



SAGAR CEMENTS LIMITED

SCL:SEC:BSE:2016-17

27th July 2016

The National Stock Exchange of India Ltd.,
"Exchange Plaza", 5th Floor
Bandra – Kurla Complex
Bandra (East)
Mumbai – 400 051

The Secretary
Bombay Stock Exchange Limited
P J Towers
Dalal Street
Mumbai – 400 001

Symbol: SAGCEM
Series: EQ

Scrip Code: 502090

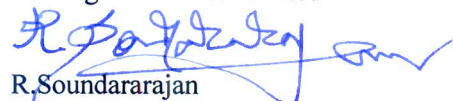
Dear Sirs

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

Further to our letter dated 15th July, 2016, we are pleased to forward herewith our un-audited standalone and consolidated financial results for the first quarter ended 30th June, 2016, 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, 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. Auditors' Certificate (Standalone and Consolidated)



Registered Office : Plot No. 111, Road No.10, Jubilee Hills, Hyderabad - 500 033.

Phone : +91-40-23351571, 23356572 Fax : +91-40-23356573 info@sagarcements.in www.sagarcements.in
CIN : L26942TG1981PLC002887



SAGAR CEMENTS LIMITED

STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

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

Sl. No	Particulars	Standalone				Consolidated	
		Quarter ended			Year ended	Quarter ended	Year ended
		June 30, 2016	March 31, 2016	June 30, 2015	March 31, 2016	June 30, 2016	March 31, 2016
		(Unaudited) (Refer Note 1)	(Audited) (Refer Note 1(d) and 6)	(Unaudited) (Refer Note 1(b))	(Audited) (Refer Note 1(d))	(Unaudited) (Refer Note 1)	(Audited) (Refer Note 1(d))
1	Income from operations						
	(a) Net sales / Income from operations (Net of excise duty)	13,549.03	15,211.32	18,470.03	61,827.46	19,734.35	75,100.83
	(b) Other operating income	91.22	126.37	27.52	348.76	8.46	241.41
	Total income from operations (Net)	13,640.25	15,337.69	18,497.55	62,176.22	19,742.81	75,342.24
2	Expenses						
	(a) Cost of materials consumed (Refer Note 3)	1,820.62	1,431.56	1,874.46	6,638.12	2,557.33	8,708.32
	(b) Purchase of stock-in-trade	-	-	1,887.35	6,483.60	-	4,686.19
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	873.54	(469.44)	624.48	176.65	503.41	291.19
	(d) Power and fuel expense	4,148.60	5,333.52	4,358.09	17,136.72	6,459.74	22,040.28
	(e) Freight and forwarding expense	2,378.75	2,950.12	3,052.29	10,056.41	3,291.86	12,048.43
	(f) Employee benefits expense	899.62	1,195.67	887.99	3,757.37	1,054.14	4,101.30
	(g) Depreciation and amortisation expense	644.27	750.54	557.98	2,336.76	1,126.96	3,364.88
	(h) Other expenses	2,218.71	2,318.15	1,965.15	8,323.89	3,277.46	11,065.79
	Total expenses	12,984.11	13,510.12	15,207.79	54,909.52	18,270.90	66,306.38
3	Profit from operations before other income, finance costs (1-2)	656.14	1,827.57	3,289.76	7,266.70	1,471.91	9,035.86
4	Other income	856.49	792.50	699.67	2,823.63	86.77	407.70
5	Profit from ordinary activities before finance costs (3+4)	1,512.63	2,620.07	3,989.43	10,090.33	1,558.68	9,443.56
6	Finance costs	690.00	863.97	327.09	2,903.49	1,433.17	4,176.67
7	Profit from ordinary activities before tax (5-6)	822.63	1,756.10	3,662.34	7,186.84	125.51	5,266.89
8	Tax expense/(benefit)	364.35	234.68	1,382.23	2,211.05	151.26	656.55
9	Net Profit/(Loss) for the period (7-8)	458.28	1,521.42	2,280.11	4,975.79	(25.75)	4,610.34
10	Paid-up equity share capital (face value ₹ 10 each)	1,738.80	1,738.80	1,738.80	1,738.80	1,738.80	1,738.80
11	Reserves excluding revaluation reserve	-	-	-	53,589.01	-	53,223.55
12	Earnings per share (Basic & Diluted) of ₹10 each [Not annualised]	2.64	8.75	13.11	28.62	(0.15)	26.51

(*) - Annualised

Notes:

- (a) The Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, are applicable to the Company and its subsidiary for periods commencing on or after April 01, 2016. The results for the quarter ended June 30, 2016 are as per the notified Ind AS.
- (b) Pursuant to the SEBI Circular CIR/CFD/FAC/62/2016 dated July 05, 2016, the published figures for the Standalone financial results for the quarter ended June 30, 2015 have been recast to Ind AS to the extent applicable to the company and have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015. They have not been subject to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- (c) A reconciliation between the standalone profits as reported earlier and the Ind AS recast profits for the Standalone financial results for the quarter ended June 30, 2015 is given below

Particulars	₹ in lakhs
Net Profit reported for the quarter ended June 30, 2015 (published)	2,269.78
Add: Interest cost	10.33
Net Profit recast to Ind AS for the quarter ended June 30, 2015	2,280.11
- (d) Submission of the Ind AS compliant financial results for the quarter and year ended March 31, 2016 not being mandatory are in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules 2006 and are as reported earlier.
- The above financial results were reviewed and recommended by the Audit Committee and later approved by the Board of Directors of the Company at their respective meetings held on July 27, 2016. The statutory auditors have carried out a limited review of the financial results.
- In the standalone financial results, the cost of materials consumed for the quarter ended March 31, 2016 includes a reversal of provision amounting to ₹ 448.00 lakhs which was created in the earlier quarters prior to the formation of District Mineral Foundation ("DMF") towards additional royalty payable under The Mines and Minerals (Development and Regulation) Amendment Act, 2015. The provision has been reversed based on legal advice received by the management.



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- 4 Segment information is presented for the consolidated financial results as permitted under the Ind AS 108 'Operating Segments' notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Accounting Standard (AS) 17 "Segment Reporting" notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014

Particulars	₹ in lakhs	
	Consolidated	
	Quarter ended June 30, 2016 (Unaudited) (Refer Note 1)	Year ended March 31, 2016 (Audited) (Refer Note 1(d))
1. Segment Revenue		
(a) Cement	19,030.47	70,706.31
(b) Power	1,457.76	6,781.99
Total	20,488.23	77,488.30
Less: Inter Segment Revenue	745.42	2,146.06
Net sales/Income From Operations	19,742.81	75,342.24
2. Segment Results (Profit)(+)/ Loss(-) before tax and interest from each segment)		
(a) Cement	1,307.78	8,103.86
(b) Power	164.13	932.00
Total	1,471.91	9,035.86
Less:		
i) Interest	1,433.17	4,176.67
(ii) Un-allocable income (Net of un-allocable income)	(86.77)	(407.70)
Total Profit Before Tax	125.51	5,266.89
3. Capital employed (Segment assets – Segment Liabilities)		
(a) Cement	72,022.12	70,040.11
(b) Power	12,395.84	12,196.58
(c) Unallocated	4,207.83	7,453.36
Total	88,625.79	89,690.05

- 5 In the corresponding quarter of the previous year, the Company did not have any subsidiary and hence comparative figures for consolidated results has not been presented.
- 6 The figures of the quarter ended March 31, 2016 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2016 and published year to date figures upto third quarter of financial year ended March 31, 2016.
- 7 Corresponding previous periods figures have been regrouped/reclassified, wherever considered necessary to correspond with the current period's grouping.

For Sagar Cements Limited

Place: Hyderabad
Date: July 27, 2016



S. Veera Reddy
S. Veera Reddy
Managing Director



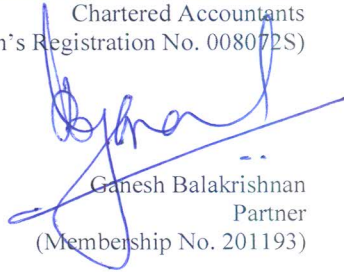
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INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SAGAR CEMENTS LIMITED

1. We have reviewed the Standalone Financial Results ("Results") of **SAGAR CEMENTS LIMITED** ("the Company") for the quarter ended June 30, 2016 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. The Results include in the 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 Results based on our review.
2. We conducted our review of the Results 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 Results 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 Results, 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.
4. We have not reviewed the financial results and other financial information for the Quarter ended June 30, 2015 which have been presented solely based on the financial information compiled by the Management.

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


Ganesh Balakrishnan
Partner
(Membership No. 201193)

SECUNDERABAD, July 27, 2016

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS**TO THE BOARD OF DIRECTORS OF
SAGAR CEMENTS LIMITED**

1. We have reviewed the accompanying Consolidated Financial Results ("Consolidated Results") of **SAGAR CEMENTS LIMITED** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the Quarter ended June 30, 2016 included in the accompanying Statement of Unaudited Standalone and Consolidated Financial Results ("the Statement"), being submitted by the Holding 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. The Consolidated Results included in the Statement, which is the responsibility of the Holding Company'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 Consolidated Results based on our review.
2. We conducted our review of the Consolidated Results 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 Consolidated Results are free of material misstatement. A review is limited primarily to inquiries of Holding 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. The Consolidated Results include the results of 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 Consolidated Results, 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)

SECUNDERABAD, July 27, 2016