



# SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2019-20

22nd May 2019

The National Stock Exchange of India Ltd.,  
"Exchange Plaza", 5<sup>th</sup> 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**

**Scrip Code: 502090**

Dear Sir,

**Audited Financial Results (Standalone and Consolidated) for the quarter / year ended March 31, 2019**

...

In continuation of our letter dated 3rd April 2019, 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, 2019.

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, 2019;
- Auditors' Report on the Audited 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 4.15 p.m. and concluded at 6.30 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.



**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  
**STATEMENT OF AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019**

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

Sl. No.	Particulars	Standalone					Consolidated				
		Quarter ended			Year ended		Quarter ended			Year ended	
		March 31, 2019 (Refer note 8)	December 31, 2018	March 31, 2018 (Refer note 8)	March 31, 2019	March 31, 2018	March 31, 2019 (Refer note 8)	December 31, 2018	March 31, 2018 (Refer note 8)	March 31, 2019	March 31, 2018
(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)		
1	<b>Income</b>										
	(a) Revenue from operations (Refer note 5)	26,826	23,236	20,968	90,201	77,601	36,584	31,911	29,488	121,755	107,772
	(b) Other income	393	385	459	1,506	1,850	69	61	173	288	730
	<b>Total income</b>	<b>27,219</b>	<b>23,621</b>	<b>21,427</b>	<b>91,707</b>	<b>79,461</b>	<b>36,673</b>	<b>31,992</b>	<b>29,661</b>	<b>122,043</b>	<b>108,502</b>
2	<b>Expenses</b>										
	(a) Cost of materials consumed	5,169	4,371	2,846	15,650	10,713	6,501	5,690	3,879	19,929	14,194
	(b) Purchase of Stock-in-trade	1,229	1,032	393	3,701	1,726	784	611	393	2,595	1,726
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-	(267)	1,355	376	1,744	(1,650)	83	691	510	1,356	(1,409)
	(d) Excise duty (Refer note 5)	-	-	-	-	2,802	-	-	-	-	3,963
	(e) Employee benefits expense	1,415	1,173	1,417	5,200	4,494	1,587	1,345	1,585	5,875	5,129
	(f) Finance costs	864	902	815	3,322	2,973	1,653	1,749	1,537	6,339	5,929
	(g) Depreciation and amortisation expense	1,194	1,186	906	4,410	3,330	1,740	1,753	1,417	6,570	5,362
	(h) Power and fuel expense	7,179	6,324	6,204	25,408	22,687	9,884	9,939	8,827	36,276	33,138
	(i) Freight and forwarding	4,357	4,547	4,234	17,398	15,121	6,694	6,754	6,341	25,246	21,793
	(j) Other expenses	3,633	2,833	2,926	11,167	9,656	4,876	3,867	4,076	15,537	14,110
	<b>Total expenses</b>	<b>24,773</b>	<b>23,723</b>	<b>20,117</b>	<b>88,000</b>	<b>71,852</b>	<b>33,802</b>	<b>32,399</b>	<b>28,565</b>	<b>119,723</b>	<b>103,935</b>
3	<b>Profit/(Loss) before tax (1 - 2)</b>	<b>2,446</b>	<b>(102)</b>	<b>1,310</b>	<b>3,707</b>	<b>7,609</b>	<b>2,871</b>	<b>(407)</b>	<b>1,096</b>	<b>2,320</b>	<b>4,567</b>
4	<b>Tax expense / (benefit)</b>										
	(a) Current tax	585	(9)	442	874	1,641	585	(9)	442	874	1,641
	(b) Deferred tax	171	(97)	219	171	1,029	411	(101)	180	87	300
	<b>Total Tax</b>	<b>756</b>	<b>(106)</b>	<b>661</b>	<b>1,045</b>	<b>2,670</b>	<b>996</b>	<b>(110)</b>	<b>622</b>	<b>961</b>	<b>1,941</b>
5	<b>Net Profit/(loss) for the period (3 - 4)</b>	<b>1,690</b>	<b>4</b>	<b>649</b>	<b>2,662</b>	<b>4,939</b>	<b>1,875</b>	<b>(297)</b>	<b>474</b>	<b>1,359</b>	<b>2,626</b>
6	<b>Other comprehensive income</b>										
	(i) Items that will not be reclassified to profit or loss	(253)	-	(31)	(253)	(31)	(286)	-	(19)	(286)	(19)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	88	-	11	88	11	100	-	7	100	7
	<b>Total Other comprehensive income</b>	<b>(165)</b>	<b>-</b>	<b>(20)</b>	<b>(165)</b>	<b>(20)</b>	<b>(186)</b>	<b>-</b>	<b>(12)</b>	<b>(186)</b>	<b>(12)</b>
7	<b>Total comprehensive income (5+6)</b>	<b>1,525</b>	<b>4</b>	<b>629</b>	<b>2,497</b>	<b>4,919</b>	<b>1,689</b>	<b>(297)</b>	<b>462</b>	<b>1,173</b>	<b>2,614</b>
8	<b>Paid up equity share capital (Face value of ₹ 10 per share)</b>				<b>2,040</b>	<b>2,040</b>				<b>2,040</b>	<b>2,040</b>
9	<b>Other equity (Refer note 7)</b>				<b>88,129</b>	<b>80,343</b>				<b>82,343</b>	<b>75,880</b>
10	<b>Earnings per share (Basic &amp; Diluted) of ₹ 10 each</b>	<b>8.28</b>	<b>0.02</b>	<b>3.18</b>	<b>13.05</b>	<b>24.21</b>	<b>9.19</b>	<b>(1.46)</b>	<b>2.26</b>	<b>6.66</b>	<b>12.87</b>
						(*)					(*)

(\*) - Annualised

**Notes:**

- The above standalone and consolidated audited financial results were reviewed by the Audit Committee and later approved by the Board of Directors at their respective meetings held on May 22, 2019. The statutory auditors have expressed an unmodified audit opinion on the said financial results.
- The above 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 Balance Sheet

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	73,810	55,233	117,832	98,500
(b) Capital work-in-progress	10,728	12,206	11,005	12,538
(c) Goodwill	-	-	3,873	3,873
(d) Intangible assets	14	15	2,710	2,882
(e) Financial assets				
(i) Investments	27,528	26,595	-	-
(ii) Loans	1,500	2,500	-	-
(iii) Other financial assets	1,883	1,435	2,084	1,584
(f) Advance income tax	84	71	102	71
(g) Deferred tax assets (net)	-	-	3,284	3,188
(h) Other non-current assets	1,319	5,123	1,346	5,260
<b>Total Non-current assets (1)</b>	<b>116,866</b>	<b>103,178</b>	<b>142,236</b>	<b>127,896</b>
<b>Current assets</b>				
(a) Inventories	10,611	6,757	14,501	9,491
(b) Financial assets				
(i) Trade receivables	7,814	5,847	11,561	9,258
(ii) Cash and cash equivalents	1,784	4,050	1,791	4,100
(iii) Bank balances other than (ii) above	1,022	1,597	1,159	1,710
(iv) Loans	500	-	-	-
(v) Other financial assets	4,366	4,200	305	382
(c) Other current assets	7,245	5,801	4,558	4,223
<b>Total Current assets (2)</b>	<b>33,342</b>	<b>28,252</b>	<b>33,875</b>	<b>29,164</b>
<b>TOTAL ASSETS (1+2)</b>	<b>150,208</b>	<b>131,430</b>	<b>176,111</b>	<b>157,060</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	2,040	2,040	2,040	2,040
(b) Other equity	88,129	80,343	82,343	75,880
<b>Total Equity (1)</b>	<b>90,169</b>	<b>82,383</b>	<b>84,383</b>	<b>77,920</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	14,171	13,783	30,582	32,972
(ii) Other financial liabilities	4,098	4,491	5,459	5,065
(b) Provisions	627	328	730	394
(c) Deferred tax liabilities (net)	4,113	4,030	4,113	4,030
(d) Other non-current liabilities	179	179	229	229
<b>Total Non-current liabilities (2)</b>	<b>23,188</b>	<b>22,811</b>	<b>41,113</b>	<b>42,690</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	10,655	9,577	13,886	11,526
(ii) Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises	25	3	45	3
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	14,987	7,838	20,339	13,677
(iii) Other financial liabilities	5,414	3,844	9,008	5,077
(b) Provisions	239	200	275	228
(c) Current tax liabilities (net)	756	232	756	232
(d) Other current liabilities	4,775	4,542	6,306	5,707
<b>Total Current liabilities (3)</b>	<b>36,851</b>	<b>26,236</b>	<b>50,615</b>	<b>36,450</b>
<b>TOTAL EQUITY AND LIABILITIES (1+2+3)</b>	<b>150,208</b>	<b>131,430</b>	<b>176,111</b>	<b>157,060</b>



4 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.

(₹ in lakhs)

Particulars	Consolidated				
	Quarter ended			Year ended	
	March 31, 2019 (Audited)	December 31, 2018 (Unaudited)	March 31, 2018 (Audited)	March 31, 2019 (Audited)	March 31, 2018 (Audited)
<b>1. Segment revenue</b>					
(a) Cement	36,577	31,693	29,400	121,220	107,195
(b) Power	2,090	2,376	2,269	8,377	7,690
<b>Total</b>	<b>38,667</b>	<b>34,069</b>	<b>31,669</b>	<b>129,597</b>	<b>114,885</b>
Less: Inter segment revenue	2,083	2,158	2,181	7,842	7,113
<b>Revenue from operations</b>	<b>36,584</b>	<b>31,911</b>	<b>29,488</b>	<b>121,755</b>	<b>107,772</b>
<b>2. Segment results Profit(+)/ Loss(-) before tax and interest</b>					
(a) Cement	4,635	1,395	2,462	9,051	10,263
(b) Power	(200)	(134)	(2)	(680)	(497)
<b>Total</b>	<b>4,435</b>	<b>1,261</b>	<b>2,460</b>	<b>8,371</b>	<b>9,766</b>
Less:					
(i) Interest expenses (finance costs)	1,653	1,749	1,537	6,339	5,929
(ii) Un-allocable income (Net of un-allocable expense)	(89)	(81)	(173)	(288)	(730)
<b>Total Profit / (Loss) Before Tax</b>	<b>2,871</b>	<b>(407)</b>	<b>1,096</b>	<b>2,320</b>	<b>4,567</b>

(₹ in lakhs)

Particulars	As at March 31, 2019	As at December 31, 2018	As at March 31, 2018
	(Audited)	(Unaudited)	(Audited)
	<b>Segment assets</b>		
(a) Cement	152,305	152,615	130,858
(b) Power	13,270	12,557	12,853
(c) Unallocated	10,536	9,897	13,349
<b>Total assets</b>	<b>176,111</b>	<b>175,069</b>	<b>157,060</b>
<b>Segment liabilities</b>			
(a) Cement	32,955	35,682	25,503
(b) Power	1,082	1,115	735
(c) Unallocated	57,691	61,233	52,902
<b>Total liabilities</b>	<b>91,728</b>	<b>98,030</b>	<b>79,140</b>

5 The Government of India has introduced the Goods and Services Tax (GST) with effect from July 01, 2017. Accordingly, in compliance with Indian Accounting Standards, Revenue from operations for the quarter and year ended March 31, 2019 and quarter ended December 31, 2018 and March 31, 2018, is net of GST. For the year ended March 31, 2018, Revenue from operations included excise duty for the period from April 01, 2017 to June 30, 2017, which is now subsumed in GST.

6 The consolidated financial results consists of results of SCL and its wholly owned subsidiary, Sagar Cements (R) Limited.

7 Pursuant to the approval accorded by the shareholders at their Extraordinary General Meeting held on January 08, 2019, the Company made a preferential allotment of 31,00,000 convertible warrants of ₹ 730 each aggregating to ₹ 22,630 lakhs to promoter and non-promoter group on January 24, 2019.

The proceeds of the above issue will be utilized for the company's investment in Satguru Cement Private Limited (SCPL) and Jajpur Cements Private Limited (JCPL) for setting up a green field integrated cement plant of 1 million MTPA capacity along with a provision for Waste Heat Recovery power plant at Indore and for setting up of a cement grinding plant of 1.5 million MTPA at Odisha respectively and for other general corporate purposes. The Company received 25% of the consideration upon allotment of warrants during the quarter.

The Company acquired 100% equity stake in JCPL on May 02, 2019. The Company also acquired equity shares in SCPL constituting 65% of the total equity capital of SCPL on May 08, 2019. Consequently, these companies have become subsidiaries of the Company.

8 The figures for the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto third quarter of the financial year.

9 The Board at its meeting held on today has recommended for the approval of the shareholders a dividend of ₹ 2.5 per equity share of ₹ 10 each (25 %) on the 2,04,00,000 equity shares for the year ended March 31, 2019.

10 Corresponding previous periods' figures have been regrouped/reclassified, wherever necessary.



Place: Hyderabad  
Date: May 22, 2019.



For Sagar Cements Limited

*S. Sreekanth Ruddy*

S. Sreekanth Ruddy  
(Joint Managing Director)



## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF SAGAR CEMENTS LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **SAGAR CEMENTS LIMITED** ("the Company"), for the year ended March 31, 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

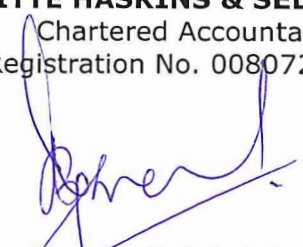
4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid 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 ended March 31, 2019.

102

**Deloitte  
Haskins & Sells**

5. The Statement includes the results for the Quarter ended March 31, 2019 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.

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



**Ganesh Balakrishnan**  
Partner  
(Membership No. 201193)

Place: Hyderabad  
Date: May 22, 2019

## INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF SAGAR CEMENTS LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **SAGAR CEMENTS LIMITED** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") for the year ended March 31, 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement 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 Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - a. includes the results of following entities:

**Parent:**

Sagar Cements Limited

**Subsidiary:**

Sagar Cements (R) Limited;

## **Deloitte Haskins & Sells**

- b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Group for the year ended March 31, 2019.
5. The Statement includes the results for the Quarter ended March 31, 2019 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.

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



**Ganesh Balakrishnan**  
Partner  
(Membership No. 201193)

Place: Hyderabad  
Date: May 22, 2019





# 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, 2019 are "unmodified opinions".

for Sagar Cements Limited

**S.Sreekanth Reddy**  
**Joint Managing Director**



Place: Hyderabad

Date : May 22, 2019

