

MANGALAM CEMENT LIMITED

Regd. Office: P.O. Adityanagar-326620, Morak, Distt. Kota (Rajasthan)

CIN-L26943RJ1976PLC001706

Website : www.mangalamcement.com email : communication@mangalamcement.com

AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH-2020



(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED
1	Revenue from Operations	29679.89	30903.86	31950.08	122825.10	119959.65
2	Other Income	711.73	715.31	1059.12	2972.58	2389.64
3	Total Income (1 + 2)	30391.62	31619.17	33009.20	125797.68	122349.29
4	Expenses					
	a) Cost of Materials Consumed	5112.50	5301.62	4766.13	19719.16	19926.62
	b) Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(1931.73)	(1432.94)	1252.14	(5487.44)	1369.38
	c) Employee Benefits Expense	2740.31	2704.83	2098.71	10877.09	8894.29
	d) Power and Fuel	7956.19	8881.17	9068.48	33631.72	38192.85
	e) Packing, Distribution & Selling Expenses	8202.47	8604.40	10284.54	33111.95	36781.94
	f) Finance Costs	1711.77	1632.46	1805.74	6327.50	5078.24
	g) Depreciation and Amortisation Expense	1257.23	1232.88	1141.09	4867.50	4612.47
	h) Other Expenses	2999.26	2760.55	2369.63	11036.16	9085.93
	TOTAL EXPENSES	28048.00	29684.97	32786.46	114083.64	123941.72
5	Profit/(Loss) Before Tax (3-4)	2343.62	1934.20	222.74	11714.04	(1592.43)
6	Tax expenses					
	a) Income Tax / MAT	400.02	332.58	-	1919.36	-
	b) Income Tax for earlier year (Net)	-	-	(33.81)	77.77	(33.81)
	c) Deferred Tax charge/(credit)	392.06	357.78	89.20	2126.70	(584.90)
	Total Tax	792.08	690.36	55.39	4123.83	(618.71)
7	Net Profit/(Loss) for the Period (5-6)	1551.54	1243.84	167.35	7590.21	(973.72)
8	Other comprehensive Income/(Loss) (Net of Tax) items that will not be reclassified to Profit & Loss	(65.65)	(22.96)	(22.87)	(185.88)	(14.98)
9	Total Comprehensive Income/(Loss) (After Tax) (7+8)	1485.89	1220.88	144.48	7404.33	(988.70)
10	Paid up Equity Share Capital (Face value Rs.10/-)	2669.38	2669.38	2669.38	2669.38	2669.38
11	Other Equity				54921.26	47677.83
12	Basic and Diluted EPS (in Rs.)	5.81	4.66	0.62	28.43	(3.65)

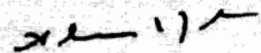
Statement of Assets and Liabilities is as under:-				(Rs.in Lakhs)	
S.No.	Particulars			As at 31.03.2020	As at 31.03.2019
				AUDITED	AUDITED
A ASSETS					
1 Non-Current Assets					
	a)	Property, Plant and Equipment		88745.87	81088.06
	b)	Capital Work-in-Progress		2073.88	7299.08
	c)	Right-of-use Assets		1925.25	-
	d)	Other Intangible Assets		872.62	1002.56
	e)	Financial Assets			
	i)	Investments		3485.22	2758.78
	ii)	Other Financial Assets		1019.40	942.27
	f)	Other Non Current Assets		7833.07	2282.57
		Total -Non Current Assets		105955.31	95373.32
2 Current Assets					
	a)	Inventories		16417.99	11663.42
	b)	Financial Assets			
	i)	Investments		3031.94	538.63
	ii)	Trade Receivable		2691.14	3523.95
	iii)	Cash and Cash Equivalents		6332.00	66.53
	iv)	Bank Balance other than (iii) above		2030.59	1307.08
	v)	Loans and Deposits		7872.71	12220.00
	vi)	Other Financial Assets		2733.76	1988.94
	c)	Current Tax Assets (net)		494.16	581.27
	d)	Other Current Assets		11708.19	14143.06
		Total - Current Assets		53312.48	46032.88
		TOTAL ASSETS		159267.79	141406.20
B EQUITY AND LIABILITIES					
Equity					
	a)	Equity Share Capital		2669.38	2669.38
	b)	Other Equity		54921.26	47677.83
		Total -Equity		57590.64	50347.21
Liabilities					
1 Non-Current Liabilities					
	a)	Financial Liabilities			
	i)	Borrowings		34834.55	29178.85
	ii)	Other Financial Liabilities		4331.00	3967.25
	iii)	Lease Liabilities		105.00	-
	b)	Provisions		2283.28	1897.20
	c)	Deferred Tax Liabilities (net)		5651.42	3601.53
	d)	Other Non Current Liabilities		209.92	-
		Total - Non-Current Liabilities		47415.17	38644.83
2 Current Liabilities					
	a)	Financial Liabilities			
	i)	Borrowings		14421.91	11376.76
	ii)	Trade payables			
		Total outstanding dues of micro enterprises and small enterprises		1.53	126.89
		Total outstanding dues of creditors other than micro enterprises and small enterprises		18036.14	16545.19
	iii)	Other Financial Liabilities		14121.89	16822.77
	iv)	Lease Liabilities		50.12	-
	b)	Other Current Liabilities		5130.42	5671.09
	c)	Provisions		1735.89	1871.46
	d)	Current Tax Liabilities		764.08	-
		Total - Current Liabilities		54261.98	52414.16
		TOTAL EQUITY AND LIABILITIES		159267.79	141406.20

NOTES

1. The Board of Directors has recommended a dividend of Rs. 1.00 (Rupee One) only per equity share of Rs.10 each subject to approval of shareholders for the year ended 31st March, 2020.
2. The figures for three months ended 31st March, 2020 and 31st March, 2019 are the balancing figure between audited figures in respect of the full financial year and published year to date figures up to the nine months of the current financial year.
3. Effective from April 1, 2019, the Company has adopted Ind AS 116 "Leases" using modified retrospective approach, accordingly comparative information has not been restated. The adoption of the new standard has resulted in recognising a right of use assets and corresponding lease liabilities. The effect of the adoption does not have any material impact on the financial results.
4. The Company has only one business segment, which is cement.
5. The Company's operations were affected during the quarter ended 31st March, 2020 due to lockdown announced on account of COVID-19 pandemic by State/Central Govt. w.e.f. 23rd March, 2020. Company has re-started its operations in compliance of guidelines dated 15th April, 2020 issued by Govt. of India after seeking necessary permission and approvals and following social distancing, hygiene and other safety measures. The Company expects to recover the carrying amount of all its assets including inventories, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Company is continuously monitoring any material changes in future economic conditions.
6. Scheme of Amalgamation between Mangalam Timber Products Limited with Mangalam Cement Limited ("the Company") w.e.f. April 1, 2019 (appointed date), has been filed with respective NCLTs. Mangalam cement Ltd had to defer the meeting of Equity shareholders and its creditors scheduled to happen on 18th April'20, because of nationwide lockdown and shall conduct the meeting on getting a fresh date from NCLT-Jaipur bench. Mangalam timber application was scheduled to be heard on 31st march'20 but could not happen because of the lockdown and the same application has been reheard on 12th June but order has been reserved for pronouncement. The meetings shall be held as a per direction received from NCLT-Cuttack bench. Pending sanction of the scheme, no impact has been considered in these financial results.
7. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on 17th June, 2020.

Place: Kolkata
Date: 17th June, 2020

By Order of the Board



Anshuman Vikram Jalan
Co-Chairperson

DIN : 01455782

Mangalam Cement Ltd.

Statement of Cash Flow for the year ended 31st March, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

	Year ended 31st March, 2020	Year ended 31st March, 2019
	Audited	Audited
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit / (Loss) before tax	11,714.04	(1,592.43)
<i>Adjustments for:</i>		
Depreciation and amortization expense	4,867.50	4,612.47
Finance costs	6,327.50	5,078.24
Interest income	(1,849.21)	(659.72)
Net loss on sale of property, plant and equipment	15.25	14.90
((Gain) / Loss on foreign exchange fluctuation	-	14.06
Gain on fair valuation of financial assets measured at FVTPL	(328.79)	(352.05)
Net gain on sale of investments	(39.74)	(277.76)
Loss on interest rate swap	13.36	30.32
Operating profit before working capital Changes	20,719.91	6,868.03
Changes in Working Capital		
Increase/ (decrease) in trade and other payables	2,802.43	6,583.02
(Increase)/ decrease in trade and other receivables	3,957.22	(4,566.50)
(Increase)/ decrease in inventories	(4,754.57)	(465.71)
Cash generated from operation	22,724.99	8,418.84
Income taxes refund /(Paid)	(1,143.29)	18.13
Net cash flow from operating activities (A)	21,581.70	8,436.97
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(16,715.44)	(10,244.41)
Sale of property, plant and equipment	88.48	147.18
Purchase of investments	(10,950.00)	(20,960.00)
Sale of investments	8,026.87	21,903.40
Inter Corporate Deposits given	(9,077.71)	(10,700.00)
Inter Corporate Deposits refunded back	13,425.00	2,020.00
Movement in fixed deposits	(1,193.65)	(81.23)
Interest received	788.83	276.81
Net cash flow used in Investing activities (B)	(15,607.62)	(17,638.25)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest and financial charges	(6,338.95)	(5,410.25)
Dividend paid (including dividend distribution tax)	(160.91)	(160.91)
Payment of lease liability	(76.86)	-
Proceed from borrowings from Government	533.84	-
Proceeds from non current borrowings	19,273.91	20500.00
Repayment of non current borrowings	(15,984.79)	(8870.84)
Net proceed from current borrowings	3,045.15	2,218.13
Net Cash Flow used in financing activities (C)	291.39	8,276.13
Net increase/(decrease) in cash and cash equivalents	6,265.47	(925.15)
Cash and cash equivalents at the beginning of the year	66.53	991.68
Cash and cash equivalents at the end of the year	6,332.00	66.53

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

To the Board of Directors of Mangalam Cement 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 Mangalam Cement 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 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "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. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income for the quarter ended March 31, 2020, net profit and other comprehensive income for the year ended March 31, 2020 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), as 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 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 audit opinion.

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 gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the applicable 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 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 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, management is 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 management 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 these 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 system 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 made by management.
- Conclude on the appropriateness of management's 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 represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 Matter

The Statement includes 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 by us, as required under the Listing Regulations.

Date: June 17, 2020

Place: Noida (Delhi – NCR)



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E


Bimal Kumar Sipani
Partner

Membership No. 088926
UDIN : 20088926AAAAEJ4825