrowings (net)	658		327	
Repayment of lease liabilities	(81)		(79)	
Finance costs	(3,763)		(5,861)	
Dividends paid	(915)		(915)	
Net cash generated from financing activities		(8,619)		22,850
Net increase in cash and cash equivalent (A+B+C)		(2,739)		(13,689)
Cash and cash equivalent at the beginning of the period		13,106		14,047
Cash and cash equivalent at the end of the period		10,367		358

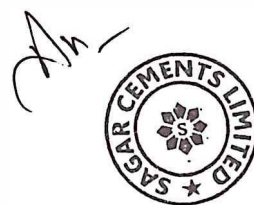


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Additional disclosure as per clause 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
1	Net worth (₹ in Lakhs) [Equity share capital + Other equity]	1,65,846	1,67,082	1,59,335	1,65,846	1,59,335	1,68,418
2	Earnings per share (Basic & Diluted) of ₹ 2 each	(0.25)	(1.02)	(1.78)	(1.27)	(1.34)	5.68
3	Debt Equity Ratio (times) [Debt / Net Worth] [Debt: Non current borrowings + Current borrowings + Non current unsecured loans]	0.33	0.35	0.68	0.33	0.68	0.35
4	Debt Service Coverage Ratio (times) [Earnings before depreciation, interest and tax / (Finance cost + Principal repayment (excluding refinanced debt) for all the loan funds during the period)]	1.20	0.66	0.33	0.89	0.74	0.47
5	Interest Service Coverage Ratio (times) [Cash profit after adjusting depreciation / Finance cost] [Cash profit after adjusting depreciation: Profit After Tax + Finance cost + Depreciation]	2.39	1.69	1.16	2.03	1.64	2.49
6	Long term Debt to Working Capital (times) [(Non-Current Borrowings + Current maturities of long term debt + Non current unsecured loans) / (Net working capital excl. Current borrowings)]	1.67	1.53	1.69	1.67	1.69	1.47
7	Total debts to Total Assets ratio (%) [(Non current borrowings + Current borrowings) / Total Assets]	20%	20%	33%	20%	33%	21%
8	Current ratio (times) [Current Assets / Current Liabilities excl. Current borrowings]	1.55	1.67	2.36	1.55	2.36	1.87
9	Bad debts to Account receivable ratio (%) [Bad Debts / Average Trade Receivable]	8%	8%	7%	8%	7%	9%
10	Current liability ratio (%) [Current liabilities excl. Current borrowings / Total liabilities]	35%	33%	24%	35%	24%	29%
11	Debtors Turnover ratio (times) [(Sales of Products and Services / Average Trade Receivable)] - Annualised	10.16	9.34	9.75	9.83	10.39	13.42
12	Inventory Turnover ratio (times) [(Sales of Products and Services / Average Inventory)] - Annualised	8.14	7.77	8.26	7.88	8.81	9.63
13	Operating Margin (%) [(Profit before Depreciation, Interest, Tax and Exceptional Item Less Other Income) / Sales of Products and Services]	9%	6%	3%	7%	8%	8%
14	Net Profit Margin (%) [Profit after tax / Sales of Products and Services]	(1%)	(3%)	(5%)	(2%)	(2%)	4%



Notes:

- The above standalone financial results of Sagar Cements Limited ("the Company") as reviewed by the Audit Committee have been approved by the Board of Directors at its meeting held on October 19, 2023. The statutory auditors of the Company have issued an unmodified conclusion in respect of the limited review of the quarter and six months ended September 30, 2023.
- The Company is engaged in manufacture and sale of "cement and cement related products" which constitutes a single reportable business segment as per Ind AS 108 - 'Operating Segments'.
- The standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
- On July 06, 2023, the Company had filed a Scheme of Amalgamation under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for the merger of Jajpur Cements Private Limited (JCPL), a wholly owned subsidiary, with the Company with an appointed date of April 01, 2022. The scheme as approved by various regulatory authorities was sanctioned by Hyderabad bench of National Company Law Tribunal (NCLT) on September 14, 2023. The transaction being a common control business combination, merger accounting has been done under the Pooling of Interest Method. Accordingly, the assets and liabilities of JCPL are reflected in the standalone books of the Company at their respective carrying amounts and prior period amounts have been restated as if the business combination had occurred from the beginning of the preceding period. The impact of the said merger on the standalone results is summarised below:

Particulars	(₹ in lakhs)			
	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2022	Year ended March 31, 2023
Net Profit				
As per published results of the Company	256	(465)	2,302	3,922
Add: Net (loss)/ profit of JCPL	(1,619)	(2,429)	(4,783)	3,320
Add: Adjustment due to merger	27	566	765	111
Amalgamated Net Profit	(1,336)	(2,328)	(1,716)	7,353
Total Tax				
As per published results of the Company	117	(223)	1,347	2,426
Add: Tax charge of JCPL	(373)	(925)	(1,717)	512
Add: Adjustment due to merger	(25)	(566)	(765)	(111)
Tax charge on Amalgamated profits	(281)	(1,714)	(1,135)	2,827

Particulars	(₹ in lakhs)	
	As at September 30, 2022	As at March 31, 2023
Total Assets		
As per published results of the Company	3,08,333	2,58,825
Add: As per the financials of JCPL	83,515	36,356
Less: Adjustment due to merger	(68,085)	(14,502)
Amalgamated Total assets post merger	3,23,763	2,80,679
Total Liabilities		
As per published results of the Company	1,43,247	92,106
Add: As per the financials of JCPL	79,042	23,779
Less: Adjustment due to merger	(57,861)	(3,624)
Amalgamated Total liabilities post merger	1,64,428	1,12,261

Place: Hyderabad
Date: October 19, 2023



For Sagar Cements Limited

Dr. S. Anand Reddy
(Managing Director)

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SAGAR CEMENTS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **SAGAR CEMENTS LIMITED** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and six months ended September 30, 2023 (the "Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:
 - a. Sagar Cements Limited (Parent Company)
 - b. Sagar Cements (M) Private Limited (Subsidiary) (Formerly known as Satguru Cements Private Limited) and
 - c. Andhra Cements Limited (Subsidiary) (w.e.f. March 18, 2023)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)



C Manish Muralidhar
Partner
(Membership No. 213649)

SAGAR CEMENTS LIMITED
CIN No: L26942TG1981PLC002887

Plot No. 111, Road No. 10, Jubilee Hills, Hyderabad - 500 033, Phone: +91 40 23351571 Fax: +91 40 23356573,
Email: investors@sagarcements.in, Website: www.sagarcements.in

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2023

(₹ in lakhs, except per share data and unless otherwise stated)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		(Unaudited)	(Unaudited) (Refer note 5)	(Unaudited) (Refer note 5)	(Unaudited)	(Unaudited) (Refer note 5)	(Refer note 5)
1	Income						
	(a) Revenue from operations	58,682	53,967	47,455	1,12,649	1,03,227	2,22,954
	(b) Other income	274	391	1,493	665	2,737	22,270
	Total income	58,956	54,358	48,948	1,13,314	1,05,964	2,45,224
2	Expenses						
	(a) Cost of materials consumed	11,238	10,301	8,385	21,539	17,202	38,106
	(b) Purchase of stock-in-trade	623	532	685	1,155	1,488	2,437
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,275)	(842)	(1,944)	(5,117)	(1,570)	1,674
	(d) Employee benefits expense	2,987	2,684	2,294	5,671	4,838	9,934
	(e) Finance costs	4,681	4,367	5,027	9,048	9,835	20,164
	(f) Depreciation and amortisation expense	5,126	4,959	3,793	10,085	7,451	15,577
	(g) Power and fuel expenses	23,933	20,930	22,770	44,863	44,220	89,353
	(h) Freight and forwarding expense	11,172	10,171	8,262	21,343	17,731	38,887
	(i) Other expenses	6,982	7,141	6,432	14,123	12,644	27,245
	Total expenses	62,467	60,243	55,704	1,22,710	1,13,839	2,43,377
3	(Loss)/ profit before exceptional items and tax (1 - 2)	(3,511)	(5,885)	(6,756)	(9,396)	(7,875)	1,847
4	Exceptional Items (Refer note 8)	(1,479)	-	-	(1,479)	-	-
5	(Loss)/ profit before tax (3 - 4)	(2,032)	(5,885)	(6,756)	(7,917)	(7,875)	1,847
6	Tax expense						
	(a) Current tax	-	-	(261)	-	-	2,330
	(b) Deferred tax	(979)	(1,689)	(2,142)	(2,668)	(2,411)	(1,444)
	Total tax expense	(979)	(1,689)	(2,403)	(2,668)	(2,411)	886
7	Net (loss)/ profit for the period/ year (5 - 6)	(1,053)	(4,196)	(4,353)	(5,249)	(5,464)	961
8	Other Comprehensive Income						
	(i) Remeasurements gain on defined benefit plans	-	-	-	-	-	22
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(7)
	Total Other Comprehensive Income	-	-	-	-	-	15
9	Total Comprehensive (loss)/ Income (7+8)	(1,053)	(4,196)	(4,353)	(5,249)	(5,464)	976
10	Profit/ (loss) attributable to:						
	Equity holders of the company	(840)	(3,950)	(3,659)	(4,790)	(4,182)	3,015
	Non-controlling interest	(213)	(246)	(694)	(459)	(1,282)	(2,054)
		(1,053)	(4,196)	(4,353)	(5,249)	(5,464)	961
11	Total comprehensive (loss)/ Income attributable to:						
	Equity holders of the company	(840)	(3,950)	(3,659)	(4,790)	(4,182)	3,030
	Non-controlling interest	(213)	(246)	(694)	(459)	(1,282)	(2,054)
		(1,053)	(4,196)	(4,353)	(5,249)	(5,464)	976
12	Paid up equity share capital (Face value of ₹ 2 per share)						2,614
13	Other equity						1,61,246
14	Earnings per share of ₹ 2 each						
	(a) Basic (in ₹)	(0.81)	(3.21)	(3.33)	(4.02)	(4.27)	0.74
	(b) Diluted (in ₹)	(0.81)	(3.21)	(3.33)	(4.02)	(4.27)	0.74
		(*)	(*)	(*)	(*)	(*)	

(*) - Not Annualised



Consolidated Balance Sheet

(₹ in lakhs)

Particulars	As at	As at
	September 30, 2023	March 31, 2023
	(Unaudited)	(Refer note 5)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	2,68,950	2,68,671
(b) Capital work-in-progress	11,361	9,918
(c) Right of use assets	1,131	1,180
(d) Goodwill	4,162	4,162
(e) Intangible assets		
(i) Mining rights	5,174	5,295
(ii) Other Intangible assets	34	32
(f) Financial assets		
(i) Loans	83	53
(ii) Other financial assets	4,143	3,875
(g) Income tax assets (net)	435	435
(h) Deferred tax assets (net)	11,863	9,457
(i) Other non-current assets	2,757	3,610
Total Non-current assets (1)	3,10,093	3,06,688
Current assets		
(a) Inventories	32,995	27,094
(b) Financial assets		
(i) Trade receivables	21,291	13,321
(ii) Cash and cash equivalents	10,905	17,491
(iii) Bank balances other than Cash and cash equivalents	4,300	3,557
(iv) Loans	59	48
(v) Other financial assets	682	526
(c) Other current assets	9,112	11,742
(d) Income tax assets (net)	234	80
Total Current assets (2)	79,578	73,859
Asset held for sale (3) (Refer note 7)	900	-
TOTAL ASSETS (1+2+3)	3,90,571	3,80,547
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,614	2,614
(b) Other equity	1,55,541	1,61,246
Equity attributable to shareholders of the Company	1,58,155	1,63,860
Non controlling interest	4,685	5,144
Total Equity (1)	1,62,840	1,69,004
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,16,325	1,15,195
(ia) Lease liabilities	174	174
(ii) Other financial liabilities	8,492	8,992
(b) Provisions	1,200	1,029
(c) Deferred tax liabilities (net)	10,093	10,355
(d) Other non-current liabilities	250	249
Total Non-current liabilities (2)	1,36,534	1,35,994
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	37,012	32,017
(ia) Lease liabilities	137	180
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	1,878	431
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	42,865	30,449
(iii) Other financial liabilities	1,759	4,190
(b) Provisions	445	442
(c) Other current liabilities	7,101	7,840
Total Current liabilities (3)	91,197	75,549
TOTAL EQUITY AND LIABILITIES (1+2+3)	3,90,571	3,80,547



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Statement of consolidated cash flows for the six months ended September 30, 2023

(₹ in lakhs)

Particulars	Six months ended September 30, 2023		Six months ended September 30, 2022	
	(Unaudited)		(Unaudited) (Refer note 5)	
A Cash flow from operating activities				
Loss before tax		(7,917)		(7,875)
Adjustments for				
Depreciation and amortization expense	10,085		7,451	
Finance costs	9,048		9,835	
Interest income	(643)		(2,684)	
Exceptional income (Refer note 8)	(1,479)		-	
Advances written off	-		1	
Expected credit loss allowance on trade receivables	-		100	
Provision for incentives receivable from government	450		450	
Net loss on fair value change in financial instruments	6		-	
Unrealised gain on foreign currency transactions and translation	(12)		-	
Loss/ (profit) on sale of property, plant and equipment (net)	44		(42)	
		17,499		15,111
Operating profit before working capital changes		9,582		7,236
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Trade receivables	(7,970)		(8,653)	
Inventories	(5,901)		(5,552)	
Other financial assets	(1,255)		(1,027)	
Other assets	2,197		(808)	
		(12,929)		(16,040)
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	13,875		12,162	
Other financial liabilities	(1,084)		537	
Provisions	174		198	
Other liabilities	(739)		(4,337)	
		12,226		8,560
Cash generated from operating activities		8,879		(244)
Less: Income tax paid		(154)		(824)
Net cash generated from operating activities		8,725		(1,068)
B Cash flow from investing activities				
Capital expenditure on property, plant and equipment including capital advances	(13,028)		(6,327)	
Deposits not considered as cash and cash equivalents				
- Placed	(214)		(29,080)	
- Matured	519		68	
Proceeds from disposal of plant and equipment	897		83	
Purchase of investments	-		(1,241)	
Interest received	426		168	
Net cash used in investing activities		(11,400)		(36,329)
C Cash flow from financing activities				
Proceeds from allotment of equity shares	-		35,000	
Expenses on issue of shares	-		(712)	
Proceeds from non-current borrowings	8,963		1,372	
Repayment of non-current borrowings	(6,088)		(6,208)	
Loan given to employees (net)	(41)		-	
Unsecured loans given(net)	-		(500)	
Proceeds from current borrowings (net)	3,250		3,086	
Repayment of lease liabilities	(98)		(90)	
Finance costs	(8,982)		(7,579)	
Dividends paid	(915)		(915)	
Net cash generated from financing activities		(3,911)		23,454
Net increase in cash and cash equivalent (A+B+C)		(6,586)		(13,943)
Cash and cash equivalent at the beginning of the period		17,491		14,306
Cash and cash equivalent at the end of the period		10,905		363




Additional disclosure as per clause 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
1	Net worth (₹ in Lakhs) [Equity share capital + Other equity]	1,62,840	1,64,808	1,58,866	1,62,840	1,58,866	1,69,004
2	Earnings per share (Basic & Diluted) of ₹ 2 each	(0.81)	(3.21)	(3.33)	(4.02)	(4.27)	0.74
3	Debt Equity Ratio (times) [Debt / Net Worth] [Debt: Non current borrowings + Current borrowings + Non current unsecured loans]	0.94	0.92	0.94	0.94	0.94	0.87
4	Debt Service Coverage Ratio (times) [Earnings before depreciation, interest and tax / (Finance cost + Principal repayment (excluding refinanced debt) for all the loan funds during the period)]	1.07	0.44	0.16	0.74	0.53	0.44
5	Interest Service Coverage Ratio (times) [Cash profit after adjusting depreciation / Finance cost] [Cash profit after adjusting depreciation: Profit After Tax + Finance cost + Depreciation]	1.87	1.17	0.86	1.53	1.25	1.99
6	Long term Debt to Working Capital (times) [(Non-Current Borrowings + Current maturities of long term debt + Non current unsecured loans) / (Net working capital excl. Current borrowings)]	5.15	4.83	2.27	5.15	2.27	4.22
7	Total debts to Total Assets ratio (%) [(Non current borrowings + Current borrowings) / Total Assets]	39%	39%	40%	39%	40%	39%
8	Current ratio (times) [Current Assets / Current Liabilities excl. Current borrowings]	1.47	1.55	2.26	1.47	2.26	1.70
9	Bad debts to Account receivable ratio (%) [Bad Debts / Average Trade Receivable]	7%	8%	7%	7%	7%	10%
10	Current liability ratio (%) [Current liabilities excl. Current borrowings / Total liabilities]	24%	22%	21%	24%	21%	21%
11	Debtors Turnover ratio (times) [(Sales of Products and Services / Average Trade Receivable)] - Annualised	12.51	11.83	10.84	12.01	11.78	15.96
12	Inventory Turnover ratio (times) [(Sales of Products and Services / Average Inventory)] - Annualised	7.79	7.79	7.81	7.47	8.48	9.04
13	Operating Margin (%) [(Profit before Depreciation, Interest, Tax and Exceptional Item Less Other Income) / Sales of Products and Services]	13%	6%	1%	9%	6%	7%
14	Net Profit Margin (%) [Profit after tax / Sales of Products and Services]	(2%)	(8%)	(9%)	(5%)	(5%)	0%



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Notes:

- 1 The above consolidated financial results of Sagar Cements Limited ("the Company") as reviewed by the Audit Committee have been approved by the Board of Directors at its meeting held on October 19, 2023. The statutory auditors of the Company have issued an unmodified conclusion in respect of the limited review of the the quarter and six months ended September 30, 2023.
- 2 The Group is engaged in manufacture and sale of "cement and cement related products" which constitutes a single reportable business segment as per Ind AS 108 - 'Operating Segments'.
- 3 The consolidated financial results of the Company have been prepared in accordance with the Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
- 4 The consolidated financial results includes the results of the Parent and its subsidiaries together referred to as "the Group":
 - a. Sagar Cements Limited (Parent company)
 - b. Sagar Cements (M) Private Limited (formerly Satguru Cement Private Limited) (subsidiary company)
 - c. Andhra Cements Limited (subsidiary company) (w.e.f. March 18, 2023) (Refer note 5)
- 5 On July 06, 2023, the Company had filed a Scheme of Amalgamation under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for the merger of Jajpur Cements Private Limited (JCPL), a wholly owned subsidiary, with the Company with an appointed date of April 01, 2022. The scheme as approved by various regulatory authorities was sanctioned by Hyderabad bench of National Company Law Tribunal (NCLT) on September 14, 2023. The transaction being a common control business combination, merger accounting has been done under the Pooling of Interest Method. Accordingly, the assets and liabilities of JCPL are reflected in the standalone books of the Company at their respective carrying amounts and prior period amounts have been restated as if the business combination had occurred from the beginning of the preceding period. The impact of the said merger on the consolidated results is summarised below:

(₹ in lakhs)				
Particulars	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2022	Year ended March 31, 2023
Net Profit				
As per published results of the Company	(4,223)	(4,919)	(6,229)	850
Add: Adjustment due to merger	27	566	765	111
Amalgamated Net Profit	(4,196)	(4,353)	(5,464)	961
Total Tax				
As per published results of the Company	(1,664)	(1,837)	(1,646)	997
Add: Adjustment due to merger	(25)	(566)	(765)	(111)
Tax charge on Amalgamated profits	(1,689)	(2,403)	(2,411)	886

(₹ in lakhs)		
Particulars	As at September 30, 2022	As at March 31, 2023
Total Assets		
As per published results of the Company	3,71,243	3,82,327
Less: Adjustment due to merger	(2,295)	(1,780)
Amalgamated Total assets post merger	3,68,948	3,80,547
Total Liabilities		
As per published results of the Company	2,13,155	2,13,434
Less: Adjustment due to merger	(3,060)	(1,891)
Amalgamated Total liabilities post merger	2,10,095	2,11,543

- 6 The National Company Law Tribunal, Amaravati Bench, approved the terms of the Resolution Plan submitted by the Company to acquire Andhra Cements Limited ("ACL") on February 16, 2023 pursuant to a Corporate Insolvency Resolution Process implemented under the Insolvency and Bankruptcy Code 2016 (the "Resolution Plan"), and the terms of the Resolution Plan are now binding on the Company.

Pursuant to the Resolution Plan, the Company has subscribed to 95% of the reconstituted paid-up share capital of ACL for an aggregate amount of ₹ 32,223 lakhs and remaining 5% of the reconstituted paid-up share capital of ACL continue to be held by the existing public shareholders. Consequently, the Company has acquired control over ACL w.e.f. March 18, 2023.

In accordance with Ind AS 103 "Business Combination", purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of assets and liabilities acquired. Accordingly, the Company had recognized its capital reserve amounting to ₹ 1,914 lakhs in the previous quarter ended March 31, 2023.

- 7 Asset held for sale represents Cement Mill I and Cement Mill II along with its auxiliary equipments in its subsidiary, ACL. These assets are classified as asset held for sale based on sale agreement executed by the Company, pending clearance of the above-mentioned assets from site by the identified buyer. Asset held for sale is classified at lower of cost or net realizable value.
- 8 Exceptional item in the consolidated financial results represents impairment reversal recorded during the quarter and six months ended September 30, 2023, based on remeasurement of certain assets at fair value as per agreement entered by the subsidiary, Andhra Cements Limited.



For Sagar Cements Limited

Dr. S. Anand Reddy
(Managing Director)

Place: Hyderabad
Date: October 19, 2023