



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2017-18

24th January 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

Sub: Regulation 33 of SEBI (LODR) Regulations 2015 – Furnishing of Un-audited Standalone and Consolidated Financial Results for the third quarter and nine months period ended 31st December, 2017

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Further to our letter dated 9th January, 2018, we are pleased to forward herewith our un-audited standalone and consolidated financial results for the third quarter and nine months period ended 31st December, 2017, which were taken on record and approved by the Board at its meeting held on today, after review by its Audit Committee. We are also forwarding herewith the Limited Review Report furnished by our Statutory Auditors, which was also taken on record by our Board at its said meeting.

Thanking you

Yours faithfully
For Sagar Cements Limited



R. Soundararajan
Company Secretary

- Encl: 1. Results
2. Auditors' Certificate (Standalone and Consolidated)



SAGAR CEMENTS LIMITED
CIN No: L26942TG1981PLC002887

STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

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

Sl. No	Particulars	Standalone						Consolidated						
		Quarter ended			Nine months ended			Quarter ended			Nine months ended			Year ended
		December 31, 2017	September 30, 2017	December 31, 2016	December 31, 2017	December 31, 2016	March 31, 2017	December 31, 2017	September 30, 2017	December 31, 2016	December 31, 2017	December 31, 2016	March 31, 2017	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income													
	(a) Revenue from operations	18,020	17,112	14,155	56,633	43,759	62,000	24,940	23,505	22,125	78,284	67,065	94,159	
	(b) Other income	431	473	292	1,401	1,857	2,312	145	186	94	557	230	352	
	Total income	18,451	17,585	14,447	58,034	45,616	64,312	25,085	23,691	22,219	78,841	67,295	94,511	
2	Expenses													
	(a) Cost of materials consumed	2,830	2,623	1,519	7,867	5,165	7,214	3,752	3,437	2,270	10,315	7,454	10,310	
	(b) Purchase of stock-in-trade	291	717	-	1,333	-	-	291	717	-	1,333	-	-	
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	99	(2,013)	(122)	(2,026)	(964)	297	8	(2,167)	(489)	(1,919)	(1,751)	135	
	(d) Excise duty	-	-	1,919	2,802	5,860	8,424	-	-	3,001	3,963	9,091	12,775	
	(e) Employee benefits expense	1,031	1,078	924	3,077	2,728	3,635	1,182	1,261	970	3,544	3,119	4,311	
	(f) Finance costs	740	714	797	2,158	2,271	3,045	1,451	1,431	1,635	4,392	4,670	6,208	
	(g) Depreciation and amortisation expense	833	826	709	2,424	2,007	2,800	1,348	1,334	1,204	3,945	3,475	4,759	
	(h) Power and fuel expenses	5,177	5,784	3,671	16,483	12,823	17,589	7,810	8,311	6,055	24,311	19,576	27,189	
	(i) Freight and forwarding	3,621	3,612	2,438	10,887	7,284	10,091	5,293	5,026	3,897	15,452	11,032	15,112	
	(j) Other expenses	2,435	1,935	2,237	6,730	6,700	8,813	3,445	3,077	3,474	10,034	10,106	13,290	
	Total expenses	17,057	15,276	14,092	51,735	43,874	61,908	24,580	22,427	22,017	75,370	66,772	94,089	
3	Profit before tax (1-2)	1,394	2,309	355	6,299	1,742	2,404	505	1,264	202	3,471	523	422	
4	Tax expense													
	(a) Current tax	152	493	50	1,199	427	469	152	493	51	1,199	427	469	
	(b) Deferred tax	227	224	128	810	429	686	52	(83)	205	120	171	345	
	Total Tax	379	717	178	2,009	856	1,155	204	410	256	1,319	598	814	
5	Net Profit/(loss) for the period (3-4)	1,015	1,592	177	4,290	886	1,249	301	854	(54)	2,152	(75)	(392)	
6	Other Comprehensive Income													
	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(7)	-	-	-	-	-	(36)	
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	3	-	-	-	-	-	13	
	Total Other Comprehensive Income	-	-	-	-	-	(4)	-	-	-	-	-	(23)	
7	Total Comprehensive Income (5+6)	1,015	1,592	177	4,290	886	1,245	301	854	(54)	2,152	(75)	(415)	
8	Earnings per share (Basic & Diluted) of ₹10 each	4.98	7.80	1.01	21.03	5.08	6.98	1.48	4.19	(0.30)	10.55	(0.43)	(2.19)	

(*) - Annualised

Notes:

- The above unaudited financial results were reviewed by the Audit Committee and later approved by the Board of Directors at their respective meetings held on January 24, 2018. 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 recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.



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			Nine Months ended		
	December 31, 2017 (Unaudited)	September 30, 2017 (Unaudited)	December 31, 2016 (Unaudited)	December 31, 2017 (Unaudited)	December 31, 2016 (Unaudited)	Year ended March 31, 2017 (Audited)
I. Segment revenue						
(a) Cement	24,856	23,374	21,885	77,850	65,953	92,701
(b) Power	1,855	1,669	1,594	5,366	4,485	6,160
Total	26,711	25,043	23,479	83,216	70,438	98,861
Less: Inter segment revenue	1,771	1,538	1,354	4,932	3,373	4,702
Revenue from operations	24,940	23,505	22,125	78,284	67,065	94,159
2. Segment results (Profit)(+)/ Loss(-) before tax and interest from each segment						
(a) Cement	2,021	2,676	1,808	7,801	4,652	6,136
(b) Power	(210)	(167)	(64)	(495)	311	142
Total	1,811	2,509	1,744	7,306	4,963	6,278
Less:						
(i) Interest expenses (finance costs)	1,451	1,431	1,636	4,392	4,670	6,208
(ii) Un-allocable income (Net of un-allocable expense)	(145)	(186)	(94)	(557)	(230)	(352)
Total Profit Before Tax	505	1,264	202	3,471	523	422

Capital employed (Segment assets – Segment liabilities)	Consolidated			
	December 31, 2017 (Unaudited)	September 30, 2017 (Unaudited)	December 31, 2016 (Unaudited)	March 31, 2017 (Audited)
Segment assets				
(a) Cement	131,331	127,744	113,326	129,354
(b) Power	13,192	13,868	14,257	16,382
(c) Unallocated	15,710	17,675	9,602	7,584
Total assets	160,233	159,287	137,185	153,320
Segment liabilities				
(a) Cement	40,672	37,355	28,999	31,359
(b) Power	1,571	2,250	3,450	3,461
(c) Unallocated	3,879	4,696	5,279	3,107
Total liabilities	46,122	44,301	37,728	37,927

- 5 Revenue from operations for the quarter and nine months period ended December 31, 2017 are not comparable with the quarter and nine months period ended December 31, 2016, as revenues are presented net of Goods & Services Tax (GST) whereas excise duties were included in revenues with corresponding disclosure under 'Expenses'.
- 6 The consolidated financial results includes the results of its wholly owned subsidiary, namely Sagar Cements (R) Limited (formerly known as BMM Cements Limited).
- 7 Corresponding previous periods figures have been regrouped/reclassified, wherever considered necessary, to correspond with the current period's grouping.

Place: Hyderabad
Date: January 24, 2018



Sagar Cements Limited

S. Veera Reddy
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 nine months ended December 31, 2017 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 accompanying 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. 0080725)


Ganesh Balakrishnan

Partner
(Membership No. 201193)

Hyderabad, January 24, 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 nine months ended December 31, 2017 included in the accompanying Statement of Standalone and Consolidated Unaudited Financial Results 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 (Formerly known as BMM Cements Limited) (Subsidiary of the Company).
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying 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, January 24, 2018