



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2023-24

10th May 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

Symbol SAGCEM
Series DEBT
ISIN INE433R07016

Dear Sirs

Sub: Regulation 33 of SEBI (LODR) Regulations 2015 – Furnishing of Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2023

...

In continuation of our letter dated 28th April, 2023, we wish to inform you that our Board of Directors at their meeting held on today took on record and approved the Audited Financial Results (Standalone and Consolidated) for the quarter / year ended March 31, 2023.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose the following:

- Statements showing the Audited Financial Results (Standalone and Consolidated) for the quarter / year ended March 31, 2023;
- Auditors' Report on the Financial Results – Standalone and Consolidated.
- Declaration with regard to Auditor's Report being an unmodified one.

The above said meeting of the Board of Directors commenced at 3.15 p.m. and concluded at 7.00 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

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 AUDITED STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR YEAR ENDED MARCH 31, 2023
AND UNAUDITED STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2023

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

Sl. No.	Particulars	Standalone					Consolidated				
		Quarter ended			Year ended		Quarter ended			Year ended	
		March 31, 2023 (Refer note 8)	December 31, 2022 (Unaudited)	March 31, 2022 (Refer note 8)	March 31, 2023 (Audited)	March 31, 2022 (Audited)	March 31, 2023 (Refer note 8)	December 31, 2022 (Unaudited)	March 31, 2022 (Refer note 8)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
1	Income										
	(a) Revenue from operations	50,218	49,525	47,084	1,91,040	1,56,786	62,154	57,573	50,172	2,22,954	1,59,687
	(b) Other income	1,790	2,232	1,538	7,968	2,691	18,104	1,429	417	22,270	1,342
	Total income	52,008	51,757	48,622	1,99,008	1,59,477	80,258	59,002	50,589	2,45,224	1,61,029
2	Expenses										
	(a) Cost of materials consumed	9,253	7,803	6,845	31,486	25,556	11,814	9,416	6,478	38,035	25,512
	(b) Purchase of stock-in-trade	479	470	627	2,437	2,017	479	470	516	2,437	1,906
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	425	2,671	1,642	2,259	(3,447)	133	2,785	1,393	1,745	(4,886)
	(d) Employee benefits expense	2,128	2,099	2,367	8,304	8,101	2,584	2,512	2,660	9,934	8,555
	(e) Finance costs	2,746	2,770	3,011	10,433	6,934	5,191	5,138	4,713	20,164	9,248
	(f) Depreciation and amortisation expense	2,162	2,175	2,079	8,490	8,035	4,155	3,971	3,151	15,577	9,271
	(g) Power and fuel expenses	19,474	17,521	14,722	74,390	48,352	24,182	20,951	17,058	89,353	51,573
	(h) Freight and forwarding expense	8,962	8,210	8,196	32,716	27,253	11,313	9,843	8,749	38,887	27,855
	(i) Other expenses	6,091	5,627	5,751	22,145	20,345	7,763	6,838	7,209	27,245	21,595
	Total expenses	51,720	49,346	45,240	1,92,660	1,43,146	67,614	61,924	51,927	2,43,377	1,50,629
3	Profit/ (loss) before tax (1 - 2)	288	2,411	3,382	6,348	16,331	12,644	(2,922)	(1,338)	1,847	10,400
4	Tax expense										
	(a) Current tax	264	874	937	2,654	3,056	556	874	937	2,946	3,056
	(b) Deferred tax	(104)	45	814	(228)	2,897	2,290	(1,077)	(360)	(1,949)	1,429
	Total tax expense	160	919	1,751	2,426	5,953	2,846	(203)	577	997	4,485
5	Net profit/ (loss) for the period/ year (3 - 4)	128	1,492	1,631	3,922	10,378	9,798	(2,719)	(1,915)	850	5,915
6	Other Comprehensive Income										
	(i) Remeasurements gain on defined benefit plans	20	-	195	20	195	22	-	200	22	200
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(7)	-	(68)	(7)	(68)	(7)	-	(69)	(7)	(69)
	Total Other Comprehensive Income	13	-	127	13	127	15	-	131	15	131
7	Total Comprehensive Income/ (loss) (5+6)	141	1,492	1,758	3,935	10,505	9,813	(2,719)	(1,784)	865	6,046
8	Profit/ (loss) attributable to:										
	Equity holders of the company						10,053	(2,202)	(1,151)	2,904	6,915
	Non-controlling interest						(255)	(517)	(764)	(2,054)	(1,000)
9	Total comprehensive Income/ (loss) attributable to:						9,798	(2,719)	(1,915)	850	5,915
	Equity holders of the company						10,068	(2,202)	(1,021)	2,919	7,045
	Non-controlling interest						(255)	(517)	(763)	(2,054)	(999)
8	Paid up equity share capital (Face value of ₹ 2 per share)				2,614	2,350				2,614	2,350
9	Other equity				1,64,105	1,27,061				1,61,135	1,23,193
10	Earnings per share (Basic & Diluted) of ₹ 2 each	0.10	1.14	1.39	3.03	8.83	7.50	(2.08)	(1.63)	0.66	5.03
		(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)

(*) - Not Annualised



Balance Sheet

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	(Audited)	(Audited)	(Audited)	(Audited)
ASSETS				
Non-current assets				
(a) Property, plant and equipment	1,16,561	1,19,588	2,68,671	1,93,738
(b) Capital work-in-progress	6,755	2,936	9,918	10,050
(c) Right of use assets	165	292	1,180	1,334
(d) Goodwill	3,873	3,873	4,162	4,162
(e) Intangible assets				
(i) Mining Rights	2,018	2,186	5,295	5,538
(ii) Other Intangible assets	27	32	32	36
(f) Financial assets				
(i) Investments	60,696	28,473	-	31,468
(ii) Loans	6,983	51,413	53	-
(iii) Other financial assets	1,857	1,574	3,875	3,044
(g) Income tax assets (net)	435	463	435	480
(h) Deferred tax assets (net)	-	-	9,781	1,540
(i) Other non-current assets	1,181	2,860	3,610	13,529
Total Non-current assets (1)	2,00,551	2,13,690	3,07,012	2,64,919
Current assets				
(a) Inventories	21,399	17,372	27,094	20,857
(b) Financial assets				
(i) Trade receivables	15,261	12,411	13,321	12,031
(ii) Cash and cash equivalents	12,102	14,047	17,491	14,306
(iii) Bank balances other than Cash and cash equivalents	1,919	1,622	3,557	1,963
(iv) Loans	48	-	48	-
(v) Other financial assets	1,213	2,278	526	567
(c) Other current assets	6,332	8,109	13,273	21,790
(d) Income tax assets (net)	-	-	5	-
Total Current assets (2)	58,274	55,839	75,315	71,514
TOTAL ASSETS (1+2)	2,58,825	2,69,529	3,82,327	3,36,433
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	2,614	2,350	2,614	2,350
(b) Other equity	1,64,105	1,27,061	1,61,135	1,23,193
Equity attributable to shareholders of the Company	1,66,719	1,29,411	1,63,749	1,25,543
Non controlling interest	-	-	5,144	5,401
Total Equity (1)	1,66,719	1,29,411	1,68,893	1,30,944
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	15,020	58,916	1,15,195	1,12,853
(iia) Lease liabilities	44	166	174	299
(iib) Other financial liabilities	8,086	6,806	8,992	6,852
(b) Provisions	826	728	1,029	751
(c) Deferred tax liabilities (net)	10,825	9,769	10,825	9,769
(d) Other non-current liabilities	229	229	249	229
Total Non-current liabilities (2)	35,030	76,614	1,36,464	1,30,753
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	24,311	30,164	32,017	37,482
(iia) Lease liabilities	153	154	180	190
(ii) Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises	160	60	431	214
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	23,289	19,153	30,449	21,885
(iii) Other financial liabilities	879	1,663	4,190	3,104
(b) Provisions	358	301	442	308
(c) Income tax liabilities (net)	1,129	1,275	1,421	1,275
(d) Other current liabilities	6,797	10,734	7,840	10,278
Total Current liabilities (3)	57,076	63,504	76,970	74,736
TOTAL EQUITY AND LIABILITIES (1+2+3)	2,58,825	2,69,529	3,82,327	3,36,433



Statement of cash flows for the year ended March 31, 2023

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
A Cash flow from operating activities				
Profit before tax	6,348	16,331	1,847	10,400
Adjustments for				
Depreciation and amortization expense	8,490	8,035	15,577	9,271
Finance costs	10,433	6,934	20,164	9,248
Interest income	(7,901)	(2,531)	(20,272)	(1,182)
Liabilities no longer required written back	(12)	(81)	(13)	(81)
Expected credit loss allowance on trade receivables	293	202	293	202
Provision for incentives receivable from government	900	775	900	775
Provision for impairment on capital advances	400	-	400	-
Net loss on fair value change in financial instruments	-	6	-	6
(Profit)/ loss on sale of property, plant and equipment (net)	(34)	38	(35)	38
Fair valuation of investments	-	-	89	-
Gain on sale of investments	-	-	(1,929)	-
	12,569	13,378	15,174	18,277
Operating profit before working capital changes	18,917	29,709	17,021	28,677
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Trade receivables	(3,142)	(2,540)	(1,583)	(2,163)
Inventories	(4,027)	(4,944)	(6,237)	(8,429)
Other financial assets	(304)	131	(386)	(420)
Other assets	781	(3,358)	2,609	(8,267)
	(6,692)	(10,711)	(5,597)	(19,279)
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	4,248	(3,496)	8,361	(719)
Other financial liabilities	1,484	358	1,582	946
Provisions	175	174	292	192
Other liabilities	(3,937)	2,348	(2,664)	1,856
	1,970	(616)	7,571	2,275
Cash generated from operating activities	14,195	18,382	18,995	11,673
Less: Income tax paid	(1,495)	(2,958)	(1,479)	(2,975)
Net cash generated from operating activities	12,700	15,424	17,516	8,698
B Cash flow from investing activities				
Capital expenditure on property, plant and equipment including capital advances	(7,415)	(11,250)	(11,774)	(36,098)
Deposits not considered as cash and cash equivalents				
- Placed	(2,065)	(1,199)	(2,008)	(1,820)
- Matured	1,913	464	1,018	1,697
Proceeds from disposal of plant and equipment	68	487	133	487
Investment in subsidiary	-	(4,524)	-	-
Acquisition of subsidiary (Refer note 6)	(32,223)	-	(32,223)	-
Purchase of investments	-	-	-	(43,220)
Proceeds from sale of investments	-	-	45,149	-
Unsecured loans given to subsidiaries (net)	44,483	(48,913)	-	-
Interest received	8,729	615	16,701	562
Net cash used in investing activities	13,490	(64,320)	16,996	(78,392)
C Cash flow from financing activities				
Proceeds from allotment of equity shares	35,000	-	35,000	-
Expenses on issue of shares	(712)	-	(712)	1,050
Proceeds from non-current borrowings	5,412	53,823	7,081	69,382
Repayment of non-current borrowings	(58,305)	(7,446)	(60,613)	(7,452)
Loan given to employees (net)	(101)	-	(101)	-
Repayment of unsecured loans from related party	-	(900)	-	(958)
Proceeds from current borrowings (net)	3,144	2,748	1,573	7,757
Repayment of lease liabilities	(155)	(161)	(182)	(187)
Finance costs	(11,503)	(5,971)	(17,787)	(7,518)
Dividends paid	(915)	(588)	(915)	(588)
Net cash generated from financing activities	(28,135)	41,505	(36,656)	61,486
Net increase in cash and cash equivalent (A+B+C)	(1,945)	(7,391)	(2,144)	(8,208)
Cash and cash equivalent at the beginning of the year	14,047	21,438	14,306	22,514
Cash acquired on acquisition of a subsidiary (Refer note 6)	-	-	5,329	-
Cash and cash equivalent at the end of the year	12,102	14,047	17,491	14,306



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

Sl. No.	Particulars	Standalone					Consolidated				
		Quarter ended			Year ended		Quarter ended			Year ended	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
1	Net worth (₹ in lakhs) [Equity share capital + Other equity]	1,66,719	1,66,578	1,29,411	1,66,719	1,29,411	1,68,893	1,55,369	1,30,944	1,68,893	1,30,944
2	Earnings per share (Basic & Diluted) of ₹ 2 each	0.10	1.14	1.39	3.03	8.83	7.50	(2.08)	(1.63)	0.66	5.03
3	Debt Equity Ratio (times) [Debt / Net Worth] [Debt: Non current borrowings + Current borrowings + Non current unsecured loans]	0.24	0.46	0.69	0.24	0.69	0.87	0.90	1.15	0.87	1.15
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)]	0.11	0.64	2.03	0.37	2.05	0.43	0.39	1.10	0.44	1.64
5	Interest Service Coverage Ratio (times) [Cash profit after adjusting depreciation / Finance cost] [Cash profit after adjusting depreciation: Profit After Tax + Finance cost + Depreciation]	1.83	2.32	2.23	2.19	3.66	4.06	1.29	1.26	1.98	2.64
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)]	0.92	1.50	3.38	0.92	3.38	4.21	2.77	3.87	4.21	3.87
7	Total debts to Total Assets ratio (%) [(Non current borrowings + Current borrowings) / Total Assets]	15%	25%	33%	15%	33%	39%	38%	45%	39%	45%
8	Current ratio (times) [Current Assets / Current Liabilities excl. Current borrowings]	1.78	2.03	1.67	1.78	1.67	1.68	1.87	1.92	1.68	1.92
9	Bad debts to Account receivable ratio (%) [Bad Debts / Average Trade Receivable]	9%	6%	9%	9%	9%	10%	6%	9%	10%	9%
10	Current liability ratio (%) [Current liabilities excl. Current borrowings / Total liabilities]	36%	31%	24%	36%	24%	21%	24%	18%	21%	18%
11	Debtors Turnover ratio (times) [(Sales of Products and Services / Average Trade Receivable)] - Annualised	13.23	10.13	15.32	12.61	12.79	17.79	12.21	16.60	15.96	13.22
12	Inventory Turnover ratio (times) [(Sales of Products and Services / Average Inventory)] - Annualised	10.29	11.01	12.58	9.81	10.50	10.07	10.26	11.59	9.04	9.23
13	Operating Margin (%) [(Profit before Depreciation, Interest, Tax and Exceptional Item Less Other Income) / Sales of Products and Services]	7%	10%	15%	9%	18%	6%	8%	12%	7%	17%
14	Net Profit Margin (%) [Profit after tax / Sales of Products and Services]	0%	3%	3%	2%	7%	16%	(5)%	(4)%	0%	4%



Notes:

1 The above standalone and 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 May 10, 2023. The results for the year ended March 31, 2023 have been audited and for the quarter ended March 31, 2023 have been reviewed by the statutory auditors. The statutory auditors of the Company have expressed an unmodified opinion on the financial results for the year ended March 31, 2023 and have issued an unmodified conclusion in respect of the limited review of the quarter ended March 31, 2023.

2 Consolidated Segment information:

Particulars	Consolidated				
	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	(Refer note 8)	(Unaudited)	(Refer note 8)	(Audited)	(Audited)
1. Segment revenue					
(a) Cement	62,154	57,373	49,976	2,22,954	1,58,976
(b) Power *		2,872	3,890		13,143
Total	62,154	60,245	53,866	2,22,954	1,72,119
Less: Inter segment revenue *		2,672	3,694		12,432
Revenue from operations	62,154	57,573	50,172	2,22,954	1,59,687
2. Segment results Profit(+)/ Loss(-) before tax and interest					
(a) Cement	17,835	929	3,006	22,011	18,427
(b) Power *		(145)	(21)		39
Total	17,835	784	2,985	22,011	18,466
Less:	5,191	5,138	4,713	20,164	9,248
(ii) Un-allocable income (Net of un-allocable expense) *		(1,432)	(390)		(1,182)
Total Profit/ (loss) before tax	12,644	(2,922)	(1,338)	1,847	10,400

Particulars	(₹ in lakhs)		
	As at March 31, 2023	As at December 31, 2022	As at March 31, 2022
	(Audited)	(Unaudited)	(Audited)
Segment assets			
(a) Cement	3,82,327	2,45,981	2,38,622
(b) Power *		30,270	30,424
(c) Unallocated *		89,095	67,387
Total assets	3,82,327	3,65,346	3,36,433
Segment liabilities			
(a) Cement	2,13,434	57,295	41,964
(b) Power *		470	222
(c) Unallocated *		1,52,212	1,63,303
Total liabilities	2,13,434	2,09,977	2,05,489

* With effect from January 01, 2023, the Company has combined the "Power" segment with the "Cement" segment based on an assessment of operations by the Chief Operating Decision Maker (CODM). Accordingly, as at March 31, 2023, the Company had one business segment as per Ind AS 108 viz., Cement.

3 The standalone and 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":

- Sagar Cements Limited (Parent company)
- Jajpur Cements Private Limited (wholly owned subsidiary company)
- Sagar Cements (M) Private Limited (formerly Satguru Cement Private Limited) (subsidiary company)
- Andhra Cements Limited (subsidiary company) (w.e.f. March 18, 2023) (Refer note 6)

5 The Board of Directors of the Company in their meeting on January 28, 2022 approved the proposed Scheme of Amalgamation of its wholly owned subsidiary Jajpur Cements Private Limited (JCPL) with the Company subject to necessary approval from the authorities concerned under section 230 and 232 of the Companies Act 2013. Upon approval of the Scheme from the concerned authorities, the undertakings of Jajpur Cements Private Limited shall get transferred to and vested in the Company with the Appointed Date of April 01, 2022 or such other date as the Hon'ble National Company Law Tribunal may approve. Pending such approval, the standalone financial results of the Company for the quarter ended December 31, 2022 and year ended March 31, 2023 are presented without giving effect to the said merger.

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 acquired control 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. The purchase consideration has been allocated on a provisional basis resulting in a Capital Reserve of ₹ 1,914 Lakhs as at March 31, 2023.

Consequent to the above acquisition, the consolidated results of the current quarter/year are strictly not comparable to the previous quarter/year.

7 The Board of Directors at their meeting held on May 10, 2023, recommended a final dividend of ₹ 0.70 per equity share of ₹ 2 each (35%) on the 13,07,07,548 equity shares of the Company. This is subject to approval of the shareholders in the upcoming Annual General Meeting.



8 The figures for the current quarter and quarter ended March 31, 2022, are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and March 31, 2022, respectively and published year to date figures up to third quarter ended December 31, 2022 and December 31, 2021, respectively, which were subject to limited review by the statutory auditors.

Place: Hyderabad
Date: May 10, 2023



For Sagar Cements Limited

A handwritten signature in black ink, appearing to read "Dr. S. Anand Reddy".

Dr. S. Anand Reddy
(Managing Director)

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SAGAR CEMENTS LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2023 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2023" of **Sagar Cements Limited** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2023:

- i. is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2023

With respect to the Standalone Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India and 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.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2023

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

JK

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2023 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2023 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 of the Listing Regulations.

M

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2023

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2023 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 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 SAs specified under section 143(10) of the Act 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.

JK

Deloitte Haskins & Sells

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our report on the Statement is not modified in respect of this matter.

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



C Manish Muralidhar
Partner
(Membership No. 213649)

Place: Hyderabad
Date: May 10, 2023
UDIN: 23213649BGVBYC7510

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SAGAR CEMENTS LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2023 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2023" of **SAGAR CEMENTS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33, and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit report of the other auditor on separate financial statements of subsidiary referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2023:

i. includes the results of the following entities:

- a. Sagar Cements Limited, the Parent
- b. Jajpur Cements Private Limited, India (Wholly Owned Subsidiary)
- c. Andhra Cements Limited (Subsidiary) (w.e.f March 18, 2023)
- d. Sagar Cements (M) Private Limited (Subsidiary) (formerly Satguru Cement Private Limited)

ii. is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2023.

b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2023

With respect to the Consolidated Financial Results for the quarter ended March 31, 2023, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review report of the other auditor referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.

JM

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2023

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditor in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2023, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, 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.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

M

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2023 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.

JK

Deloitte Haskins & Sells

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which is audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2023

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2023 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 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 SAs specified under section 143(10) of the Act 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.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

u

Deloitte Haskins & Sells

- We did not audit the financial statements of a subsidiary included in the consolidated financial results, whose financial statements / financial information reflect total assets of ₹ 90,881 Lakhs as at March 31, 2023 and total revenues of ₹ Nil Lakhs and ₹ Nil Lakhs for the quarter and year ended March 31, 2023 respectively, loss after tax of ₹ 410 Lakhs and ₹ 410 Lakhs for the quarter and year ended March 31, 2023 respectively and total comprehensive loss of ₹ 410 Lakhs and ₹ 410 Lakhs for the quarter and year ended March 31, 2023 respectively and net cash outflows of ₹ 959 Lakhs for the year ended March 31, 2023, as considered in the Statement. This financial information has been audited, as applicable, by other auditor whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of the other auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

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

C Manish Muralidhar
Partner
(Membership No. 213649)

Place: Hyderabad
Date: May 10, 2023
UDIN: 23213649BQVBYD6133



SAGAR CEMENTS LIMITED

DECLARATION

Pursuant to Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified on May 25, 2016, we hereby declare and confirm that Auditors' Reports on the Standalone and Consolidated Annual financial Results of the company for the quarter and year ended March 31, 2023 are "unmodified".

For Sagar Cements Limited

Dr.S.Anand Reddy
Managing Director

Place: Hyderabad

Date : May 10, 2023



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