

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 concluded 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.

8 Statement of Asset and Liabilities

(₹ in Lacs)

| Particulars | As at | As at |
|--|--------------------|--------------------|
| | 31.03.2020 | 31.03.2019 |
| | Audited | 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 |

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 |

| 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 | |
| l | 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

Sd/-
(Ravi Sanghi)
Chairman and Managing Director