



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2024-25

23rd October 2024

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, 2024

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Further to our letter dated 14th October, 2024, 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, 2024 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 the said meeting.

The above said meeting of the Board of Directors commenced at 5:15 p.m. and concluded at 7:30 p.m.

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

Thanking you

Yours faithfully

For Sagar Cements Limited

J. Raja Reddy
Company Secretary
M.No.A31113

Encl: as above



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

Phone : +91-40-23351571, 23351572 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
Kalinganagar, Industrial Complex, Tahsil-Dangadi, Dist - Jajpur, Odisha. Phone : 08340882288 GSTIN : 21AACCS8680H1ZA

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 Standalone Unaudited Financial Results of **SAGAR CEMENTS LIMITED** ("the Company"), for the quarter and six months ended September 30, 2024 ("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 ("the Listing Regulations").
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 and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. 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)
(UDIN: 24213649BKCJJI3058)

Place: Hyderabad
Date: October 23, 2024

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2024

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

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	32,973	39,367	45,951	72,340	88,827	1,90,755
	(b) Other income (Refer note 4)	648	664	449	1,312	1,022	5,391
	Total income	33,621	40,031	46,400	73,652	89,849	1,96,146
2	Expenses						
	(a) Cost of materials consumed	6,691	7,984	11,496	14,675	20,351	41,238
	(b) Purchase of stock-in-trade	176	724	741	900	1,273	2,747
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,602	(931)	(2,826)	671	(3,069)	(4,357)
	(d) Employee benefits expense	2,254	2,216	2,287	4,470	4,342	8,895
	(e) Finance costs	2,001	1,952	1,800	3,953	3,758	7,509
	(f) Depreciation and amortisation expense	2,992	2,920	2,829	5,912	5,521	11,651
	(g) Power and fuel expenses	10,333	13,103	16,359	23,436	32,143	65,722
	(h) Freight and forwarding expense	6,789	7,561	8,551	14,350	16,325	34,846
	(i) Other expenses	4,947	5,035	5,465	9,982	11,124	23,394
	Total expenses	37,785	40,564	46,702	78,349	91,768	1,91,645
3	(Loss)/ profit before tax (1 - 2)	(4,164)	(533)	(302)	(4,697)	(1,919)	4,501
4	Tax expense						
	(a) Current tax	-	-	-	-	-	890
	(b) Deferred tax	(1,435)	(157)	19	(1,592)	(262)	494
	Total tax expense	(1,435)	(157)	19	(1,592)	(262)	1,384
5	Net (loss)/ profit for the period/ year (3 - 4)	(2,729)	(376)	(321)	(3,105)	(1,657)	3,117
6	Other Comprehensive Income						
	(i) Remeasurements gain on defined benefit plans	(36)	(36)	-	(72)	-	(143)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	13	12	-	25	-	50
	Total Other Comprehensive Income	(23)	(24)	-	(47)	-	(93)
7	Total Comprehensive (loss)/ Income (5+6)	(2,752)	(400)	(321)	(3,152)	(1,657)	3,024
8	Paid up equity share capital (Face value of ₹ 2 per share)						2,614
9	Other equity						1,67,913
10	Earnings per share of ₹ 2 each						
	(a) Basic (in ₹)	(2.09)	(0.29)	(0.25)	(2.38)	(1.27)	2.38
	(b) Diluted (in ₹)	(2.09)	(0.29)	(0.25)	(2.38)	(1.27)	2.38
		(*)	(*)	(*)	(*)	(*)	

(*) - Not Annualised



Standalone Balance Sheet

(₹ in lakhs)

Particulars	As at	As at
	September 30, 2024	March 31, 2024
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	1,43,645	1,47,362
(b) Capital work-in-progress	2,046	1,440
(c) Right of use assets	874	584
(d) Goodwill	3,938	3,938
(e) Intangible assets		
(i) Mining rights	1,766	1,850
(ii) Other Intangible assets	34	38
(f) Financial assets		
(i) Investments (Refer note 4)	48,665	48,665
(ii) Loans	11,945	11,024
(iii) Other financial assets	2,825	2,774
(g) Income tax assets (net)	1,382	1,551
(h) Other non-current assets	800	924
Total Non-current assets (1)	2,17,920	2,20,150
Current assets		
(a) Inventories	19,759	20,703
(b) Financial assets		
(i) Trade receivables	20,903	16,361
(ii) Cash and cash equivalents	208	15,583
(iii) Bank balances other than Cash and cash equivalents	13,217	7,154
(iv) Loans	84	86
(v) Other financial assets	1,782	2,049
(c) Other current assets	5,841	5,612
Total Current assets (2)	61,794	67,548
TOTAL ASSETS (1+2)	2,79,714	2,87,698
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,614	2,614
(b) Other equity	1,63,846	1,67,913
Total Equity (1)	1,66,460	1,70,527
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	18,219	23,175
(ia) Lease liabilities	313	79
(ii) Other financial liabilities	9,907	11,163
(b) Provisions	1,198	965
(c) Deferred tax liabilities (net)	9,179	10,799
(d) Other non-current liabilities	229	229
Total Non-current liabilities (2)	39,045	46,410
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	35,076	24,620
(ia) Lease liabilities	94	28
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	1,409	4,593
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	29,425	31,899
(iii) Other financial liabilities	1,364	971
(b) Provisions	479	489
(c) Income tax liabilities (net)	787	1,018
(d) Other current liabilities	5,575	7,143
Total Current liabilities (3)	74,209	70,761
TOTAL EQUITY AND LIABILITIES (1+2+3)	2,79,714	2,87,698



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Statement of standalone cash flows for the six months ended September 30, 2024

(₹ in lakhs)

Particulars	Six months ended September 30, 2024		Six months ended September 30, 2023	
	(Unaudited)		(Unaudited)	
A Cash flow from operating activities				
Loss before tax		(4,697)		(1,919)
Adjustments for				
Depreciation and amortization expense	5,912		5,521	
Finance costs	3,953		3,758	
Interest income	(1,222)		(1,012)	
Provision for incentives receivable from government	450		450	
Net (gain)/ loss on fair value change in financial instruments	(12)		6	
Unrealised gain on foreign currency transactions and translation	(40)		(6)	
(Profit)/ loss on sale of property, plant and equipment (net)	(1)		50	
		9,040		8,767
Operating profit before working capital changes		4,343		6,848
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Trade receivables	(4,542)		(4,980)	
Inventories	944		(458)	
Other financial assets	138		(601)	
Other assets	(637)		1,594	
		(4,097)		(4,445)
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	(5,618)		9,189	
Other financial liabilities	(902)		(510)	
Provisions	151		188	
Other liabilities	(1,568)		(965)	
		(7,937)		7,902
Cash (used in)/ generated from operating activities		(7,691)		10,305
Less: Income tax paid		(62)		(159)
Net cash (used in)/ generated from operating activities		(7,753)		10,146
B Cash flow from investing activities				
Capital expenditure on property, plant and equipment including capital work-in-progress and capital advances	(2,441)		(5,111)	
Deposits not considered as cash and cash equivalents				
- Placed	(6,052)		(3)	
- Matured	-		366	
Movement in other bank balances	(3)		-	
Proceeds from disposal of property, plant and equipment	5		77	
Unsecured loans given to subsidiaries	(960)		-	
Interest received	1,206		405	
Net cash used in investing activities		(8,245)		(4,266)
C Cash flow from financing activities				
Proceeds from non-current borrowings	88		-	
Repayment of non-current borrowings	(5,113)		(4,477)	
Loan given to employees (net)	41		(41)	
Proceeds from current borrowings (net)	10,525		658	
Repayment of lease liabilities	(85)		(81)	
Interest paid	(3,918)		(3,763)	
Dividends paid	(915)		(915)	
Net cash generated/ (used in) financing activities		623		(8,619)
Net decrease in cash and cash equivalent (A+B+C)		(15,375)		(2,739)
Cash and cash equivalent at the beginning of the period		15,583		13,106
Cash and cash equivalent at the end of the period		208		10,367



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, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
1	Net worth (₹ in Lakhs) [Equity share capital + Other equity]	1,66,460	1,70,127	1,65,846	1,66,460	1,65,846	1,70,527
2	Earnings per share (Basic & Diluted) of ₹ 2 each	(2.09)	(0.29)	(0.25)	(2.38)	(1.27)	2.38
3	Debt Equity Ratio (times) [Debt / Net Worth] [Debt: Non current borrowings + Current borrowings + Non current unsecured loans]	0.32	0.30	0.33	0.32	0.33	0.28
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)]	0.19	0.94	1.20	0.57	0.89	1.41
5	Interest Service Coverage Ratio (times) [Cash profit after adjusting depreciation / Finance cost] [Cash profit after adjusting depreciation: Profit After Tax + Finance cost + Depreciation]	1.13	2.30	2.39	1.71	2.03	2.97
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)]	1.26	1.28	1.67	1.26	1.67	1.57
7	Total debts to Total Assets ratio (%) [(Non current borrowings + Current borrowings) / Total Assets]	19%	17%	20%	19%	20%	17%
8	Current ratio (times) [Current Assets / Current Liabilities excl. Current borrowings]	1.58	1.50	1.55	1.58	1.55	1.46
9	Bad debts to Account receivable ratio (%) [Bad Debts / Average Trade Receivable]	7%	7%	8%	7%	8%	8%
10	Current liability ratio (%) [Current liabilities excl. Current borrowings / Total liabilities]	35%	40%	35%	35%	35%	39%
11	Debtors Turnover ratio (times) [(Sales of Products and Services / Average Trade Receivable)] - Annualised	6.51	7.34	10.16	7.10	9.83	11.37
12	Inventory Turnover ratio (times) [(Sales of Products and Services / Average Inventory)] - Annualised	6.44	6.43	8.14	7.03	7.88	8.80
13	Operating Margin (%) [(Profit before Depreciation, Interest, Tax and Exceptional Item Less Other Income) / Sales of Products and Services]	1%	10%	9%	5%	7%	10%
14	Net Profit Margin (%) [Profit after tax / Sales of Products and Services]	(8%)	(1%)	(1%)	(4%)	(2%)	2%



Notes:

- 1 The above standalone unaudited 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 23, 2024. 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, 2024.
- 2 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'.
- 3 The standalone unaudited financial results of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
- 4 During the financial year 2023-24, the Company has made Offer For Sale (OFS) through stock exchange mechanism for its investment in Andhra Cements Limited (ACL) to meet the initial requirement of Minimum Public Shareholding (MPS) by ACL. Accordingly, shareholding of the Company in ACL reduced from 95% to 90%. The Company registered a short-term capital gain of ₹ 3,189 lakhs from the OFS, which was classified as 'Other Income'.

Place: Hyderabad
Date: October 23, 2024



For Sagar Cements Limited

A S
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 Consolidated Unaudited 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, 2024 ("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 ("the Listing Regulations").
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 and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. 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) Andhra Cements Limited (Subsidiary)
 - c) Sagar Cements (M) Private Limited (Subsidiary)
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)
(UDIN: 24213649BKCJJG1805)

Place: Hyderabad
Date: October 23, 2024

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 CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2024

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

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
		(Unaudited)	(Unaudited)	(Unaudited) (Refer note 5)	(Unaudited)	(Unaudited) (Refer note 5)	(Audited)
1	Income						
	(a) Revenue from operations	47,512	56,060	58,682	1,03,572	1,12,649	2,50,461
	(b) Other income (Refer note 7)	484	830	274	1,314	665	5,412
	Total income	47,996	56,890	58,956	1,04,886	1,13,314	2,55,873
2	Expenses						
	(a) Cost of materials consumed	8,762	10,728	11,238	19,490	21,539	46,071
	(b) Purchase of stock-in-trade	176	307	623	483	1,155	1,781
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,662	(989)	(4,275)	673	(5,117)	(6,694)
	(d) Employee benefits expense	3,071	3,042	2,987	6,113	5,671	11,730
	(e) Finance costs	4,638	4,637	4,681	9,275	9,048	18,483
	(f) Depreciation and amortisation expense	5,760	5,618	5,158	11,378	10,149	21,411
	(g) Power and fuel expenses	15,474	20,432	23,933	35,906	44,863	95,217
	(h) Freight and forwarding expense	9,672	10,834	11,172	20,506	21,343	47,206
	(i) Other expenses	6,702	7,036	6,982	13,738	14,123	30,559
	Total expenses	55,917	61,645	62,499	1,17,562	1,22,774	2,65,764
3	Loss before exceptional items and tax (1 - 2)	(7,921)	(4,755)	(3,543)	(12,676)	(9,460)	(9,891)
4	Exceptional Items (Refer note 6)	-	-	(1,479)	-	(1,479)	(1,479)
5	Loss before tax (3 - 4)	(7,921)	(4,755)	(2,064)	(12,676)	(7,981)	(8,412)
6	Tax expense						
	(a) Current tax	-	-	-	-	-	890
	(b) Deferred tax	(2,223)	(1,535)	(979)	(3,758)	(2,668)	(4,097)
	Total tax expense	(2,223)	(1,535)	(979)	(3,758)	(2,668)	(3,207)
7	Net Loss for the period/ year (5 - 6)	(5,698)	(3,220)	(1,085)	(8,918)	(5,313)	(5,205)
8	Other Comprehensive Income						
	(i) Remeasurements gain on defined benefit plans	(33)	(34)	-	(67)	-	(134)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	13	11	-	24	-	48
	Total Other Comprehensive Income	(20)	(23)	-	(43)	-	(86)
9	Total Comprehensive loss (7+8)	(5,718)	(3,243)	(1,085)	(8,961)	(5,313)	(5,291)
10	Loss attributable to:						
	Equity holders of the Company	(5,556)	(2,839)	(872)	(8,395)	(4,854)	(4,336)
	Non-controlling interest	(142)	(381)	(213)	(523)	(459)	(869)
		(5,698)	(3,220)	(1,085)	(8,918)	(5,313)	(5,205)
11	Total Comprehensive loss attributable to:						
	Equity holders of the Company	(5,577)	(2,863)	(872)	(8,440)	(4,854)	(4,425)
	Non-controlling interest	(141)	(380)	(213)	(521)	(459)	(866)
		(5,718)	(3,243)	(1,085)	(8,961)	(5,313)	(5,291)
12	Paid up equity share capital (Face value of ₹ 2 per share)						2,614
13	Other equity						1,91,508
14	Earnings per share of ₹ 2 each						
	(a) Basic (in ₹)	(4.36)	(2.46)	(0.83)	(6.82)	(4.06)	(3.98)
	(b) Diluted (in ₹)	(4.36)	(2.46)	(0.83)	(6.82)	(4.06)	(3.98)
		(*)	(*)	(*)	(*)	(*)	(*)

(*) - Not Annualised



Consolidated Balance Sheet

(₹ in lakhs)

Particulars	As at	As at
	September 30, 2024	March 31, 2024
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	3,03,919	3,11,258
(b) Capital work-in-progress	5,917	1,470
(c) Right of use assets	1,320	1,042
(d) Goodwill	4,162	4,162
(e) Intangible assets		
(i) Mining rights	8,318	8,503
(ii) Other Intangible assets	54	63
(f) Financial assets		
(i) Loans	55	94
(ii) Other financial assets	4,871	4,609
(g) Income tax assets (net)	1,382	1,551
(h) Deferred tax assets (net)	16,210	14,046
(i) Other non-current assets	2,392	2,611
Total Non-current assets (1)	3,48,600	3,49,409
Current assets		
(a) Inventories	29,695	30,754
(b) Financial assets		
(i) Trade receivables	25,457	20,772
(ii) Cash and cash equivalents	281	16,718
(iii) Bank balances other than Cash and cash equivalents	15,996	9,494
(iv) Loans	84	86
(v) Other financial assets	666	853
(c) Other current assets	4,111	7,342
(d) Current tax assets (net)	74	56
Total Current assets (2)	76,364	86,075
Asset held for sale (3)	133	137
TOTAL ASSETS (1+2+3)	4,25,097	4,35,621
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,614	2,614
(b) Other equity (Refer note 5)	1,82,153	1,91,508
Equity attributable to shareholders of the Company	1,84,767	1,94,122
Non controlling interest	7,326	7,847
Total Equity (1)	1,92,093	2,01,969
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,00,989	1,08,907
(ia) Lease liabilities	396	164
(ii) Other financial liabilities	10,326	11,701
(b) Provisions	1,449	1,186
(c) Deferred tax liabilities (net)	9,179	10,799
(d) Other non-current liabilities	656	635
Total Non-current liabilities (2)	1,22,995	1,33,392
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	47,245	34,997
(ia) Lease liabilities	114	56
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	2,066	12,076
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	48,422	39,749
(iii) Other financial liabilities	3,406	2,093
(b) Provisions	536	547
(c) Income tax liabilities (net)	787	1,018
(d) Other current liabilities	7,433	9,724
Total Current liabilities (3)	1,10,009	1,00,260
TOTAL EQUITY AND LIABILITIES (1+2+3)	4,25,097	4,35,621



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Statement of consolidated cash flows for the six months ended September 30, 2024

(₹ in lakhs)

Particulars	Six months ended September 30, 2024		Six months ended September 30, 2023	
	(Unaudited)		(Unaudited)	
A Cash flow from operating activities				
Loss before tax		(12,676)		(7,981)
Adjustments for				
Depreciation and amortization expense	11,378		10,149	
Finance costs	9,275		9,048	
Interest income	(719)		(643)	
Exceptional income	-		(1,479)	
Provision for incentives receivable from government	450		450	
Net (gain)/ loss on fair value change in financial instruments	(12)		6	
Unrealised gain on foreign currency transactions and translation	(46)		(12)	
(Profit)/ loss on sale of property, plant and equipment (net)	(491)		44	
		19,835		17,563
Operating profit before working capital changes		7,159		9,582
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Trade receivables	(4,685)		(7,970)	
Inventories	1,059		(5,901)	
Other financial assets	(86)		(1,255)	
Other assets	2,704		2,197	
		(1,008)		(12,929)
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	(1,291)		13,875	
Other financial liabilities	(943)		(1,084)	
Provisions	185		174	
Other liabilities	(2,291)		(739)	
		(4,340)		12,226
Cash generated from operating activities		1,811		8,879
Less: Income tax paid		(80)		(154)
Net cash generated from operating activities		1,731		8,725
B Cash flow from investing activities				
Capital expenditure on property, plant and equipment including capital work-in-progress and capital advances	(6,906)		(13,028)	
Deposits not considered as cash and cash equivalents				
- Placed	(7,135)		(214)	
- Matured	644		519	
Movement in other bank balances	(3)		-	
Proceeds from disposal of property, plant and equipment	500		897	
Interest received	724		426	
Net cash used in investing activities		(12,176)		(11,400)
C Cash flow from financing activities				
Proceeds from non-current borrowings	88		8,963	
Repayment of non-current borrowings	(7,947)		(6,088)	
Loan given to employees (net)	41		(41)	
Repayment of loan from related party	(91)		-	
Proceeds from current borrowings (net)	12,189		3,250	
Repayment of lease liabilities	(98)		(98)	
Interest paid	(9,259)		(8,982)	
Dividends paid	(915)		(915)	
Net cash used in financing activities		(5,992)		(3,911)
Net decrease in cash and cash equivalent (A+B+C)		(16,437)		(6,586)
Cash and cash equivalent at the beginning of the period		16,718		17,491
Cash and cash equivalent at the end of the period		281		10,905



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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, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
1	Net worth (₹ in Lakhs) [Equity share capital + Other equity]	1,92,093	1,98,726	2,00,251	1,92,093	2,00,251	2,01,969
2	Earnings per share (Basic & Diluted) of ₹ 2 each	(4.36)	(2.46)	(0.83)	(6.82)	(4.06)	(3.98)
3	Debt Equity Ratio (times) [Debt / Net Worth] [Debt: Non current borrowings + Current borrowings + Non current unsecured loans]	0.77	0.74	0.77	0.77	0.77	0.71
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)]	0.27	0.68	1.07	0.46	0.74	1.02
5	Interest Service Coverage Ratio (times) [Cash profit after adjusting depreciation / Finance cost] [Cash profit after adjusting depreciation: Profit After Tax + Finance cost + Depreciation]	1.01	1.52	1.87	1.27	1.53	1.88
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)]	8.61	7.39	5.15	8.61	5.15	6.01
7	Total debts to Total Assets ratio (%) [(Non current borrowings + Current borrowings) / Total Assets]	35%	33%	36%	35%	36%	33%
8	Current ratio (times) [Current Assets / Current Liabilities excl. Current borrowings]	1.22	1.22	1.47	1.22	1.47	1.32
9	Bad debts to Account receivable ratio (%) [Bad Debts / Average Trade Receivable]	6%	5%	7%	6%	7%	8%
10	Current liability ratio (%) [Current liabilities excl. Current borrowings / Total liabilities]	27%	30%	24%	27%	24%	28%
11	Debtors Turnover ratio (times) [(Sales of Products and Services / Average Trade Receivable)] - Annualised	7.34	8.62	12.51	8.22	12.01	13.55
12	Inventory Turnover ratio (times) [(Sales of Products and Services / Average Inventory)] - Annualised	5.95	6.45	7.79	6.67	7.47	8.64
13	Operating Margin (%) [(Profit before Depreciation, Interest, Tax and Exceptional Item Less Other Income) / Sales of Products and Services]	4%	8%	13%	7%	9%	10%
14	Net Profit Margin (%) [Profit after tax / Sales of Products and Services]	(13%)	(6%)	(2%)	(9%)	(5%)	(2%)



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Notes:

- 1 The above consolidated unaudited financial results of Sagar Cements Limited ("the Parent Company") as reviewed by the Audit Committee have been approved by the Board of Directors at its meeting held on October 23, 2024. 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, 2024.
- 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 unaudited financial results of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder 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 (Subsidiary Company)
 - c. Andhra Cements Limited (Subsidiary Company)
- 5 The National Company Law Tribunal, Amaravati Bench, approved the terms of the Resolution Plan submitted by the Parent 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 Parent Company.

Pursuant to the Resolution Plan, the Parent Company had 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 was continued to be held by the existing public shareholders. Consequently, the Parent Company had acquired control over ACL w.e.f. March 18, 2023.

In accordance with Ind AS 103 "Business Combination", purchase consideration was allocated on a provisional basis at the time of acquisition, 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 quarter ended March 31, 2023.

During the year ended March 31, 2024, the Company finalised the fair values of identifiable assets and liabilities taken over as on acquisition date, which resulted in capital reserve of ₹ 37,516 lakhs and accordingly, the incremental capital reserve of ₹ 35,602 lakhs was recorded in accordance with Ind-AS 103 'Business Combinations'. The impact of the said business combination on the consolidated results is summarised below:

Particulars	(₹ in lakhs)	
	Quarter ended September 30, 2023	Six months ended September 30, 2023
Net Profit		
As per published results of the Company	(1,053)	(5,249)
Add: Adjustment due to acquisition	(32)	(64)
Amalgamated Net Loss	(1,085)	(5,313)
Total Tax		
As per published results of the Company	(979)	(2,668)
Add: Adjustment due to acquisition	-	-
Tax charge on Amalgamated loss	(979)	(2,668)

- 6 Exceptional item in the financial results represents impairment reversal recorded based on remeasurement of certain assets at fair value as per the agreement entered by the subsidiary, Andhra Cements Limited.
- 7 During the year ended March 31, 2024, the Parent Company made Offer For Sale (OFS) through stock exchange mechanism for its investment in Andhra Cements Limited (ACL) to meet the initial requirement of Minimum Public Shareholding (MPS) by ACL. Accordingly, shareholding of the Parent Company in ACL reduced from 95% to 90%. The Parent Company registered a short-term capital gain of ₹ 3,189 lakhs from the OFS, which was classified as 'Other Income'.
- 8 The Board of Directors of the Subsidiary Company, Andhra Cements Limited at its meeting held on March 28, 2024, approved a proposal for issue of shares on a rights basis to the existing shareholders of the Company for an aggregate amount not exceeding ₹ 18,000 lakhs and formed a Rights Issue Committee. The Committee approved the Draft Letter of Offer (DLOF) on September 30, 2024 which was filed with Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on the same day.



For Sagar Cements Limited

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Dr. S. Anand Reddy
(Managing Director)

Place: Hyderabad
Date: October 23, 2024

