



SAGAR CEMENTS LIMITED

SCL:SEC:NSE:BSE:2021-22

28th January 2022

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

Scrip Code: 502090

Series: EQ

Dear Sirs

Sub: Regulation 33 of SEBI (LODR) Regulations 2015 – Furnishing of Un-audited Stand-alone and Consolidated Financial Results for the third quarter and nine months period ended 31st December, 2021

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Further to our letter dated 6th January, 2022, we are pleased to forward herewith our un-audited stand-alone and consolidated financial results for the third quarter and nine months period ended 31st December, 2021, which were taken on record and approved by our Board at their meeting held on today, after review by the 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 the said meeting.

The above said meeting of the Board of Directors commenced at 4.00 p.m. and concluded at 5.00 p.m.

We would request you to kindly take the above information / documents on record.

Thanking you

Yours faithfully
For Sagar Cements Limited

R. Sundararajan
Company Secretary

Encl: as above



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Bayyavaram Village, Kasimkota Mandal, Visakhapatnam District, Andhra Pradesh - 531031. Phone : 08924-244550 Fax : 08924-244570

CIN : L26942TG1981PLC002887 GSTIN : 36AACCS8680H1ZZ

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 & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

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

Sl. No.	Particulars	Standalone						Consolidated					
		Quarter ended			Nine months ended			Quarter ended			Nine months ended		
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income												
	(a) Revenue from operations	24,819	26,614	25,975	79,831	69,671	1,00,170	33,365	36,893	36,367	1,09,515	95,367	1,37,132
	(b) Other income	727	633	569	2,040	1,599	2,069	192	257	199	925	607	778
	Total Income	25,546	27,247	26,544	81,871	71,270	1,02,239	33,557	37,150	36,566	1,10,440	95,974	1,37,910
2	Expenses												
	(a) Cost of materials consumed	4,690	4,840	4,043	14,447	9,940	15,210	6,133	6,375	5,335	19,034	12,955	19,710
	(b) Purchase of stock-in-trade	693	948	375	2,000	1,648	2,028	618	413	375	1,390	1,648	2,028
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,507)	(819)	979	(4,011)	1,385	1,389	(3,833)	(818)	1,269	(6,279)	2,053	2,236
	(d) Employee benefits expense	1,623	1,679	1,513	4,933	4,571	6,604	1,971	2,017	1,753	5,895	5,299	7,636
	(e) Finance costs	1,207	680	605	2,523	1,892	2,525	1,836	1,142	1,126	4,535	3,572	4,656
	(f) Depreciation and amortisation expense	1,424	1,360	1,420	4,115	4,219	5,620	2,186	1,993	2,034	6,120	6,053	8,055
	(g) Power and fuel expenses	9,081	7,729	4,289	23,275	11,509	17,536	13,301	11,204	6,754	34,515	17,305	26,143
	(h) Freight and forwarding	3,853	4,267	4,035	12,611	10,571	15,563	5,622	6,778	6,369	19,106	15,835	23,422
	(i) Other expenses	3,467	3,720	3,035	10,557	7,604	11,525	4,923	4,846	4,071	14,435	10,653	15,913
	Total expenses	23,531	24,404	20,294	70,450	53,339	78,000	32,757	33,950	29,086	98,751	75,373	1,09,799
3	Profit before tax (1 - 2)	2,015	2,843	6,250	11,421	17,931	24,239	800	3,200	7,480	11,689	20,601	28,111
4	Tax expense												
	(a) Current tax	560	841	1,983	3,688	4,746	6,610	560	841	1,983	3,688	4,746	6,610
	(b) Deferred tax	27	51	76	18	1,193	1,433	(222)	283	538	454	2,279	2,941
	Total tax	587	892	2,059	3,706	5,939	8,043	338	1,124	2,521	4,142	7,025	9,551
5	Net profit for the period/ year (3 - 4)	1,428	1,951	4,191	7,715	11,992	16,196	462	2,076	4,959	7,547	13,576	18,560
6	Other comprehensive income												
	(i) Remeasurements gain on defined benefit plans	-	-	-	-	-	12	-	-	-	-	-	11
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(4)	-	-	-	-	-	(4)
	Total Other comprehensive income	-	-	-	-	-	8	-	-	-	-	-	7
7	Total comprehensive income (5+6)	1,428	1,951	4,191	7,715	11,992	16,204	462	2,076	4,959	7,547	13,576	18,567
8	Profit attributable to:												
	Owners of the company							533	2,107	4,967	7,783	13,607	18,602
	Non-controlling interest							(71)	(31)	(8)	(236)	(31)	(42)
								462	2,076	4,959	7,547	13,576	18,560
9	Total comprehensive income attributable to:												
	Equity attributable to shareholders of the Company							533	2,107	4,967	7,783	13,607	18,609
	Non-controlling interest							(71)	(31)	(8)	(236)	(31)	(42)
								462	2,076	4,959	7,547	13,576	18,567
8	Paid up equity share capital (Face value of ₹ 2 per share) (Refer Note 8)						2,350						2,350
9	Other equity						1,22,283						1,18,103
10	Earnings per share (Basic & Diluted) of ₹ 2 each (Refer Note 8)	1.22	1.66	3.61	6.57	10.42	14.00	0.39	1.77	4.23	6.42	11.80	16.05
							(*)						(*)

(*) - Annualised



Notes:

1 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.

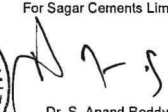
Particulars	Consolidated					
	Quarter ended			Nine months ended		Year ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment revenue						
(a) Cement	32,958	36,804	36,229	1,09,000	95,152	1,36,812
(b) Power	3,431	2,992	2,360	9,253	6,136	8,861
Total	36,389	39,796	38,589	1,18,253	1,01,288	1,45,673
Less: Inter segment revenue	3,024	2,903	2,222	8,738	5,921	8,541
Revenue from operations	33,365	36,893	36,367	1,09,515	95,367	1,37,132
2. Segment results Profit(+)/ Loss(-) before tax and interest						
(a) Cement	2,348	4,064	8,524	15,358	24,062	32,500
(b) Power	77	(9)	8	74	(51)	(61)
Total	2,425	4,055	8,532	15,432	24,011	32,439
Less:						
(i) Interest expenses (finance costs)	1,836	1,142	1,126	4,535	3,572	4,656
(ii) Un-allocable Income (Net of un-allocable expense)	(211)	(287)	(74)	(792)	(162)	(328)
Total Profit before tax	800	3,200	7,480	11,689	20,601	28,111

Particulars	(₹ in lakhs)			
	As at December 31, 2021	As at September 30, 2021	As at March 31, 2021	As at December 30, 2020
	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
Segment assets				
(a) Cement	2,46,480	2,29,329	1,93,253	1,83,382
(b) Power	30,758	31,329	32,623	32,578
(c) Unallocated	48,813	19,380	31,588	14,355
Total assets	3,26,051	2,80,038	2,57,464	2,30,315
Segment liabilities				
(a) Cement	39,618	41,760	39,434	34,631
(b) Power	200	294	265	253
(c) Unallocated	1,52,420	1,04,633	91,961	74,148
Total liabilities	1,92,238	1,46,687	1,31,660	1,09,032


- The above standalone and consolidated financial results of Sagar Cements Limited ("the Company") as reviewed by the Audit Committee has been approved by the Board of Directors at its meeting held on January 28, 2022. 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").
- The consolidated financial results includes the results of:
 - Sagar Cements Limited (parent company).
 - Sagar Cements (R) Limited (wholly owned subsidiary company)
 - Jajpur Cements Private Limited (wholly owned subsidiary company)
 - Sagar Cements (M) Private Limited (Formerly known as Satguru Cement Private Limited) (subsidiary company)
- COVID-19 is the infectious disease caused by the coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Group has adopted measures to curb the spread of infection in order to protect the health of the employees and ensure business continuity with minimal disruption. The Group has considered internal and certain external sources of information, including economic forecasts and industry reports, up to the date of approval of the financial results in determining the possible effects on the carrying amounts of investments made in the subsidiaries/Goodwill on consolidation, inventories, receivables, deferred tax assets and other current assets, that may result from the COVID-19 pandemic. The impact of the global health pandemic may be different from that of estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- The Board of Directors of the Company in their meeting on April 26, 2021 have approved the Scheme of Amalgamation of its wholly owned subsidiary Sagar Cements (R) Limited (SCRL) with the Company subject to necessary approval from the authorities concerned under section 230 and 232 of the Companies Act 2013. Merger application has been filed with the Hon'ble National Company Law Tribunal on July 12, 2021. Upon approval of the Scheme from the concerned authorities, the undertakings of Sagar Cements (R) Limited shall get transferred to and vested in the Company with effect from the Appointed Date i.e., March 30, 2021 or such other date as the Hon'ble National Company Law Tribunal may approve. Pending such approval, the standalone financial results of the Company for the quarters ended September 30, 2021 & December 31, 2021, nine month ended December 31, 2021 and year ended March 31, 2021 are presented without giving effect to the said merger.
- The Board of Directors, at their meeting held on July 01, 2021, recommended for the sub-division of equity shares of the Company from existing face value of Rs. 10/- each into face value of Rs. 2/- each (i.e. split of 1 equity share of Rs. 10/- each into 5 equity shares of Rs. 2/- each), and the same has been approved by the shareholders in the Annual General Meeting of the Company held on July 28, 2021. Accordingly, face value of the equity shares of the Company now stand at Rs. 2/- each w.e.f the record date namely August 18, 2021 and earnings per share has been accordingly restated for all the periods presented.
- Name of one of the subsidiary companies viz., Satguru Cement Private Limited has been changed into Sagar Cements (M) Private Limited with effect from October 29, 2021.
- On January 10, 2022, Jajpur Cements Private Limited, (a wholly owned subsidiary) has commenced the grinding operations at its newly implemented grinding plant of 1.5 MTPA capacity in Odisha.
- During the quarter, the Company issued 25,000 non-cumulative and non-convertible 11% debentures of Rs. 1,00,000/- each through private placement to fund its organic and inorganic growth.
- The Board of Directors at their meeting held on January 28, 2022, approved a proposal to merge with the company its wholly owned subsidiary "Jajpur Cements Private Limited", subject to necessary approvals to be obtained in due course.

Place: Hyderabad
Date: January 28, 2022

For Sagar Cements Limited



Dr. S. Anand Reddy
(Managing Director)



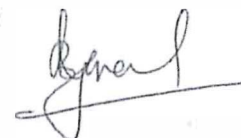
**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF

SAGAR CEMENTS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SAGAR CEMENTS LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2021 ("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 (ICAI). 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 Accountants
(Firm's Registration No. 008072S)



Ganesh Balakrishnan
(Partner)
(Membership No. 201193)
(UDIN: 22201193AAAABF1618)

Place: Hyderabad
Date: January 28, 2022

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

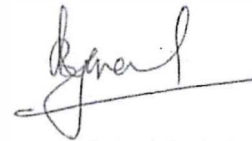
**TO THE BOARD OF DIRECTORS OF
SAGAR CEMENTS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited 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 and nine months ended December 31, 2021 ("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 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of 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:
 - a. Sagar Cements Limited, India (Parent Company)
 - b. Sagar Cements (R) Limited, India (Wholly Owned Subsidiary)
 - c. Jajpur Cements Private Limited, India (Wholly Owned Subsidiary) and
 - d. Sagar Cements (M) Private Limited, India (Subsidiary) (formerly known as Satguru Cement Private Limited)

**Deloitte
Haskins & Sells**

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, has not been 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, and 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 Accountants
(Firm's Registration No. 008072S)



Ganesh Balakrishnan
Partner
(Membership No. 201193)
(UDIN: 22201193AAAABE7097)

Place: Hyderabad
Date: January 28, 2022