



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:2023-24

24th January 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

Press Release regarding un-audited Financial Results (Standalone and Consolidated)
for the third quarter and nine months period ended 31st December, 2023

Further to our letter of date, we are sending herewith a copy of the Press Release
being issued by us in connection with the un-audited financial results for the third
quarter and nine months period ended 31st December 2023.

Thanking you

Yours faithfully

For Sagar Cements Limited

J. Raja Reddy

Company Secretary

M.No.A31113

Encl: a.a.



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
Kalinganagar, Industrial Complex, Tahsil-Dangadi, Dist - Jajpur, Odisha. Phone : 08340882288 CIN : U26922TS2010PTC171799 GSTIN : 21AACCCJ4151G1Z3



Sagar Cements Limited

Q3 & 9MFY24
Results Presentation

- ❑ Consolidated and Standalone Financial results
- ❑ Jt. Managing Director's Comment
- ❑ Financial and Operational Performance analysis
- ❑ ESG
- ❑ Company snapshot

in Rs.Lakhs

Particulars	Q3 FY24	Q3 FY23	YoY (%)	Q2 FY24	QoQ (%)	9MFY24	9MFY23	YoY%
Sales Volume (MT)	14,07,167	12,39,563	▲ 14%	13,12,572	▲ 7%	38,99,353	34,60,813	▲ 13%
Revenue from Operations	66,941	57,573	▲ 16%	58,682	▲ 14%	1,79,590	1,60,800	▲ 12%
Other Income	373	1,429	▼ 74%	274	▲ 36%	1,038	4,166	▼ 75%
Total Income	67,314	59,002	▲ 14%	58,956	▲ 14%	1,80,628	1,64,966	▲ 9%
Operating expenses	58,235	52,815	▲ 10%	52,660	▲ 11%	1,61,812	1,49,368	▲ 8%
Op. EBITDA	8,706	4,758	▲ 83%	6,022	▲ 45%	17,778	11,432	▲ 56%
Op. EBITDA Margin %	13	8	▲ 57%	10	▲ 27%	10	7	▲ 39%
Op. EBITDA per Ton in ₹	619	384	▲ 61%	459	▲ 35%	456	330	▲ 38%
Finance cost	4,886	5,138	▼ 5%	4,681	▲ 4%	13,934	14,973	▼ 7%
Depreciation	5,621	3,971	▲ 42%	5,126	▲ 10%	15,706	11,422	▲ 38%
(Loss)/ profit before exceptional items and tax	(1,428)	(2,922)	-	(3,511)	-	(10,824)	(10,797)	-
Exceptional items	-	-	-	(1,479)	-	(1,479)	-	-
(Loss)/ profit before tax	(1,428)	(2,922)	-	(2,032)	-	(9,345)	(10,797)	-
Tax expenses	(410)	(554)	-	(979)	-	(3,078)	(2,965)	-
(Loss)/ profit after tax	(1,018)	(2,368)	-	(1,053)	-	(6,267)	(7,832)	-

- Revenue increased by 16% Y-o-Y and volume increased by 14% for Q3 FY24.
- Plants operated at around 55% during the current quarter.
- Operating EBITDA of ₹ 8,706 lakhs for Q3 FY24 as against ₹ 4,758 lakhs during Q3 FY23.
- Operating EBITDA of ₹ 619 per ton during Q3 FY24.
- EBITDA margin increased by 500 bps to 13% for Q3 FY24 (v/s Q3 FY23).
- Loss after tax stood at Rs. 1,018 lakhs for Q3 FY24 v/s Loss of ₹ 2,368 lakhs during Q3 FY23.

Consolidated Per Ton Analysis

Particulars (in Rs)	Q3 FY24	Q3 FY23	YoY%	Q2 FY24	QoQ (%)	9MFY24	9MFY23	YoY%
Net Realization / T	4,757	4,645	▲ 2%	4,471	▲ 6%	4,606	4,646	▼ 1%
Total Expenditure /T	4,138	4,261	▼ 3%	4,012	▲ 3%	4,150	4,316	▼ 4%
Raw Material Consumed	829	788	▲ 5%	768	▲ 8%	816	777	▲ 5%
Employee Expenses	210	208	▲ 1%	222	▼ 5%	218	215	▲ 1%
Power & Fuel	1,701	1,858	▼ 8%	1,626	▲ 5%	1,686	1,902	▼ 11%
Freight	864	795	▲ 9%	848	▲ 2%	858	797	▲ 8%
Purchase of stock in Trade	18	38	▼ 51%	47	▼ 61%	36	57	▼ 36%
Other Expenses	516	574	▼ 10%	500	▲ 3%	535	569	▼ 6%
EBITDA/ T	619	384	▲ 61%	459	▲ 35%	456	330	▲ 38%

Sagar Cements Limited

Particulars	Q3 FY24	Q3 FY23	YoY %	Q2 FY24	QoQ (%)	9MFY24	9MFY23	YoY%
Sales Volume (MT)	10,67,782	11,02,597	▼ 3%	10,52,042	▲ 1%	30,68,895	31,32,488	▼ 2%
Revenue from Operations	50,262	50,852	▼ 1%	45,951	▲ 9%	1,39,089	1,44,205	▼ 4%
Other Income	531	1,529	▼ 65%	449	▲ 18%	1,553	4,468	▼ 65%
Total Income	50,793	52,381	▼ 3%	46,400	▲ 9%	1,40,642	1,48,673	▼ 5%
Operating expenses	43,667	46,351	▼ 6%	42,073	▲ 4%	1,26,156	1,32,053	▼ 4%
Op. EBITDA	6,595	4,501	▲ 47%	3,878	▲ 70%	12,933	12,152	▲ 6%
Op. EBITDA Margin %	13	9	▲ 48%	8	▲ 55%	9	8	▲ 10%
Op. EBITDA per Ton in ₹	618	408	▲ 51%	369	▲ 68%	421	388	▲ 9%
Finance cost	1,888	4,122	▼ 54%	1,800	▲ 5%	5,646	12,029	▼ 53%
Depreciation	3,052	2,925	▲ 4%	2,829	▲ 8%	8,573	8,459	▲ 1%
Profit before tax	2,186	(1,017)	-	(302)	-	267	(3,868)	-
Tax expenses	652	(171)	-	19	-	390	(1,306)	-
Profit after tax	1,534	(846)	-	(321)	-	(123)	(2,562)	-

- 3% YoY decrease in volumes during Q3 FY24.
- Op. EBITDA of ₹ 6,595 lakhs during Q3 FY24 increased by 47% on a Y-o-Y basis.
- Op. EBITDA of ₹ 618 per ton during Q3 FY24 increased by 51% on a Y-o-Y basis.

Sagar Cements (M) Private Limited

Particulars	Q3 FY24	Q3 FY23	YoY %	Q2 FY24	QoQ (%)	9MFY24	9MFY23	YoY%
Sales Volume (MT)	1,70,575	1,36,966	▲ 25%	1,65,808	▲ 3%	5,37,268	3,28,325	▲ 64%
Revenue from Operations	9,099	6,763	▲ 35%	8,794	▲ 3%	28,357	16,694	▲ 70%
Other Income	24	18	▲ 33%	23	▲ 4%	66	53	▲ 25%
Total Income	9,123	6,781	▲ 35%	8,817	▲ 3%	28,423	16,747	▲ 70%
Operating expenses	7,446	6,506	▲ 14%	7,425	▲ 0%	23,648	17,414	▲ 36%
Op. EBITDA	1,653	257	▲ 543%	1,369	▲ 21%	4,709	(720)	-
Op. EBITDA Margin %	18	4	▲ 378%	16	▲ 17%	17	(4)	-
Op. EBITDA per Ton in ₹	969	188	▲ 416%	826	▲ 17%	876	(219)	-
Finance cost	1,224	1,134	▲ 8%	1,225	▼ 0%	3,681	3,299	▲ 12%
Depreciation	968	1,002	▼ 3%	954	▲ 1%	2,860	2,833	▲ 1%
Profit before tax	(515)	(1,861)	-	(787)	-	(1,766)	(6,799)	-
Tax expenses	(124)	(383)	-	(193)	-	(429)	(1,659)	-
Profit after tax	(391)	(1,478)	-	(594)	-	(1,337)	(5,140)	-

- 25% YoY increase in volumes during Q3 FY24.
- Op. EBITDA of ₹ 1,653 lakhs during Q3 FY24.
- Op. EBITDA of ₹ 969 per ton during Q3 FY24.

Sagar standalone numbers have been restated post merger of its wholly owned subsidiary Jajpur Cements Private Limited with effect from 1st April, 2022, as approved by Hyderabad Bench of NCLT on September 14, 2023.

Andhra Cements Limited

Particulars	Q3 FY24	Q3 FY23	Q2 FY24	QoQ (%)	9MFY24	9MFY23
Sales Volume (MT)	1,68,810	-	94,723	▲ 78%	2,93,190	-
Revenue from Operations	9,792	-	6,515	▲ 50%	17,627	-
Other Income	44	(5)	25	▲ 76%	105	37
Total Income	9,836	(5)	6,540	▲ 50%	17,732	37
Operating expenses	9,334	466	5,740	▲ 63%	17,491	1,247
Op. EBITDA	458	(466)	775	▼ 41%	136	(1,247)
Op. EBITDA Margin %	5	-	12	▼ 61%	1	-
Op. EBITDA per Ton in ₹	271	-	818	▼ 67%	46	-
Finance cost	2,000	4,104	1,879	▲ 6%	5,293	12,530
Depreciation	1,559	1,168	1,303	▲ 20%	4,149	3,499
(Loss)/ Profit before exceptional items and tax	(3,057)	(5,743)	(2,382)	-	(9,201)	(17,239)
Exceptional items	-	-	1,479	-	1,479	-
(Loss)/ Profit before tax	(3,057)	(5,743)	(903)	-	(7,722)	(17,239)
Tax expenses	(938)	-	(805)	-	(3,039)	-
(Loss)/ Profit after tax	(2,119)	(5,743)	(98)	-	(4,683)	(17,239)

- 78% QoQ increase in volumes during Q3 FY24.
- Op. EBITDA of ₹ 458 lakhs during Q3 FY24.
- Op. EBITDA of ₹ 271 per ton during Q3 FY24.

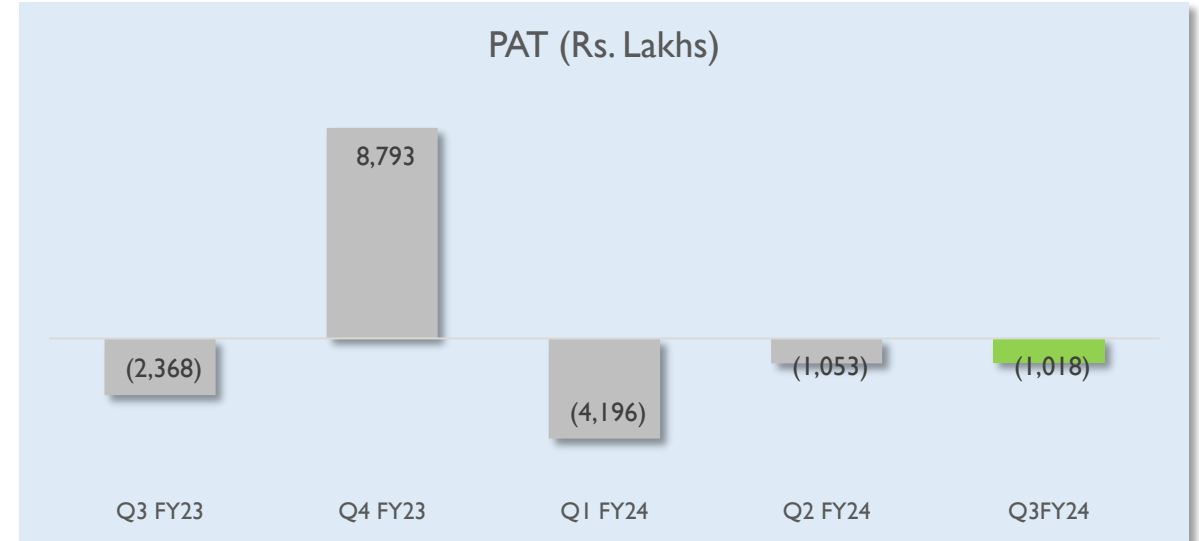
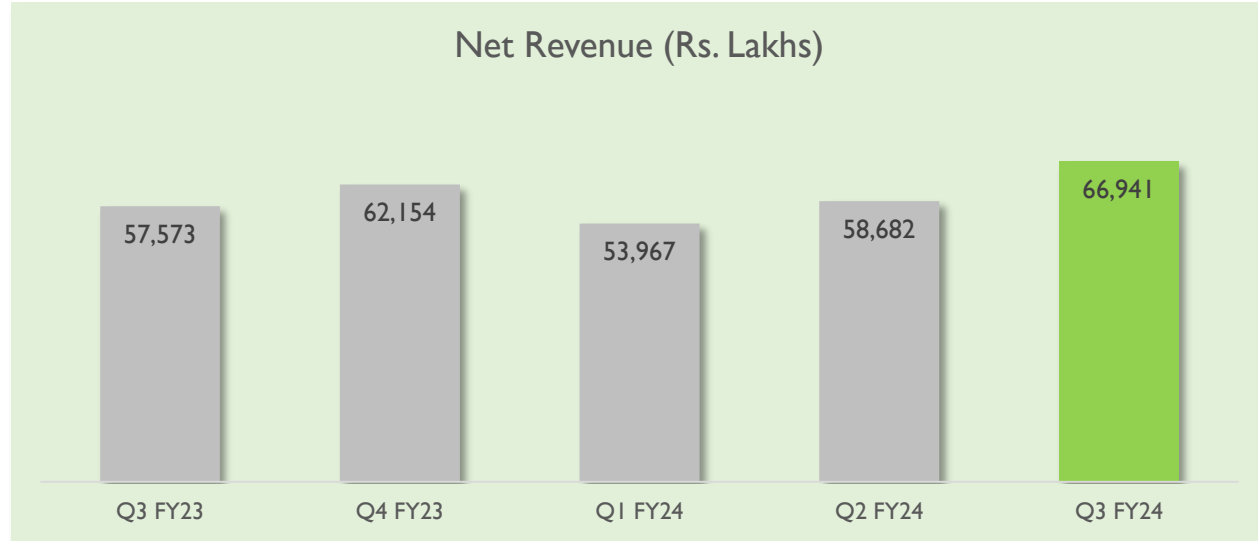
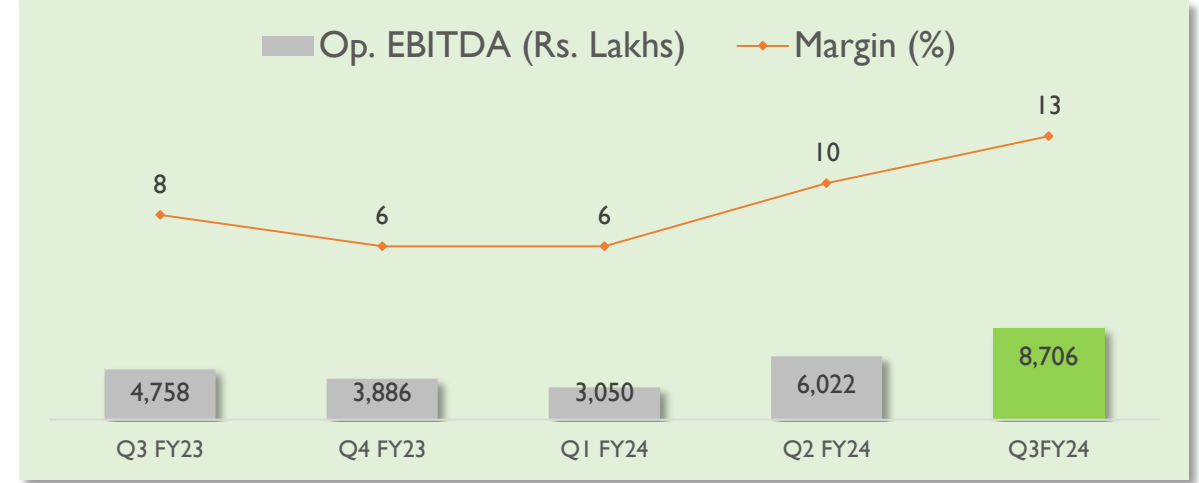
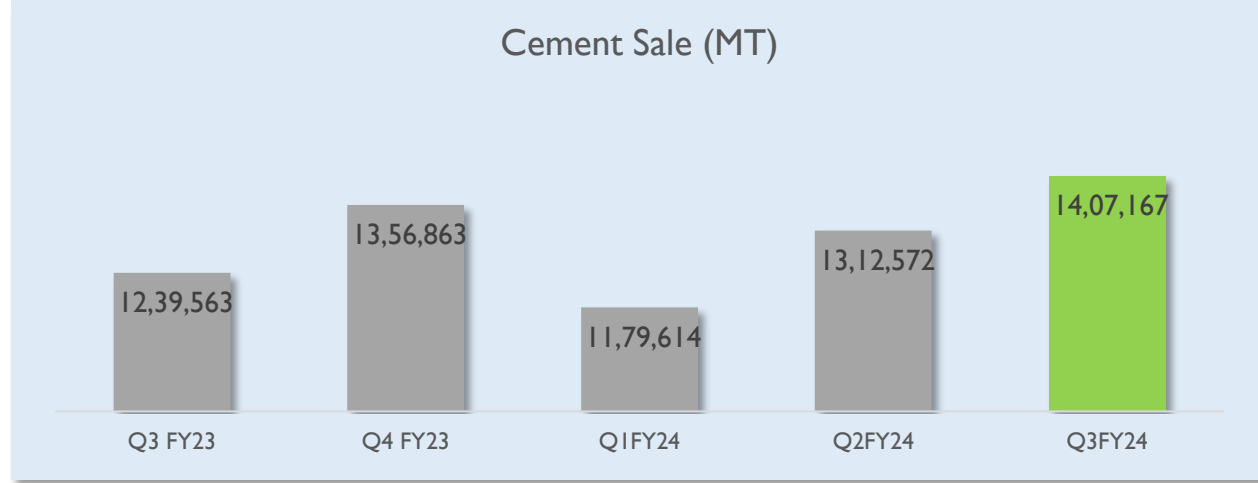
Commenting on the performance, Mr. Sreekanth Reddy, Jt. Managing Director of the Company said,

“We had a good quarter marked by healthy volumes and steady realisations. Although overall volumes were affected by state elections and labor shortages during the festive season, we witnessed a 14% growth in volumes during Q3 FY24 when compared with Q3 FY23. Additionally, favorable prices prevailed in our key markets, leading to a 16% increase in revenue for the quarter.

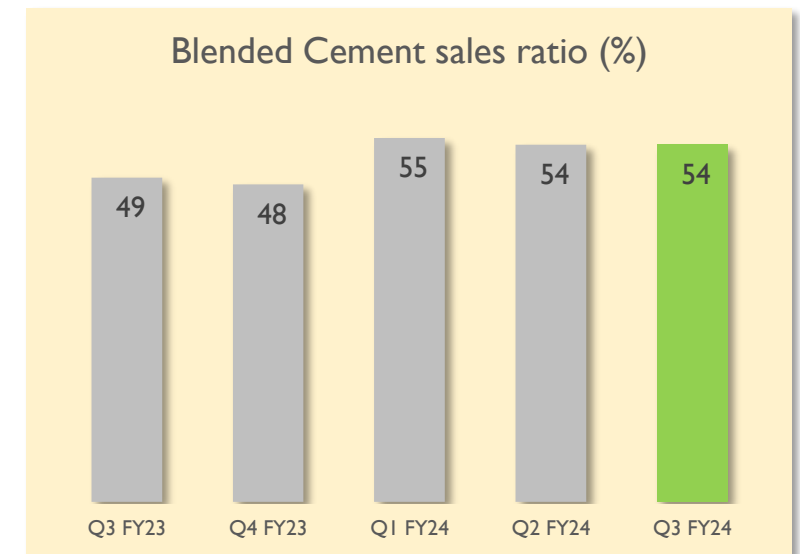
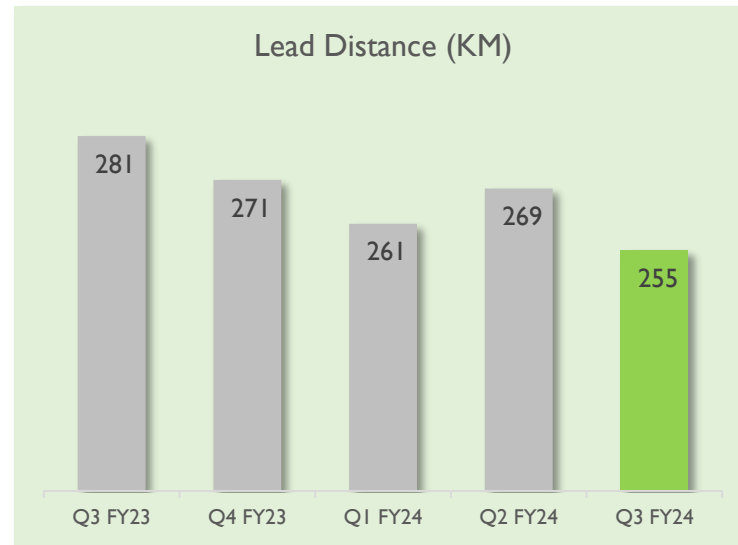
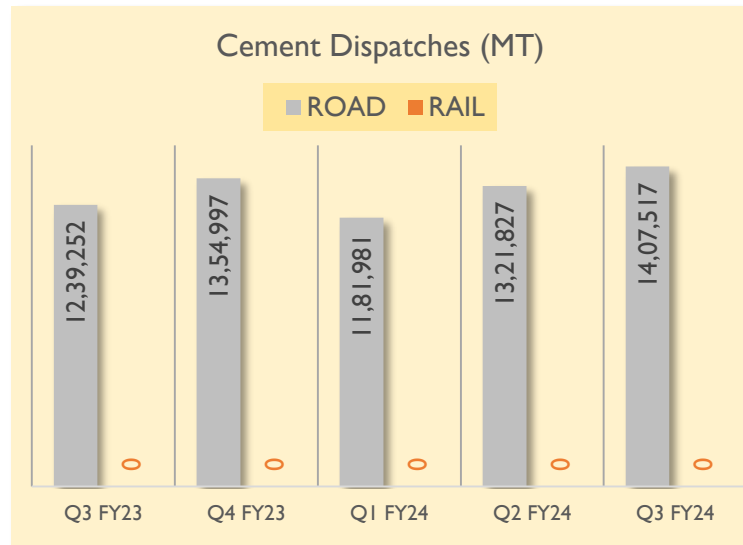
As far as EBITDA and margins are concerned, we observed a significant enhancement on a per-ton basis, consistent with our earlier projections. The combination of increased operating leverage and consistent realizations contributed to improved profitability for the quarter. We anticipate this positive trend to persist in the future, supported in part by higher utilization levels of recently acquired units and strategic initiatives aimed at promoting the use of green power, alternative fuels, as well as the deployment of electric trucks and wheel loaders.

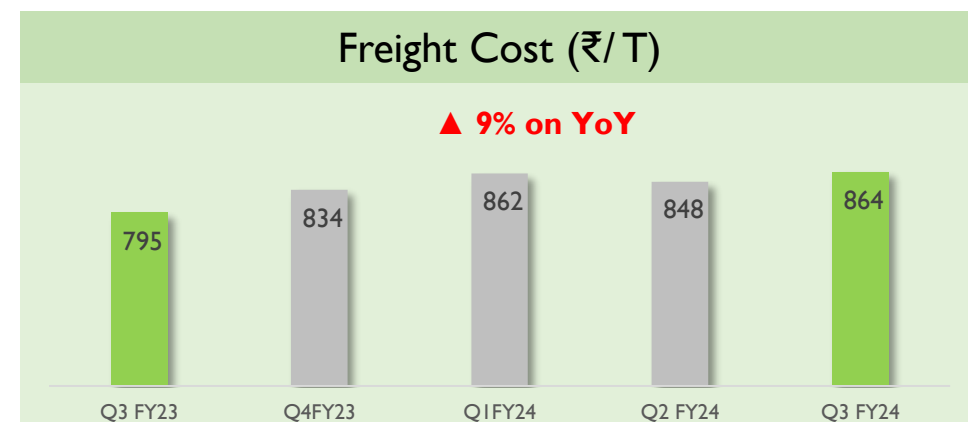
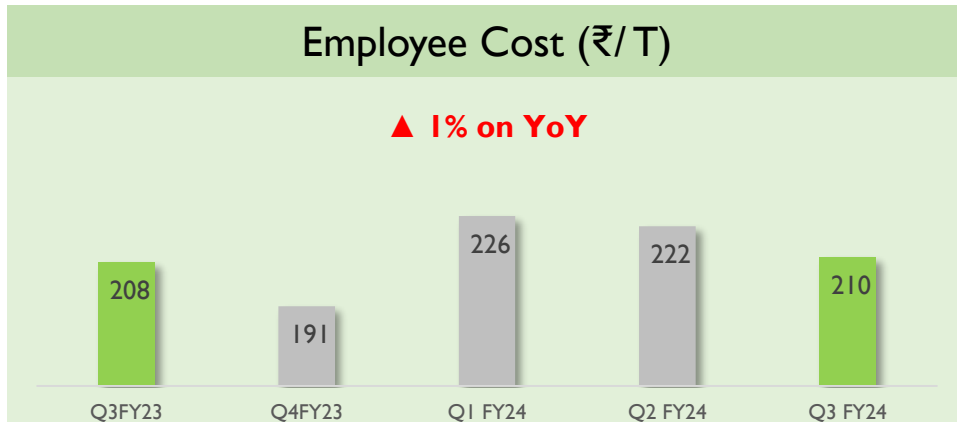
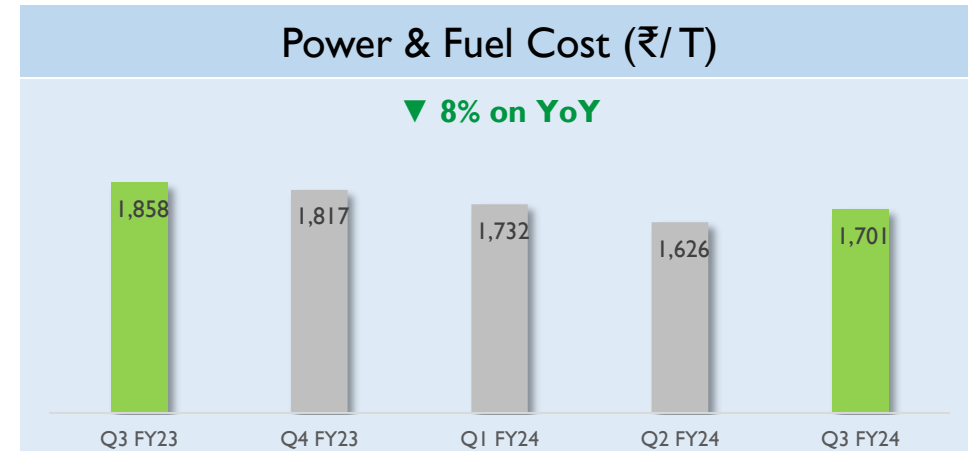
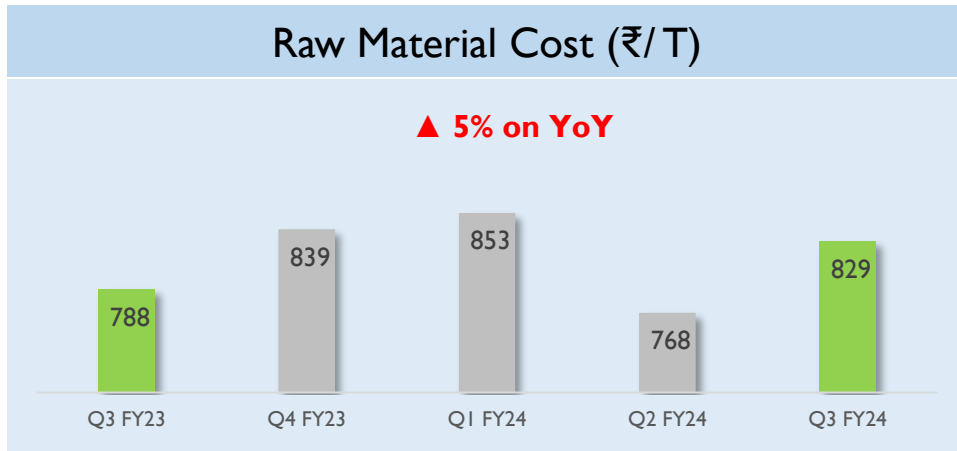
Operationally, we believe we are on track towards meeting our guidance of attaining 5.6 MnT volumes for the fiscal. Performance and capex plans of our recently acquired unit, Andhra Cements is progressing as per plan.

To conclude, our widespread geographical footprint, advancing product mix, and increased emphasis on elevating the proportion of green fuel in the overall energy mix, collectively position us favorably to generate value for our shareholders.”



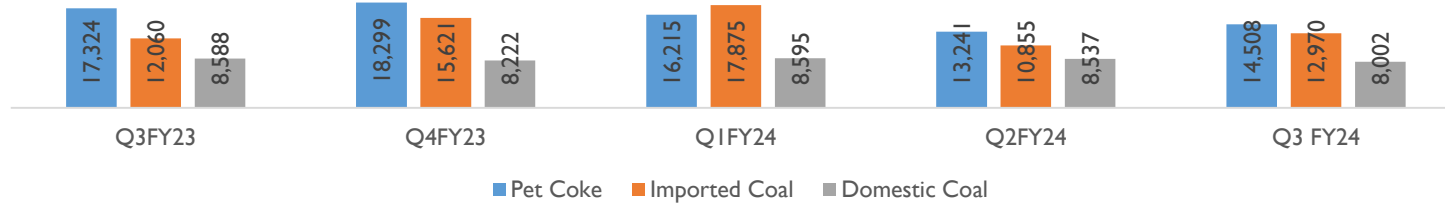
Description	Sagar Cements Ltd Qty in MT	Sagar Cements (M) Pvt Ltd Qty in MT	Andhra Cements Ltd Qty in MT	Consolidated Qty in MT
Clinker	7,30,056	1,72,711	2,09,273	11,12,040
Cement Production / Purchase	10,57,156	1,73,720	1,67,131	13,98,007
Cement Sales	10,67,782	1,70,575	1,68,810	14,07,167





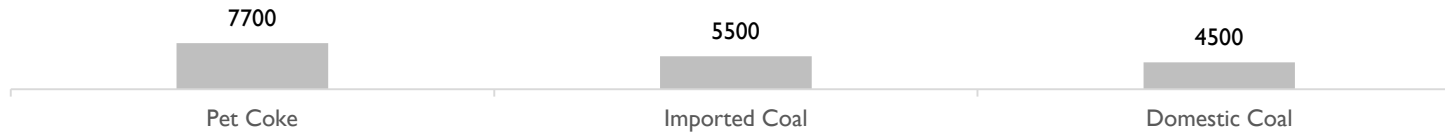
- Raw material cost per ton during Q3 FY24 was ₹ 829 per ton as against ₹ 788 per ton during Q3 FY23.
- The main reasons for decrease in Power & Fuel cost is due to reduction in the prices of pet coke & coal.
- Employee costs during Q3 FY24 amounted to ₹ 210 per ton as against ₹ 208 per ton during Q3 FY23.

Thermal Prices(Rs/Mt)

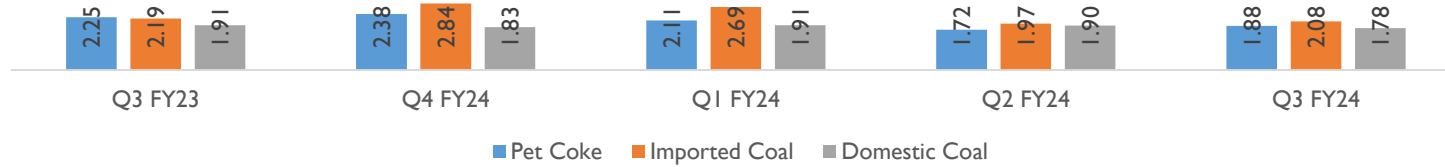


Current Fuel Price Trends		
Particulars	Per Ton (₹)	Per Kcal (₹)
Imported Pet Coke	12,582	1.68
Indian Pet Coke	12,852	1.71
Imported Coal	11,168	2.03
Domestic Coal	8,200	1.82

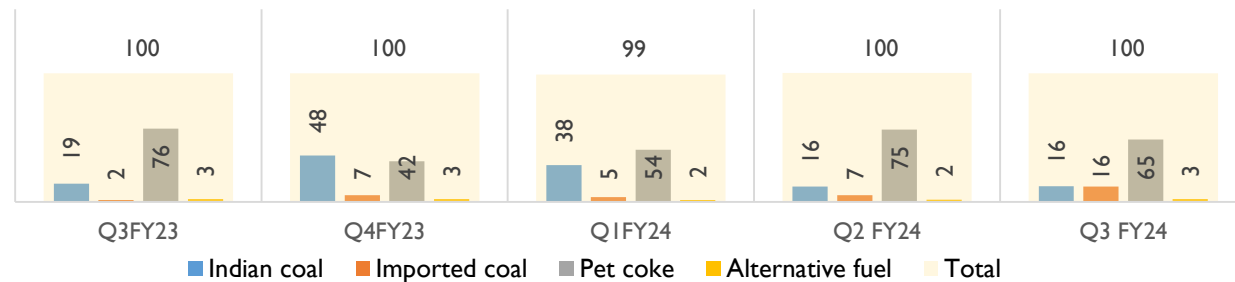
Kcal on NCV basis



Rs/Kcal



Group level Source of coal based on kcal (%)



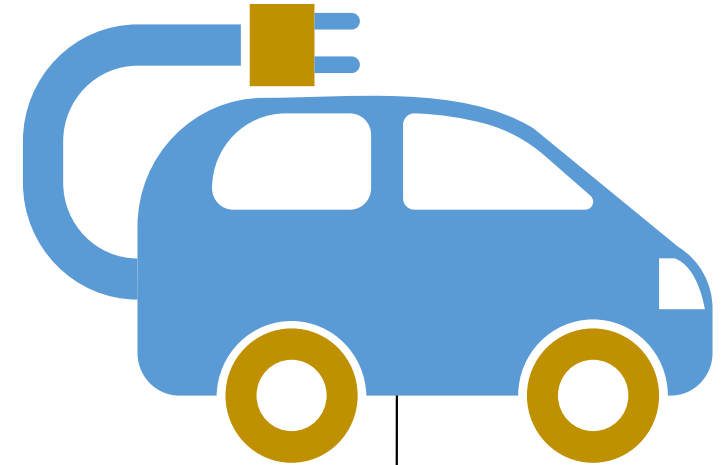
in Rs.Lakhs

Particulars (Rs. In Lakh)	31 st Dec 2023	30 th Sep 2023	30 th Jun 2023	31 st Mar 2023	31 st Dec 2022
Gross Debt	1,55,736	1,53,337	1,50,675	1,47,212	1,39,088
- Long Term	1,26,956	1,30,540	1,29,975	1,27,665	1,22,188
- Working Capital	28,780	22,797	20,700	19,547	16,900
Cash & Bank Balance	15,700	15,205	15,146	21,048	31,283
Net Debt	1,40,036	1,38,132	1,35,529	1,26,164	1,07,805
Long term Debt Equity Ratio (%)	0.78	0.80	0.79	0.76	0.78
Net Worth	1,61,822	1,62,840	1,64,808	1,69,004	1,56,485



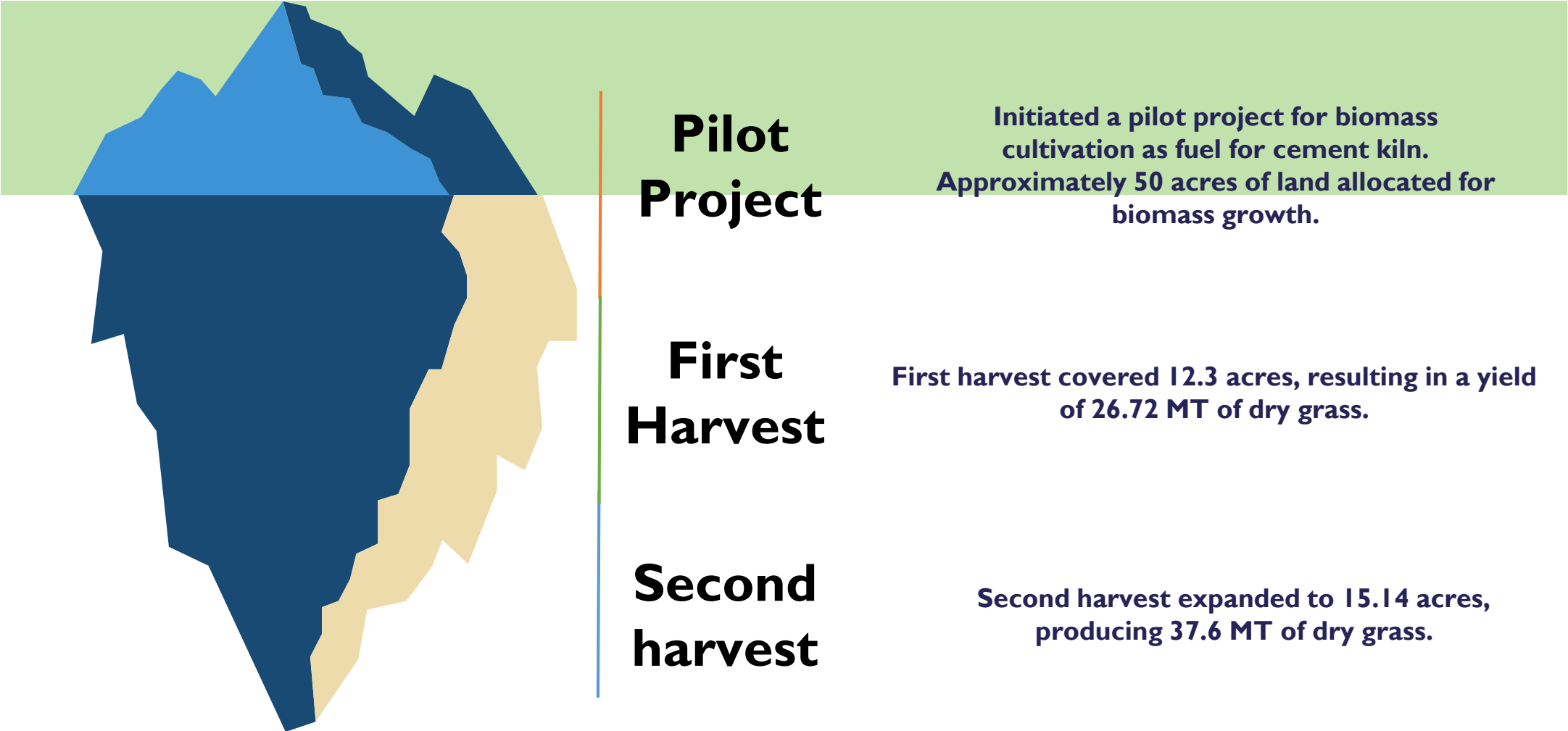
Two E-loaders are in operation at Mattampally Unit.

Deployed two electric trucks (35 Ton Net load) into our operations at Bayyavaram unit. These vehicles are dedicated to the transportation of slag and cement from the plant to Visakhapatnam.



Two E-loader is in operation at Dachepalli unit.





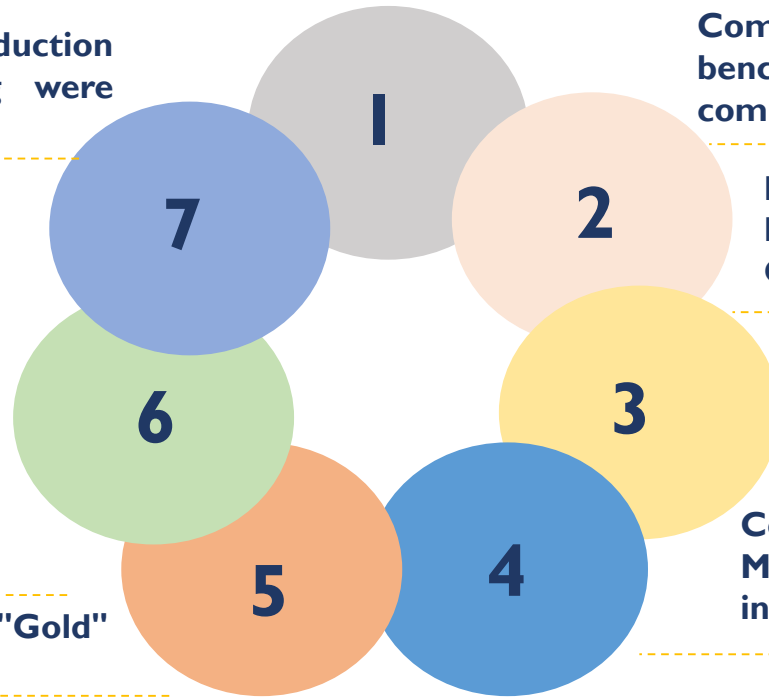
Demonstrated successful growth and harvesting of biomass for sustainable energy use.

In Jeerabad plant, Identification of emission reduction projects and Trainings on Green Co rating were conducted.

Reviewed and revised existing policies.
Framed 6 New policies

- In Environment: Policies for Resource Efficiency and Climate.
- In Social, Policy for Health and Safety
- In Governance, Policies for Board Diversity, Tax Management and Treasury management are added.

Mattampally Plant has been awarded Green Co "Gold" rating.



Completion of ESG frame work and peer benchmarking and formation of ESG committees at all plants.

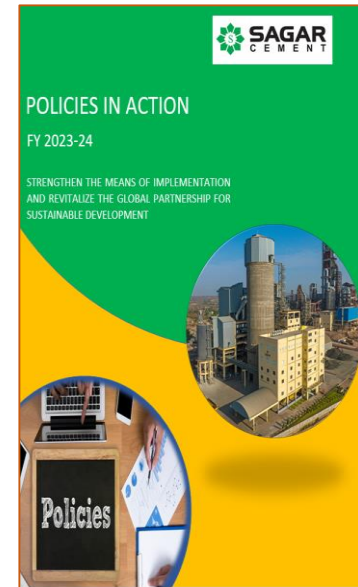
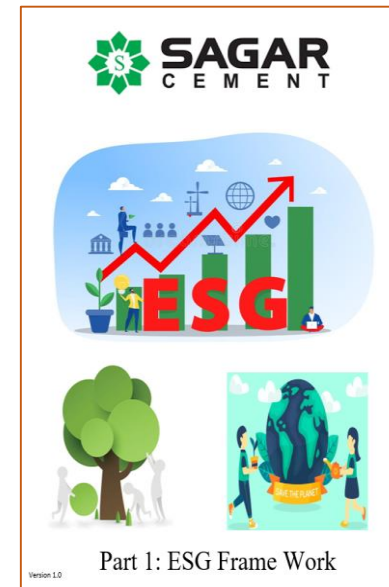
Feasibility study for the establishment of a 10 MWh solar and 30 MWh battery facility in Gudipadu plant.

Facilitated workshops on ISO 26000, ESG Framework, social issues and road safety.

Conducted surveys in the neighborhood of the Mattampally plant to identify and prioritize initiatives aimed at enhancing the quality of life

Promotion of Blended Cements

Meetings held with partners and stakeholders towards promotion of use of blended / low carbon cements.



- Promoted by experienced technocrat and entrepreneurs.
- Listed entity with around 4 decades of successful operations.

- Plant started operations in 1985 with a capacity of 66,000 TPA.
- Current group capacity : 10.85 MTPA.

Captive power capacity of 96.96 MW

Strong presence across all five southern states, along with Madhya Pradesh, Maharashtra and Odisha.

Manufactures :

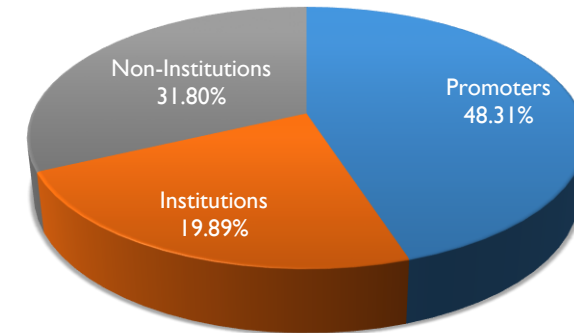
- Ordinary Portland Cement (OPC)- 53 & 43,
- Portland Pozzalona Cement (PPC)
- Composite Cement (CC)
- Sulphate Resistant Cement (SRC)
- Portland Slag Cement (PSC) &
- Ground Granulated Blast – Furnace Slag (GGBS).

Strong brand built over the last 4 decades – “Sagar Cement”

- AvH Resources India Pvt. Ltd., a wholly owned subsidiary of Ackermans & Van Haaren NV belonging to AvH Group, a Belgian major holds 19.64% equity stake in the Company.
- PI Opportunities Fund – I Scheme II (“PIOF”), an affiliate of Premji Invest, the Private Equity and investment arm of one of India’s largest philanthropic endowments, holds 10.10% equity stake in the Company.

High focus on technology and process efficiencies; High levels of Corporate Governance standards

Share Holding Pattern (as on 31st Dec 2023)

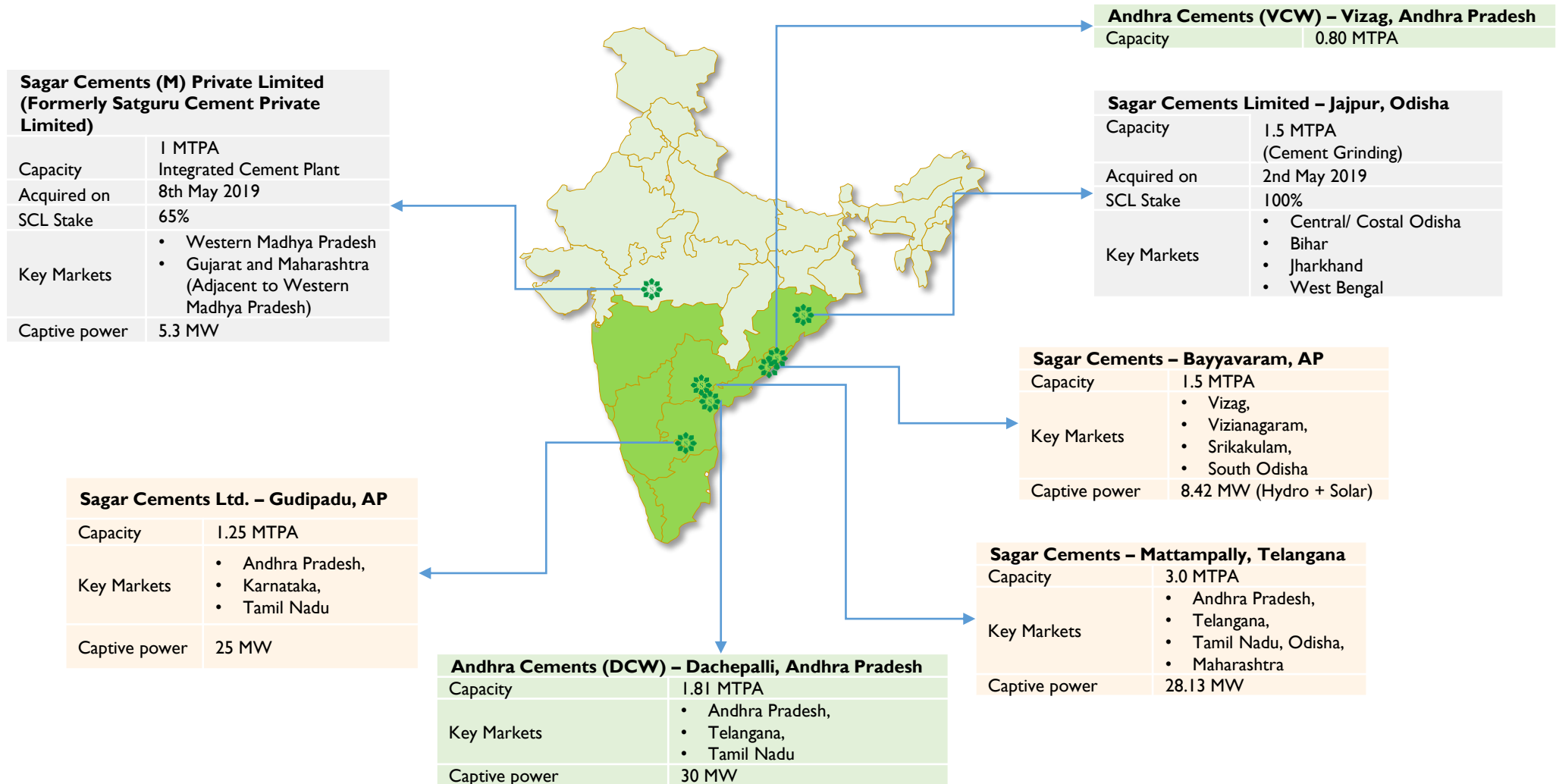


■ Promoters ■ Institutions ■ Non-Institutions

Capital Market Metrics	
Listed on	BSE & NSE
CMP (INR)*	~281
M-Cap (INR mn)	~36,761
52 week high (INR)	~305 (03 rd January 2024)
52 week low (INR)	~180 (28 th March 2023)

*Market price at close on January 24, 2024 (NSE)

Strategically located to reap a significant locational advantage





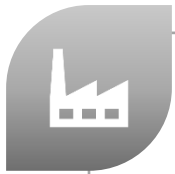
Access to resources

- ✓ Part of Nalgonda & Yerraguntla Cement Cluster
- ✓ Strong limestone resources:
 - Over 398 MnT at Mattampally
 - Over 166 MnT at Gudipadu
 - Over 65 MnT at Indore (SCMPL)
 - Over 198 MnT at Dachepalli
- ✓ Geographic location with proximity to Coal mines (Major Fuel) and ports (less than 150 km from the plant)
- ✓ Packing Material primarily sourced from a Group entity



Growing market

- ✓ Plants located in close proximity to major markets in the South and select markets in Maharashtra, Odisha and Madhya Pradesh.
- ✓ Average lead distance below 300 km
- ✓ Strong sales network – 2,539 dealers and 7,084 sub-dealers
- ✓ Acquisition of Gudipadu and Bayyavaram plants helped to increase market reach and depth
- ✓ Gudipadu acquisition helped in better penetration to the Southern markets.
- ✓ Bayyavaram – Capture north AP and South Odisha markets



Advanced plants

- ✓ Fully automated 3.00 MTPA integrated plant in Mattampally, Telangana
- ✓ Highly advanced 1.25 MTPA integrated plant in Gudipadu, Andhra Pradesh
- ✓ 1.50 MTPA grinding unit in Bayyavaram, Andhra Pradesh
- ✓ 1 MTPA integrated plant in Jeerabad, near Indore, Madhya Pradesh
- ✓ 1.5 MTPA grinding unit in Jajpur, Orissa
- ✓ 1.81 MTPA integrated plant in Dachepalli, Andhra Pradesh
- ✓ 0.80 MTPA grinding unit in Vizag, Andhra Pradesh
- ✓ Group captive power generation of ~96.96 MW



Strong financials

- ✓ Net worth increased over 6x in the last 10 years
- ✓ Long term debt rating of IND A/Negative
- ✓ Consistent profits
- ✓ Consistent track record of dividends

Gudipadu Limestone mine, Dachepalli Limestone mine and Mattampally Limestone mines have been awarded with 1st rank, 1st rank, and 2nd rank respectively during Mines Safety Week Celebrations, 2023.

Gudipadu & Bayyavaram units were felicitated by Bureau of Indian standards (BIS), Andhra Pradesh for the products: OPC, PPC and PSC for Zero failures during the consecutive last three years. This was given on BIS foundation day i.e., 05.01.2024 at Vijayawada.



Safe Harbour :

Certain matters discussed in this communication may contain statements regarding the company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian Economy and of the economies of various International markets, the performance of the Cement Industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the company’s future levels of growth and expansion, technological implementation, changes and advancements, change in revenue, income or cash flows, the company’s market preferences and its exposure to market risks, as well as other risks. The company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this presentation. The Company assumes no obligation to update any forward-looking information contained in this communication. Any forward – looking statements and projections made by third parties included in this communication are not adapted by the company and the company is not responsible for such third party statements and projections

Thank You !

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