

24th June, 2020

To The Manager (Listing) Corporate Relationship Department BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	To The Manager (Listing) The Listing Department The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex Bandra (East), Mumbai – 400 051
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Dear Sir,

Sub : Outcome of Board Meeting Dated 24th June, 2020

This is to inform you that the Board of Directors at their meeting held today have approved the Audited Financial Results for the quarter and financial year ended 31st March, 2020 along with the Statement of Assets and Liabilities and cash flow statement.

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

1. Audited Financial Results for the quarter and financial year ended 31st March, 2020.
2. Auditors Report on Audited Financial Results for the quarter and financial year ended 31st March, 2020.
3. Declaration on Unmodified opinion in respect of aforesaid Auditors Report.

The Board Meeting commenced at 3.30 p.m. and concluded at 6.50 p.m.

Kindly take the same on your records.

Thanking you,

Yours faithfully,

For **Sanghi Industries Ltd.**



Anil Agrawal
Company Secretary



Encl : As above

Sanghi Industries Limited

CIN No. : L18209TG1985PLC005581

Registered Office : P.O. Sanghinagar, Hayatnagar Mandal, R R District, Telangana - 501511.

Tel. : 08415 - 242240 E-mail : companysecretary@sanghicement.com

Website : www.sanghicement.com

SANGHI INDUSTRIES LIMITED

CIN : L18209TG1985PLC005581

Regd. Office : Sanghinagar P.O., Hayatnagar Mandal,

R.R.Dist., Telangana. - 501 511 Email ID for Investors : companysecretary@sanghiment.com

Tel. 08415-242240, Website : www.sanghiment.com

**Statement of Audited Financial Results for the Quarter and Year Ended 31st March 2020**

(₹ in Lacs)

Sr. No.	Particulars	Quarter Ended 31.03.2020	Previous Quarter Ended 31.12.2019	Corresponding Quarter Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
		Audited (Refer Note 6)	Unaudited	Audited (Refer Note 6)	Audited	Audited
1	Income					
	a) Revenue from operations	22,161.02	18,715.99	27,596.26	88,754.85	1,06,096.77
	b) Other Income	237.41	242.58	738.05	1,246.04	2,726.43
	Total Income	22,398.43	18,958.57	28,334.31	90,000.89	1,08,823.20
2	Expenses					
	a) Cost of Material consumed	2,744.30	3,099.89	2,514.57	9,587.05	8,908.90
	b) Changes in inventories of Finished goods and WIP	(1,049.14)	(2,069.81)	167.21	(2,413.39)	816.00
	c) Employee benefits expenses	1,111.11	1,245.62	1,034.06	4,826.52	4,167.93
	d) Power and Fuel	5,290.89	4,882.27	7,015.10	21,625.81	29,862.64
	e) Stores & Consumables	877.71	754.47	1,066.80	3,601.32	4,462.29
	f) Selling & Distribution	6,231.80	5,528.79	9,282.62	25,866.07	36,678.28
	g) Depreciation and Amortisation expense	1,636.31	1,550.09	1,340.03	6,208.11	7,133.57
	h) Finance Costs	2,159.57	2,079.57	1,356.65	7,796.33	5,732.92
	i) Other operating expenditure	1,811.67	1,394.05	1,913.81	6,367.28	5,800.85
	Total expenses	20,814.22	18,464.94	25,690.85	83,465.10	1,03,563.38
3	Profit / (Loss) before exceptional items & tax(1-2)	1,584.21	493.63	2,643.46	6,535.79	5,259.82
4	Exceptional items					-
5	Profit / (Loss) before tax (3-4)	1,584.21	493.63	2,643.46	6,535.79	5,259.82
6	Tax expense/(credit) (including Deferred Tax)	-	-	-	-	-
7	Net Profit / (Loss) for the period (5-6)	1,584.21	493.63	2,643.46	6,535.79	5,259.82
8	Other comprehensive income (Net of Tax)					
	items that will not be reclassified to profit & loss	(26.19)	(3.00)	(15.72)	(35.19)	(12.01)
9	Total Comprehensive income for the period (7+8)	1,558.02	490.63	2,627.74	6,500.60	5,247.81
10	Paid-up equity share capital (Face Value of ₹ 10/- each)	25,100.00	25,100.00	25,100.00	25,100.00	25,100.00
11	Other Equity				1,46,436.02	1,39,936.43
12	Earnings Per Share					
	(of ₹ 10/- each) (not annualised):					
	(a) Basic (based on weighted average)	0.63	0.20	1.05	2.60	2.10
	(b) Diluted (based on weighted average)	0.63	0.20	1.05	2.60	2.10



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 24, 2020
- 2 The outbreak of COVID 19 pandemic globally and in India has caused significant disturbance and slowdown of economic activity. Company has made an initial assessment of the likely adverse impact of the same on the business and financial risks. Management as at the date of approval of these financial results, expects to recover the carrying amount of all its assets including inventories, property, plant & equipment, trade receivables in the ordinary course of business as at balance sheet date and has conclude that that there is no material adjustments required in the financial statements.

Management believes that its impact is likely to be short term in nature and does not anticipate any medium to long term risk in the Company's ability to continue as Going Concern and meeting its liabilities as and when they fall due. However, the impact assessment of COVID-19 is a continuing process considering uncertainties involved therein, therefore, the company continues to monitor changes in future economic & business conditions.
- 3 The company's business operations comprise of a single operating segment viz. Cement & its allied products.
- 4 Effective 01 April, 2019, the Company adopted Ind AS 116 "Leases", as notified by the Ministry of Corporate Affairs in the Companies (Indian Accounting Standards) Amendment Rules, 2019, applied to all lease contracts existing on 01 April, 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use assets (ROU) at an amount equal to lease liability. Accordingly, the comparative information for the earlier periods is not restated. The adoption of this standard did not have any material impact on the profit of the current quarter, previous quarter and Year ended 31st March 2020
- 5 The 2,560 Secured, Listed, Rated, Redeemable, Non Convertible Debentures ("NCD") of face value of Rs. 10,00,000/- each aggregating Rs 256 crore of the Company as on 31st March 2020 are secured by way of first and second ranking pari passu charge on the Company's certain movable and immovable assets. The asset cover as on 31st March 2020 exceeds hundred percent of the principal amount of the said listed non convertible debentures.
- 6 The figures of the quarter ended March 31, 2020 and March 31, 2019 are the balancing figure between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the relevant financial year
- 7 Previous periods figures have been regrouped and rearranged wherever necessary.

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8 Statement of Asset and Liabilities

(₹ in Lacs)

Particulars	As at 31.03.2020 Audited	As at 31.03.2019 Audited
I ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	1,70,620.16	1,60,505.96
(b) Capital Work in Progress	1,00,413.43	43,682.10
(c) Deferred Tax Assets (Net)	8,604.71	8,604.71
(d) Other Non Current Assets	1,968.01	10,341.36
Total Non Current Assets	2,81,606.31	2,23,134.13
2 Current Assets		
(a) Inventories	35,658.43	23,729.24
(b) Financial Assets		
(i) Trade Receivables	3,938.02	4,418.18
(ii) Cash and Cash Equivalents	228.27	45.27
(iii) Bank balances other than Cash and Cash Equivalent	5,164.28	16,620.10
(c) Other current assets	13,831.61	13,639.53
Total Current Assets	58,820.61	58,452.32
TOTAL ASSETS	3,40,426.92	2,81,586.45
II EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	25,100.00	25,100.00
(b) Other Equity	1,46,436.02	1,39,936.43
Total Equity	1,71,536.02	1,65,036.43
2 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Loans and Borrowings	88,021.73	52,118.35
(ii) Others	5,681.78	3,142.00
(b) Provisions	3,718.71	3,841.94
Total Non Current Liabilities	97,422.22	59,102.29
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	25,856.21	19,270.07
(ii) Trade Payables		
Total outstanding dues of Micro and Small Enterprises	6.01	8.40
Total outstanding dues of creditors other than Micro and Small Enterprises	13,291.15	19,295.55
(iii) Other Financial Liabilities	25,245.39	12,267.09
(b) Deferred Revenue	674.46	956.66
(c) Other Current Liabilities	2,398.57	2,354.73
(d) Provisions	3,996.88	3,295.23
Total Current Liabilities	71,468.67	57,447.73
Total Liabilities	1,68,890.90	1,16,550.02
TOTAL EQUITY AND LIABILITIES	3,40,426.92	2,81,586.45

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9 Statement of Cash Flow for the Year Ended 31st March 2020

(Rs. in Lacs)

	As at 31.03.2020	As at 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	6,535.79	5,259.82
Adjustments for:		
Depreciation and amortisation	6,208.11	7,133.63
Loss/(Profit) on sale of Fixed Assets	(38.48)	9.00
Exceptional cost	-	-
Interest Income	(719.74)	(2,206.36)
Foreign Exchange (gain)/loss	170.00	171.00
Interest and other Financial Charges	7,796.33	5,732.75
Operating Profit before Working Capital Changes	19,952.01	16,099.84
Adjustments for:		
(Increase)/Decrease in Inventories	(11,930.63)	(8,979.53)
(Increase)/Decrease in Trade Receivables	480.16	(1,210.18)
(Increase)/Decrease in Other Current Assets and Loans and Advances	(108.38)	(3,336.77)
Increase/(Decrease) in Trade Payables	(6,006.78)	6,033.95
Increase/(Decrease) in Long Term Provisions	-	-
Increase/(Decrease) in Other Current and Non-Current Liabilities and Provisions	4,628.21	3,726.25
Cash from operating activities	7,014.59	12,333.56
Income Taxes (paid) / Refund	117.42	(105.56)
Net Cash from operating activities	7,132.01	12,228.00
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Additions of Fixed Assets (including Capital Work-In-Progress)	(59,753.52)	(39,988.41)
Sale of Fixed Assets	436.08	30.00
Withdrawal/(Investment) in Fixed Deposit with Banks	11,455.83	26,143.90
Interest Received	765.04	2,626.29
Net Cash used in investing activities	(47,096.57)	(11,188.22)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Movement in Working Capital Borrowing	6,586.14	2,969.97
Increase in Long term borrowings	48,488.00	11,685.00
Repayment of long term borrowings	(7,064.73)	(10,104.88)
Interest and other Financial Charges	(7,861.85)	(5,585.90)
Cash from Financing activities	40,147.56	(1,035.81)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	183.00	3.97
Cash and Cash equivalents (Opening Balance)	45.27	41.30
Cash and Cash equivalents (Closing Balance)	228.27	45.27
Components of Cash and Cash Equivalents		
Cash and Cheques on hand	78.21	18.27
Bank Balances	150.06	27.00
Cash and Cash Equivalents as above as per Note 7	228.27	45.27

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Sr. No.	Particulars	As at 31.03.2020	
a	Credit Rating and change in credit rating (if any)	"ICRA A"	
b	Asset Cover available	2.22	
c	Debt Equity Ratio	0.58	
d	Previous due date for payment of Interest of NCDs		
	10.50% Secured, Rated, Listed, Redeemable, Non Convertible Debentures (INE999B07028)	06.03.2020	
	Interest has been paid (Yes/No)	Yes	
e	Previous due date for repayment of principal NCDs		
	10.50% Secured, Rated, Listed, Redeemable, Non Convertible Debentures (INE999B07028)	Not applicable	
	Principal has been paid (Yes/No)	Not applicable	
f	Next due date and amount for the payment of interest of NCDs	Date	Amount
	10.50% Secured, Rated, Listed, Redeemable, Non Convertible Debentures (INE999B07028)	07.09.2020	Rs. 1362.41 Lacs
g	Next due date and amount for the repayment of principal of NCDs	Date	Amount
	10.50% Secured, Rated, Listed, Redeemable, Non Convertible Debentures (INE999B07028)	05.03.2021	Rs. 8533.33 Lacs
h	Debt Service Coverage Ratio (refer note no.10.a)	1.38	
i	Interest Service Coverage Ratio (refer note no.10.b)	2.63	
j	Outstanding redeemable preference shares (quantity and value)	Not applicable	
k	Debenture Redemption Reserve as at 31.03.2020	Rs. 2,277.37 Lacs	
l	Net Worth	Rs 1,71,536.02 Lacs	
m	Net Profit after Tax (Total Comprehensive Income)	Rs. 6,500.60 Lacs	
n	Earning per Share		
	Basic (based on weighted average)	Rs. 2.60	
	Diluted (based on weighted average)	Rs. 2.60	

The Formula used for calculation of Ratios are as under

10. a Debt Service Coverage Ratio = Profit before Depreciation, Interest & Tax / (Interest + Principal Repayment of Long Term Loans)

10. b Interest Service Coverage Ratio = Profit before Depreciation, Interest & Tax / Interest

For Sanghi Industries Limited

Place : Ahmedabad
Date: 24th June 2020




(Ravi Sanghi)
Chairman and Managing Director

Chairman and Managing Director

Chaturvedi & Shah LLP
Chartered Accountants
714-715, Tulsiani Chambers,
212, Nariman Point,
Mumbai 400 021

S. K. Mehta & Co.
Chartered Accountants
302-306, Pragati Tower,
26, Rajendra Place,
New Delhi 110 008

Independent Auditors' Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Sanghi industries limited

Report on the audit of the Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date financial results of Sanghi Industries Limited ("the Company") for the quarter and year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the financial results" section of our report. 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 financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

We draw attention to Note No. 2 to the Statement, which describes the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standard 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 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error,

In preparing the Statement, 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 Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement 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 the Statement.

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 Statement, 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, Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the statement made by the Board of Directors.
- 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 Company's ability 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual 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 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.



Other Matters

The Statement included the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review, as required under the Listing Regulations.

For Chaturvedi & Shah LLP,
Chartered Accountants
Firm's Registration No: 101720W/W100355



Vitesh D. Gandhi
Partner
Membership Number: 110248

UDIN: 20110248AAAAAQ3953

Place: Mumbai
Date: June 24, 2020



For S.K Mehta & Co,
Chartered Accountants
Firm's Registration No:000478N



Rohit Mehta
Partner
Membership Number: 091382

UDIN: 20091382AAAAIH7086

Place: New Delhi
Date: June 24, 2020



SANGHI INDUSTRIES LIMITED

Krishna Commercial Centre, 110, B-Wing, 6-Udyog Nagar,
S. V. Road, Near Kamath Club, Goregaon (West), Mumbai - 400 062.
Tel : +91-22-28713120, Fax : +91-22-28713126,
Website : www.sanghicement.com



24th June, 2020

To The Manager (Listing) Corporate Relationship Department BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	To The Manager (Listing) The Listing Department The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex Bandra (East), Mumbai - 400 051
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Dear Sir,

Sub : Declaration pursuant to Regulation 33 (3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby declare that the Joint Statutory Auditors of the Company, M/s. Chaturvedi & Shah LLP., Chartered Accountants, (FRN: 101720W/W100355), and M/s. S. K. Mehta & Co., Chartered Accountants, (FRN: 000478N), have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2020.

This declaration is issued in compliance of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on your records.

For Sanghi Industries Limited

Bina Engineer

Bina Engineer
Chief Financial Officer

Date: 24th June, 2020

To,

Sanghi Industries Limited,
Sanghinagar P.O.
Hayatnagar Mandal,
R R District,
Telangana - 501 511

Dear Sir,

Certificate for receipt and noting of information

Ref: Regulation 52(5) of SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015


We are acting in capacity of Debenture Trustee for Non-Convertible Debentures issued by Sanghi Industries Limited ("the Company").

Pursuant to Regulation 52(5) of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements), Regulations, 2015, **"We hereby certify that we have taken note of the contents of the reports submitted to us by the company under Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements), Regulations, 2015 for the half year ended 31st March, 2020".**

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid regulations, for onward submission to Stock Exchange(s) by the Company.

Thanking You,

Yours faithfully,
For IDBI Trusteeship Services Limited,


Authorised Signatory

