



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2019-20

24th July 2019

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
Series: EQ

Scrp Code: 502090

Dear Sirs

Regulation 33 of SEBI (LODR) Regulations 2015 – Furnishing of Un-audited Financial Results

Further to our letter dated 27th June, 2019, we are pleased to forward herewith our un-audited stand-alone and consolidated financial results for the first quarter ended 30th June, 2019, which were taken on record and approved by the Board at their meeting held on today, after review by its Audit Committee. We are also forwarding herewith the Limited Review Report furnished by our Statutory Auditors on the above financial results, which was also taken on record by our Board at their said meeting.

Thanking you

Yours faithfully
For Sagar Cements Limited

R. Soundararajan
Company Secretary

- Encl: 1. Results
2. Limited Review Certificate (Stand-alone and Consolidated)



SAGAR CEMENTS LIMITED
CIN No: L26842TG1981PLC002887
Plot No. 111, Road No. 10, Jubilee Hills, Hyderabad - 500 033, Phone: +91 40 23351571 Fax: +91 40 2330573
STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

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

Sl. No.	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
		(Unaudited)	(Audited) (Refer note 7)	(Unaudited)	(Audited)	(Unaudited)	(Audited) (Refer note 7)	(Unaudited)	(Audited)
1	Income								
	(a) Revenue from operations	25,436	26,826	19,842	90,201	34,420	36,584	27,490	121,755
	(b) Other income	465	393	366	1,506	145	89	54	288
	Total income	25,901	27,219	20,208	91,707	34,565	36,673	27,544	122,043
2	Expenses								
	(a) Cost of materials consumed	4,523	5,109	2,376	15,650	5,742	6,501	3,412	19,929
	(b) Purchase of stock-in-trade	1,054	1,229	656	3,701	1,064	784	656	2,595
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(219)	(267)	2,309	1,744	(735)	63	1,683	1,356
	(d) Employee benefits expense	1,265	1,415	1,266	5,200	1,473	1,587	1,412	5,875
	(e) Finance costs	782	864	740	3,322	1,495	1,653	1,411	6,339
	(f) Depreciation and amortisation expense	1,212	1,194	842	4,410	1,780	1,740	1,363	6,570
	(g) Power and fuel expenses	6,317	7,179	4,809	25,408	8,686	9,884	7,566	36,276
	(h) Freight and forwarding	4,016	4,357	4,055	17,398	6,006	6,694	5,878	25,246
	(i) Other expenses	3,201	3,633	2,199	11,167	4,312	4,876	3,249	15,537
	Total expenses	22,161	24,773	19,252	88,000	29,833	33,802	26,620	119,723
3	Profit before tax (1 - 2)	3,740	2,446	956	3,707	4,732	2,871	924	2,320
4	Tax expense								
	(a) Current tax	312	585	206	874	312	585	206	874
	(b) Deferred tax	982	171	44	171	1,469	411	136	87
	Total tax	1,294	756	250	1,045	1,781	996	342	961
5	Net Profit for the period (3 - 4)	2,446	1,690	706	2,662	2,951	1,875	582	1,359
6	Other comprehensive income								
	(i) Items that will not be reclassified to profit or loss	-	(253)	-	(253)	-	(286)	-	(286)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	88	-	88	-	100	-	100
	Total Other comprehensive income	-	(165)	-	(165)	-	(186)	-	(186)
7	Total comprehensive income (5+6)	2,446	1,525	706	2,497	2,951	1,689	582	1,173
8	Profit attributable to:								
	Owners of the Company	-	-	-	-	2,955	-	-	-
	Non-controlling interest	-	-	-	-	(4)	-	-	-
		-	-	-	-	2,951	-	-	-
9	Total comprehensive income attributable:								
	Owners of the Company	-	-	-	-	2,955	-	-	-
	Non-controlling interest	-	-	-	-	(4)	-	-	-
		-	-	-	-	2,951	-	-	-
10	Paid up equity share capital (Face value of ₹ 10 per share)				2,040				2,040
11	Other equity				88,129				82,343
12	Earnings per share (Basic & Diluted) of ₹ 10 each	11.99	8.28	3.46	13.05	14.47	9.19	2.85	6.66

(*) - Annualised

The above standalone and consolidated unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 24, 2019. The statutory auditors have carried out a limited review of the financial results.

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").



3 Consolidated Segment information:

Based on the "management approach" as defined in IND AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on analysis of various performance indicators by the business segments. Accordingly, information has been presented along these business segments. The accounting principles used in presentation of financial statements are consistently applied to record revenue and expenditure in individual segments.

Particulars	(₹ in lakhs)			
	Consolidated			
	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
(Unaudited)	(Audited) (Refer note 7)	(Unaudited)	(Audited)	
1. Segment revenue				
(a) Cement	34,388	36,577	27,411	121,220
(b) Power	1,875	2,090	2,111	8,377
Total	36,263	38,667	29,522	129,597
Less: Inter segment revenue	1,843	2,083	2,032	7,842
Revenue from operations	34,420	36,584	27,490	121,755
2. Segment results Profit(+)/ Loss(-) before tax and interest				
(a) Cement	6,303	4,635	2,330	9,051
(b) Power	(123)	(200)	(49)	(680)
Total	6,180	4,435	2,281	8,371
Less:				
(i) Interest expenses (finance costs)	1,495	1,653	1,411	6,339
(ii) Un-allocable income (Net of un-allocable expense)	(47)	(89)	(54)	(288)
Total Profit before tax	4,732	2,871	924	2,320

Particulars	(₹ In lakhs)		
	As at June 30, 2019	As at March 31, 2019	As at June 30, 2018
	(Unaudited)	(Audited)	(Unaudited)
Segment assets			
(a) Cement	171,318	152,305	141,578
(b) Power	12,436	13,270	13,010
(c) Unallocated	9,419	10,536	9,244
Total assets	193,173	176,111	163,832
Segment liabilities			
(a) Cement	33,653	32,955	43,099
(b) Power	517	1,082	502
(c) Unallocated	57,065	57,691	4,701
Total liabilities	91,235	91,728	48,302

- 4 Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' which replaces Ind AS 17 'Leases'. The Company has applied Ind AS 116 in accordance with para C5(b) of the standard. Right-of-use assets as at April 01, 2019 for leases classified as operating leases were recognised and measured at an amount equal to the lease liability (adjusted for any related prepayments/ accruals). As a result, the comparative information has not been restated. The effect of adopting this standard is not material on the net profit for the period.
- 5 During the quarter, the Company acquired 100% stake in Jajpur Cements Private Limited, 65% stake in Satguru Cement Private Limited and consolidated these entities with effect from May 02, 2019 and May 08, 2019 respectively. As at the reporting period end, the fair valuation of assets and liabilities has not been finalised and therefore the accounting for acquisition of these subsidiaries has been determined provisionally.
- 6 The consolidated financial results includes the results of:
- Sagar Cements Limited, India (parent company).
 - Sagar Cements (R) Limited (wholly owned subsidiary company)
 - Jajpur Cements Private Limited (wholly owned subsidiary company)
 - Satguru Cement Private Limited (subsidiary company)
- 7 The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2019 and the published year to date figures up to the third quarter ended December 31, 2018.



For Sagar Cements Limited

(Signature)
Dr. S. Anand Reddy
(Managing Director)

Place: Hyderabad
Date: July 24, 2019

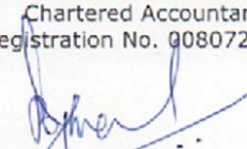
**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
SAGAR CEMENTS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results ("Results") of **SAGAR CEMENTS LIMITED** ("the Company") for the quarter ended June 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India. 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 Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 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.

For **DELOITTE HASKINS & SELLS**

Chartered Accountant:
(Firm's Registration No. 008072S)


Ganesh Balakrishnan
Partner
(Membership No. 201193)

Hyderabad, July 24, 2019
UDIN: 19201193AAAABI2288

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
SAGAR CEMENTS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **SAGAR CEMENTS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended June 30, 2019 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of the Parent'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 Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 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.
4. The Statement includes the results of the following entities:


Sagar Cements (R) Limited (wholly owned subsidiary), India
Satguru Cement Private Limited (subsidiary), India and
Jajpur Cements Private Limited (wholly owned subsidiary), India
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 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

**Deloitte
Haskins & Sells**

6. The consolidated unaudited financial results includes the interim financial information/ financial results of two subsidiaries, which have not been reviewed/ audited by their auditors, whose interim financial information/ financial results reflect total revenue of ₹ 40 lakhs, total loss after tax of ₹ 11 lakhs and total comprehensive loss of ₹ 11 lakhs for the quarter ended June 30, 2019, as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial information/ financial results are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial information/ financial results certified by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)


Ganesh Balakrishnan
Partner
(Membership No. 201193)

Hyderabad, July 24, 2019
UDIN: 19201193AAAABJ5785