



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2018-19

5th December 2018

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

Scrip Code: 502090

Dear Sirs

Outcome of the Board Meeting

1. Further to our letter dated 26th November, 2018, we are pleased to inform you that our Board of Directors which met today has approved of a proposal to invest a sum of Rs.150 crores in Satguru Cement Private Limited (SCPL), Indore, Madhya Pradesh, to set-up a green field cement manufacturing plant of 1 million ton capacity along with waste heat recovery power plant at a total cost of Rs.426 crores. SCL will be holding 65% in the equity share capital of SCPL on completion of the above projects.
2. Similarly, our Board has also approved of a proposal in the said meeting to invest a sum of Rs.108.00 crores in Jajpur Cements Private Limited (JCPL), Jajpur, Odisha in a phased manner to acquire 100% shareholding in it and to set-up through it a green field grinding unit of 1.5 million ton capacity in Jajpur at a total cost of Rs.308.10 crores. This Investment is subject to approval from the Government of Odisha and other regulatory authorities as may be required.
3. Barring unforeseen circumstances, both the above projects are being planned to be completed by 31st March, 2021.
4. To fund the above investments by SCL and to meet its other general corporate purposes, the Board of Directors have also approved of a proposal to issue 31,00,000 convertible warrants at a price not below Rs.725/- each on a preferential basis to the entities belonging to promoter and non-promoter groups in accordance with SEBI (ICDR) Regulations 2018 and other applicable regulations, subject to the approval as may be required from our shareholders and other regulatory authorities concerned.
5. We are further pleased to inform you that for seeking the approval of our shareholders for the proposed preferential issue mentioned above and other items requiring mandatory approvals, our Board has decided to convene an Extra-ordinary General Meeting of the members of the company on 8th January, 2019.

We may add that the setting-up of a cement manufacturing facility in Dhar district in Madhya Pradesh and a grinding unit in Jajpur, Odisha as proposed above would enable the company to extend its market presence in the newer areas of central and eastern parts of the country, with attractive margins and Inter-alia, mitigate our current regions specific risks.

Thanking you

Yours faithfully
For Sagar Cements Limited


R. Soundararajan
Company Secretary



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