



# SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2018-19

29th October 2018

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 Sirs

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

Further to our letter dated 15th October, 2018, we are pleased to forward herewith our un-audited stand-alone and consolidated financial results for the second quarter and half-year ended 30<sup>th</sup> September, 2018, 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: L26942TG1981PLC002887

Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033 Phone:+91 40 23351571 Fax:+91 40 23356573

**STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2018**

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

Sl. No.	Particulars	Standalone						Consolidated											
		Quarter ended			Six months ended			Year ended			Quarter ended			Six months ended			Year ended		
		September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018				
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)				
<b>1</b>	<b>Income</b>																		
	(a) Revenue from operations (Refer note 5)	20,297	19,842	17,112	40,139	38,613	77,601	25,770	27,490	23,505	53,260	53,344	107,772						
	(b) Other income	362	366	473	728	970	1,860	64	54	186	118	412	730						
	<b>Total income</b>	<b>20,659</b>	<b>20,208</b>	<b>17,585</b>	<b>40,867</b>	<b>39,583</b>	<b>79,461</b>	<b>25,834</b>	<b>27,544</b>	<b>23,691</b>	<b>53,378</b>	<b>53,756</b>	<b>108,502</b>						
<b>2</b>	<b>Expenses</b>																		
	(a) Cost of materials consumed	3,734	2,376	2,623	6,110	5,037	10,713	4,326	3,412	3,437	7,738	6,563	14,194						
	(b) Purchase of stock-in-trade	784	656	717	1,440	1,042	1,726	544	656	717	1,200	1,042	1,726						
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,653)	2,309	(2,013)	656	(2,125)	(1,650)	(1,101)	1,683	(2,167)	582	(1,927)	(1,409)						
	(d) Excise duty (Refer note 5)	-	-	-	-	2,802	2,802	-	-	-	-	3,963	3,963						
	(e) Employee benefits expense	1,346	1,266	1,078	2,612	2,046	4,494	1,531	1,412	1,261	2,943	2,362	5,129						
	(f) Finance costs	816	740	714	1,556	1,418	2,973	1,526	1,411	1,431	2,937	2,941	5,929						
	(g) Depreciation and amortisation expense	1,188	842	826	2,030	1,591	3,330	1,714	1,363	1,334	3,077	2,597	5,362						
	(h) Power and fuel expenses	7,096	4,809	5,784	11,905	11,306	22,687	8,897	7,556	8,311	16,453	16,501	33,138						
	(i) Freight and forwarding	4,439	4,055	3,612	8,494	7,266	15,121	5,920	5,878	5,026	11,798	10,159	21,793						
	(j) Other expenses	2,502	2,199	1,935	4,701	4,295	9,656	3,545	3,249	3,077	6,794	6,589	14,110						
	<b>Total expenses</b>	<b>20,252</b>	<b>19,252</b>	<b>15,276</b>	<b>39,504</b>	<b>34,678</b>	<b>71,852</b>	<b>26,902</b>	<b>26,620</b>	<b>22,427</b>	<b>53,522</b>	<b>50,790</b>	<b>103,935</b>						
<b>3</b>	<b>Profit before tax (1-2)</b>	<b>407</b>	<b>956</b>	<b>2,309</b>	<b>1,363</b>	<b>4,905</b>	<b>7,609</b>	<b>(1,068)</b>	<b>924</b>	<b>1,264</b>	<b>(144)</b>	<b>2,966</b>	<b>4,567</b>						
<b>4</b>	<b>Tax expense</b>																		
	(a) Current tax	92	206	493	298	1,047	1,641	92	206	493	298	1,047	1,641						
	(b) Deferred tax	53	44	224	97	583	1,029	(359)	136	(83)	(223)	68	300						
	<b>Total Tax</b>	<b>145</b>	<b>250</b>	<b>717</b>	<b>395</b>	<b>1,630</b>	<b>2,670</b>	<b>(267)</b>	<b>342</b>	<b>410</b>	<b>75</b>	<b>1,115</b>	<b>1,941</b>						
<b>5</b>	<b>Net Profit/(loss) for the period (3-4)</b>	<b>262</b>	<b>706</b>	<b>1,592</b>	<b>968</b>	<b>3,275</b>	<b>4,939</b>	<b>(801)</b>	<b>582</b>	<b>854</b>	<b>(219)</b>	<b>1,851</b>	<b>2,626</b>						
<b>6</b>	<b>Other comprehensive income</b>																		
	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(31)	-	-	-	-	-	(19)						
	(ii) Income tax relating to items that will not be reclassified to	-	-	-	-	-	11	-	-	-	-	-	7						
	<b>Total Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12)</b>						
<b>7</b>	<b>Total comprehensive income (5+6)</b>	<b>262</b>	<b>706</b>	<b>1,592</b>	<b>968</b>	<b>3,275</b>	<b>4,919</b>	<b>(801)</b>	<b>582</b>	<b>854</b>	<b>(219)</b>	<b>1,851</b>	<b>2,614</b>						
<b>8</b>	<b>Paid up Equity share capital (Face value of ₹ 10 per share)</b>						2,040						2,040						
<b>9</b>	<b>Other Equity</b>						80,343						75,880						
<b>10</b>	<b>Earnings per share (Basic &amp; Diluted) of ₹ 10 each</b>	1.28	3.46	7.80	4.75	16.05	24.21	(3.93)	2.85	4.19	(1.07)	9.07	12.87						
							(*)						(*)						

(\*) - Annualised

**Notes:**

- The above standalone and consolidated unaudited financial results were reviewed by the Audit Committee and later approved by the Board of Directors at their respective meetings held on October 29, 2018. The statutory auditors have carried out a limited review of these financial results.
- The standalone and consolidated financial results of the Company have been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ("IndAS") and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").



## 3 Statement of Assets and Liabilities

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	As at September 30, 2018	As at March 31, 2018	As at September 30, 2018	As at March 31, 2018
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	72,670	55,233	117,468	98,500
(b) Capital work-in-progress	6,959	12,206	7,101	12,538
(c) Goodwill	-	-	3,873	3,873
(d) Intangible assets	14	15	2,795	2,882
(e) Financial assets				
(i) Investments	27,063	26,595	-	-
(ii) Loans	2,500	2,500	-	-
(iii) Other financial assets	1,505	1,435	1,681	1,584
(f) Advance income tax	71	71	71	71
(g) Deferred tax assets (net)	-	-	3,508	3,188
(h) Other non-current assets	3,044	5,123	3,144	5,260
<b>Total Non-current assets (1)</b>	<b>113,826</b>	<b>103,178</b>	<b>139,641</b>	<b>127,896</b>
<b>Current assets</b>				
(a) Inventories	7,861	6,757	10,650	9,491
(b) Financial assets				
(i) Trade receivables	9,853	5,847	12,356	9,258
(ii) Cash and cash equivalents	23	4,050	28	4,100
(iii) Bank balances other than (ii) above	1,748	1,597	1,886	1,710
(iv) Other financial assets	4,381	4,200	464	382
(c) Other current assets	5,426	5,801	4,051	4,223
<b>Total Current assets (2)</b>	<b>29,292</b>	<b>28,252</b>	<b>29,435</b>	<b>29,164</b>
<b>Total Assets (1+2)</b>	<b>143,118</b>	<b>131,430</b>	<b>169,076</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	80,943	80,343	75,292	75,880
<b>Total Equity (1)</b>	<b>82,983</b>	<b>82,383</b>	<b>77,332</b>	<b>77,920</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	14,306	13,783	32,146	32,972
(ii) Other financial liabilities	4,335	4,491	5,838	5,065
(b) Provisions	400	328	477	394
(c) Deferred tax liabilities (net)	4,127	4,030	4,127	4,030
(d) Other current liabilities	179	179	229	229
<b>Total Non-current liabilities (2)</b>	<b>23,347</b>	<b>22,811</b>	<b>42,817</b>	<b>42,690</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	13,870	9,577	17,843	11,526
(ii) Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises	4	3	4	3
(b) total outstanding dues of creditors other than micro enterprises	13,552	7,838	18,346	13,677
(iii) Other financial liabilities	5,043	3,844	7,527	5,077
(b) Provisions	569	200	598	228
(c) Current tax liabilities (net)	227	232	227	232
(d) Other current liabilities	3,523	4,542	4,382	5,707
<b>Total Current liabilities (3)</b>	<b>36,788</b>	<b>26,236</b>	<b>48,927</b>	<b>36,450</b>
<b>Total Liabilities (4= 2+3)</b>	<b>60,135</b>	<b>49,047</b>	<b>91,744</b>	<b>79,140</b>
<b>Total Equity and Liabilities (1+4)</b>	<b>143,118</b>	<b>131,430</b>	<b>169,076</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.

Particulars	Consolidated					
	Quarter ended		Six months ended		Year ended	
	September 30, 2018 (Unaudited)	June 30, 2018 (Unaudited)	September 30, 2017 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2017 (Unaudited)	March 31, 2018 (Audited)
<b>1. Segment revenue</b>						
(a) Cement	25,539	27,411	23,374	52,950	52,994	107,195
(b) Power	1,800	2,111	1,669	3,911	3,511	76,890
<b>Total</b>	<b>27,339</b>	<b>29,522</b>	<b>25,043</b>	<b>56,861</b>	<b>56,505</b>	<b>114,885</b>
Less: Inter segment revenue	1,569	2,032	1,538	3,601	3,161	7,113
<b>Revenue from operations</b>	<b>25,770</b>	<b>27,490</b>	<b>23,505</b>	<b>53,260</b>	<b>53,344</b>	<b>107,772</b>
<b>2. Segment results [Profit/ (Loss) before tax and interest]</b>						
(a) Cement	691	2,330	2,676	3,021	5,780	10,263
(b) Power	(297)	(49)	(167)	(346)	(285)	(497)
<b>Total</b>	<b>394</b>	<b>2,281</b>	<b>2,509</b>	<b>2,675</b>	<b>5,495</b>	<b>9,766</b>
Less:						
(i) Interest expenses (finance costs)	1,526	1,411	1,431	2,937	2,941	5,929
(ii) Un-allocable income (Net of un-allocable expense)	(64)	(54)	(186)	(118)	(412)	(730)
<b>Total Profit/(Loss) Before Tax</b>	<b>(1,068)</b>	<b>924</b>	<b>1,264</b>	<b>(144)</b>	<b>2,966</b>	<b>4,567</b>

Capital employed (Segment assets – Segment liabilities)	(₹ in lakhs)			
	As at September 30, 2018 (Unaudited)	As at June 30, 2018 (Unaudited)	As at March 31, 2018 (Audited)	As at September 30, 2017 (Unaudited)
<b>Segment assets</b>				
(a) Cement	146,424	141,578	130,858	127,407
(b) Power	12,979	13,010	12,853	13,868
(c) Unallocated	9,673	9,244	13,349	18,012
<b>Total assets</b>	<b>169,076</b>	<b>163,832</b>	<b>157,060</b>	<b>159,287</b>
<b>Segment liabilities</b>				
(a) Cement	48,041	43,099	37,029	37,802
(b) Power	494	502	735	1,142
(c) Unallocated	6,120	4,701	5,069	5,355
<b>Total liabilities</b>	<b>54,655</b>	<b>48,302</b>	<b>42,833</b>	<b>44,299</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 six months ended September 30, 2018 and quarter ended June 30, 2018 is net of GST. For the quarter and six months ended September 30, 2017 and year ended March 31, 2018, Revenue from operations included excise duty for the period April 1, 2017 to June 30, 2017, which is now subsumed in GST.
- 6 The consolidated financial results include the results of the wholly owned subsidiary, Sagar Cements (R) Limited.
- 7 Corresponding previous period's figures have been regrouped/reclassified, wherever necessary.

Place: Hyderabad  
Date: October 29, 2018



For Sagar Cements Limited

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



## 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 Standalone Unaudited Financial Results ("Results") of **SAGAR CEMENTS LIMITED** ("the Company") for the quarter and six months ended September 30, 2018 included in the accompanying Statement of Unaudited Standalone and Consolidated Financial Results ("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.

This Statement which is the responsibility of the Company's Management and approved by the 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 issue a report on the Statement based on our review.

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the Statement, prepared in accordance with the aforesaid Indian Accounting Standards 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



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

Hyderabad, October 29, 2018

## 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 Consolidated Unaudited Financial Results ("Consolidated Results") of **SAGAR CEMENTS LIMITED** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") for the quarter and six months ended September 30, 2018 included in the accompanying Statement of Unaudited Standalone and Consolidated Financial Results ("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.

This Statement, which is the responsibility of the Parent's Management and approved by the 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 issue a report on the Statement based on our review.

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Consolidated Results includes the results of the Sagar Cements (R) Limited (Subsidiary of the Parent).
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the Statement, prepared in accordance with the aforesaid Indian Accounting Standards 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



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

Hyderabad, October 29, 2018