



SAGAR CEMENTS (R) LIMITED

(A wholly owned subsidiary of SAGAR CEMENTS LIMITED)
(formerly known as BMM CEMENTS LIMITED)

SCL(R):SEC:NSE:2017-18

29th May 2017

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

Dear Sir,

Audited Financial Results for the half-year and year ended March 31, 2017

...

In continuation of our letter dated 16th May 2017, we wish to inform you that our Board of Directors at their meeting held today, approved the Audited Financial Results for the half-year / year ended March 31, 2017.

Pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose the following:

- (i) Statements showing the Audited Financial Results for the half-year and year ended March 31, 2017;
- (ii) Auditors' Report on the Audited Financial Results.
- (iii) Declaration with regard to Auditor's Report, being an unmodified one.

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

Thanking you

Yours faithfully
For Sagar Cements (R) Limited

R. Soundararajan
Company Secretary



Admin. Office: Plot No. 111, Road No. 10, Jubilee Hills, Hyderabad - 500033.

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

Registered Office: # 19/13, Old No.19/5, 19/6, 3rd Floor, Western Side, Kareem Towers, SRT Road, (Cunningham Road), Bengaluru-560052, Karnataka. Ph:080-41157020

Factory: Gudipadu Village and Post, Yadiki Mandal, Ananthapur District, Andhra Pradesh-515408. Phone: 08558-200272

CIN : U40300KA2007PLC043746

SAGAR CEMENTS (R) LIMITED (Formerly Known as BMM CEMENTS LIMITED)

CIN No: U40300KA2007PLC043746

Regd. Office: # 19/13, Old No.19/5, 19/6, 3rd Floor, Western Side, Kareem Towers, SRT Road, (Cunningham Road), Bengaluru-560 052, Karnataka
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE SIX MONTHS AND YEAR ENDED MARCH 31, 2017

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

Sl. No	Particulars	Six months ended	Year ended	Year ended
		March 31, 2017	March 31, 2017	March 31, 2016
		(audited)	(audited)	(audited)
		(Refer Note 10)		
1	Income from operations			
	(a) Revenue from operations (Refer Note 7)			
	(b) Other Income	18,162	34,268	24,614
	Total income	32	45	1,136
2	Expenses	18,194	34,313	25,750
	(a) Cost of materials consumed			
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,558	3,096	3,172
	(c) Excise duty (Refer Note 7)	257	(162)	(601)
	(d) Employee benefits expense	2,202	4,351	2,908
	(e) Finance costs	332	676	506
	(f) Depreciation and amortisation expense	2,165	5,167	5,431
	(g) Power and fuel expense	904	1,795	1,736
	(h) Freight & forwarding	6,390	11,349	8,372
	(i) Other expenses	2,732	5,021	2,831
	Total expenses	2,488	4,837	3,834
3	Loss before tax (1-2)	19,028	36,130	28,189
4	Tax expense/(benefit)	(834)	(1,817)	(2,439)
5	Net loss for the period (3-4)	(5)	(341)	207
6	Other Comprehensive Income	(829)	(1,476)	(2,646)
	(i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss	29	29	-
	Total Other Comprehensive Income	(10)	(10)	-
7	Total Comprehensive Income (5+6)	19	19	-
8	Earnings per share (Basic & Diluted) of ₹10 each [Not annualised]	(810)	(1,457)	(2,646)
9	Debt Equity Ratio (Refer Note 5)	(0.94)	(1.57)	(2.55)
10	Debt Service Coverage Ratio (Refer Note 5)	3.03	3.03	58.81
11	Interest Service Coverage Ratio (Refer Note 5)	0.15	0.25	0.16
12	Net worth (Refer Note 5)	1.03	1.06	0.83
		9,507	9,507	668

Notes:

- The above results were reviewed by the Audit Committee and later approved by the Board of Directors at their respective meetings held on May 29, 2017. The Statutory Auditors have expressed an unmodified audit opinion on the financial results.
- The Indian Accounting Standards (Ind AS), as notified under the Companies (Indian Accounting Standards) Rules, 2015, are applicable to Sagar Cements (R) Limited (the Company) for periods commencing on or after April 01, 2016. The results presented above are extracted from the audited financial statements which have been prepared in accordance with the prescribed Indian Accounting Standards (Ind AS). The results for the year ended March 31, 2016 are in accordance with Ind AS.
- Total Comprehensive Income reconciliation for the year ended March 31, 2016 is given below:

Particulars	Year ended March 31, 2016
Net loss reported (as published)	(2,617)
Recognition of borrowings using effective interest rate	3
Fair value of corporate guarantee	(4)
Mines restoration cost	(1)
Provision for expected credit loss	(27)
Total effect of transition to Ind AS	(29)
Loss for the year as per Ind AS	(2,646)
Other comprehensive income for the year	-
Net loss recast to Ind AS	(2,646)



4 Balance Sheet

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	43,675	44,441	43,932
(b) Capital work-in-progress	369	222	19
(c) Intangible assets	26	27	35
(d) Financial Assets			
(i) Other financial assets	635	747	371
(e) Deferred tax asset	2,463	2,113	2,319
(f) Advance Income tax	-	16	12
(g) Other non-current assets	68	130	96
Total Non-current Assets	47,236	47,696	46,784
Current assets			
(a) Inventories	3,739	2,483	367
(b) Financial Assets			
(i) Trade receivables	3,449	3,493	1,072
(ii) Cash and cash equivalents	62	281	36
(iii) Other Financial Assets	238	83	2
(c) Other current assets	1,446	1,188	896
Total Current Assets	8,934	7,528	2,373
Total	56,170	55,224	49,157
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10,381	10,381	10,381
(b) Other Equity	(874)	(9,713)	(7,468)
Total Equity	9,507	668	2,913
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	27,344	36,170	11,524
(ii) Other financial liabilities	608	626	23,066
(b) Provisions	37	26	25
(c) Other current liabilities	50	50	-
Total Non - Current Liabilities	28,039	36,872	34,615
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	3,761	1,786	1,526
(ii) Trade payables	6,357	4,157	2,173
(iii) Other financial liabilities	5,754	10,524	6,832
(b) Provisions	52	41	29
(c) Other current liabilities	2,700	1,176	1,069
Total Current Liabilities	18,624	17,684	11,629
Total Equity and Liabilities	56,170	55,224	49,157

Note:

Reconciliation of Equity attributable to the Equity Shareholders of the Company

S.No	Particulars	As at March 31, 2016	As at April 1, 2015
a)	Equity (shareholders' funds) under previous GAAP	304	2,920
b)	Recognition of borrowings using effective interest rate	(5)	(7)
c)	Fair valuation of corporate guarantee	397	-
d)	Mines Restoration expense	(1)	-
e)	Provision for expected credit loss	(27)	-
f)	Equity under Ind AS GAAP	668	2,913



- 5 Ratios have been computed as follows:
a) Debt equity ratio = Debt / Net Worth
[Debt: Long term secured loans + Long term unsecured loans]
[Net Worth: Equity share capital + Reserves and Surplus]
b) Debt service coverage ratio = Earnings before interest and tax / (Interest expense during the period + Principal repayment (excluding refinanced debt) for all the loans funds during the period)
c) Interest service coverage ratio = Cash profit after adjusting depreciation / Interest expense during the period.
[Cash profit after adjusting depreciation: Profit After Tax + Interest + Depreciation]
- 6 In the absence of profits for the period, the Company has not created Debenture Redemption Reserve during the period.
- 7 Pursuant to clarification by SEBI regarding Revenue recognition and Excise Duty issued on September 20, 2016, the 'Revenue from operations' have been disclosed inclusive of Excise Duty.
- 8 The company issued 1500 11.6% Non-Convertible Debentures (NCDs) of ₹10 lakhs each on March 23, 2016. These NCDs have been listed on the National Stock Exchange of India Limited (NSE) on April 6, 2016. The Company has become a listed entity with effect from the said date. The audited financial results were furnished for the first time on an annual basis for the year ended March 31, 2016 and hence financials results for the half year ended March 31, 2016 are not furnished in this statement.

The following are the additional disclosure as per Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2016:

S no.	Particulars	As at 31 March, 2017
(a)	Previous due date for the payment of interest of NCDs	November 28, 2016
(b)	Interest has been paid	Yes
(c)	Previous due date for the repayment of Principal of NCDs	Payment schedule starts from May 28, 2019
(d)	Next due date for the payment of interest of NCDs	May 28, 2017
(e)	Amount of interest payable (₹ in lakhs)	863
(f)	Next due date for the repayment of principal of NCDs	May 28, 2019
(g)	Amount of principal repayable (₹ in lakhs)	1,154

- (ii) The credit rating by CARE ratings for the NCDs issued by the Company is CARE BBB(SO) (Triple B (Structured obligation)).
- (iii) The Company continues to maintain 100% asset cover for the secured NCDs issued by it.
- 9 During the year the Company converted the balance of ₹ 17,200 lakhs against the loan availed from its holding Sagar Cements Limited into 4,30,00,000 8% cumulative redeemable preference shares of ₹ 10 each at a premium of ₹ 30 each.
- 10 The figures for the half year ended March 31, 2017 are arrived at as a difference between the audited figures in respect of the full financial year and published figures as of September 30, 2016.

Place: Hyderabad
Date: May 29, 2017



For Sagar Cements (R) Limited
S. Veera Reddy
S. Veera Reddy
Managing Director

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
SAGAR CEMENTS (R) LIMITED (Formerly BMM CEMENTS LIMITED)**

1. We have audited the accompanying Statement of Financial Results of **SAGAR CEMENTS (R) LIMITED** (Formerly BMM CEMENTS LIMITED) ("the Company"), for the year ended March 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016; and

- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Company for the year ended March 31, 2017.
4. The Statement includes the results for the half ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figure up to the half year ended September 30, 2016 of the current financial year which were subject to limited review by us.
5. The Statement does not include the results for the six months ended March 31, 2016 for the reasons stated in Note 8.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)


Ganesh Balakrishnan
Partner
(Membership No. 201193)

Secunderabad, May 29, 2017



SAGAR CEMENTS (R) LIMITED

(A wholly owned subsidiary of SAGAR CEMENTS LIMITED)
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DECLARATION

Pursuant to Regulation 33(3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified on May 25, 2016, we hereby declare and confirm that Auditor's Report on the financial Results of the company for the half-year / year ended March 31, 2017 is an "unmodified opinion".

for Sagar Cements (R) Limited

S. Veera Reddy
S. Veera Reddy
Managing Director



Place: Hyderabad
Date : May 29, 2017



Admin. Office: Plot No. 111, Road No.10, Jubilee Hills, Hyderabad - 500033.

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CIN : U40300KA2007PLC043746



SAGAR CEMENTS (R) LIMITED

(A wholly owned subsidiary of SAGAR CEMENTS LIMITED)
(formerly known as BMM CEMENTS LIMITED)

May 29, 2017

To
The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Kind attn.: Mr. Yogesh Deshmukh

Dear Sir,

Certificate for receipt and noting of information for the year ended March 31, 2017

[Pursuant to Regulation 52(4) of the SEBI (LODR) Regulations, 2015]

With reference to the above subject, we submit herewith the information and documents as per the provisions of Uniform Listing Agreement entered into with the NSE where Debt Securities of the Company are listed and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 thereunder for the year ended March 31, 2017, for dissemination to the debenture holders as mentioned below:

- (a) Credit rating and change in credit rating (if any) : Present rating BBB
Previous Rating BBB-
issued by CARE
- (b) Asset cover available, in case of non-convertible debt Securities : 1.51
- (c) Debt-equity ratio : 3.03
- (d) Previous due date for the payment of interest / dividend for non-convertible redeemable preference shares / repayment of principal of non-convertible preference shares / non-convertible debt securities and whether the same has been paid or not; and,
Previous due date for interest payment is 28th November, 2016 and same was paid.
- (e) Due date for the payment of interest:

S.No.	Due Date of Interest Amount	Amount of Interest payable
1.	28 th May, 2017	Rs.8,71,94,071.41

- (f) Debt service coverage ratio : 0.25
- (g) Interest service coverage ratio : 1.06
- (h) outstanding redeemable Debentures (Quantity and value) : 1500 redeemable Non Convertible Debentures of Rs.10 lakhs each
- (i) Debenture redemption reserve : Nil
- (j) Net worth : Rs.9507 Lakhs
- (k) Net profit after tax : Rs.-1476 Lakhs (Loss)
- (l) Earnings per share : -1.57

Yours faithfully,
For Sagar Cements (R) Limited


R.Soundararajan
Company Secretary



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

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Factory: Gudipadu Village and Post, Yadiki Mandal, Ananthapur District, Andhra Pradesh-515408 Phone: 08558-200272

CIN : U40300KA2007PLC043746

IDBI Trusteeship Services Ltd

CIN : U65991MH2001GOI131154



Ref. No.: /ITSL/OPR/2017-18
Date: May 29, 2017

Sagar Cements (R) Ltd.
(formerly known as BMM Cements Limited)
Plot no.111, Road no.10,
Jubilee Hills, Hyderabad- 500 03

Kind Attn: Mr. Raja Reddy

Subject: Certificate u/r 52(5) of SEBI (Listing Obligations & disclosure Requirements) Regulations, 2015, for Debentures Issue by Sagar Cements (R) Ltd., for the year ended March 31, 2017.

Dear Sir/Madam,

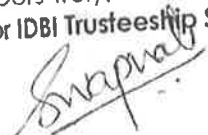
We are acting as Debenture Trustee for the Secured, Redeemable Non-Convertible Debentures issued by BMM Cements Limited ("The Company").

In terms of the provisions of Regulation 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, ('Regulations') we certify that we have taken note of the disclosures made by the Company in the letter enclosed hereto, under Regulation 52(4).

Thanking you.

Yours truly,

For IDBI Trusteeship Services Limited


Authorized Signatory

Encl. As above