



SAGAR CEMENTS (R) LIMITED

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

SCL(R):SEC:NSE:2018-19

29th May 2018

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

Dear Sir,

Audited Financial Results for the half-year and year ended March 31, 2018

...

In continuation of our letter dated 14th May 2018, 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, 2018.

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, 2018;
- (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

Encl.



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 BMM CEMENTS LIMITED)

CIN: U40300KA2007PLC043746

#19/13, Old No.19/15,19/6, 3rd Floor, Western Side, Karera Towers, SRT Road, (Cunningham Road), Bengaluru-560052, Karnataka Fax: +91 40 23356573

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE SIX MONTHS AND YEAR ENDED MARCH 31, 2018

SL No.	Particulars	(In Indian ₹ lakhs, except per share data and unless otherwise stated)				
		Six months ended March 31, 2018 (Refer Note 8)	Six months ended September 30, 2017 (Unaudited) (Refer Note 8)	Six months ended March 31, 2017 (Refer Note 8)	Year ended March 31, 2018	Year ended March 31, 2017
1	Income from operations					
	(a) Revenue from operations (Refer Note 7)	17,683	16,642	18,162	34,325	34,268
	(b) Other Income	21	29	32	50	45
	Total income	17,704	16,671	18,194	34,375	34,313
2	Expenses					
	(a) Cost of materials consumed	1,955	1,525	1,558	3,480	3,096
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	43	198	257	241	(162)
	(c) Excise duty (Refer Note 7)	-	1,162	2,202	1,162	4,351
	(d) Employee benefits expense	409	406	332	815	676
	(e) Finance costs	2,027	2,110	2,165	4,137	5,167
	(f) Depreciation and amortisation expense	943	925	904	1,868	1,795
	(g) Power and fuel expense	7,317	6,927	6,390	14,244	11,349
	(h) Freight & forwarding	3,780	2,892	2,732	6,672	5,021
	(i) Other expenses	2,247	2,385	2,488	4,632	4,837
	Total expenses	18,721	18,530	19,028	37,251	36,130
3	Loss before tax (1-2)	(1,017)	(1,859)	(834)	(2,876)	(1,817)
4	Tax expense/(benefit)	(215)	(514)	(5)	(729)	(341)
5	Net loss for the period (3-4)	(802)	(1,345)	(829)	(2,147)	(1,476)
6	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit or loss	12	-	(29)	12	(29)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(4)	-	10	(4)	10
	Total Other Comprehensive Income	8	-	(19)	8	(19)
7	Total Comprehensive Income (5+6)	(794)	(1,345)	(848)	(2,139)	(1,495)
8	Earnings per share (Basic & Diluted) of ₹ 10 each	(0.94)	(1.46)	(0.94)	(2.40)	(1.57)
9	Debt Equity Ratio (Refer Note 4)	4.11	3.40	3.03	4.11	3.03
10	Debt Service Coverage Ratio (Refer Note 4)	0.83	0.29	0.15	0.52	0.25
11	Interest Service Coverage Ratio (Refer Note 4)	0.96	0.78	1.03	0.76	1.06
12	Net worth (Refer Note 4)	7,368	8,164	9,507	7,368	9,507
					(*)	(*)

(*) - Not annualised

Notes:

1 The above audited financial results were reviewed by the Audit Committee and later approved by the Board of Directors at their respective meetings held on May 29, 2018. The statutory auditors have expressed an unmodified audit opinion on the financial results.

2 The 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 ("Ind AS") and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").



3 Balance Sheet

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	43,267	43,675
(b) Capital work-in-progress	332	369
(c) Other Intangible Assets	17	26
(d) Financial Assets		
(i) Other financial assets	370	635
(e) Deferred tax assets (net)	3,188	2,463
(f) Other non-current assets	137	68
Total Non - Current Assets (1)	47,311	47,236
Current assets		
(a) Inventories	2,734	3,739
(b) Financial Assets		
(i) Trade receivables	3,411	3,449
(ii) Cash and cash equivalents	50	62
(iii) Bank balances other than (ii) above	113	179
(iv) Other Financial Assets	34	59
(c) Other current assets	1,401	1,446
Total Current Assets (2)	7,743	8,934
Total Assets (1+2)	55,054	56,170
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	10,381	10,381
(b) Other Equity	(3,013)	(874)
Total equity (1)	7,368	9,507
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	27,229	27,344
(ii) Other financial liabilities	3,295	608
(b) Provisions	66	37
(c) Other current liabilities	50	50
Total Non - Current Liabilities (2)	30,640	28,039
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,949	3,761
(ii) Trade payables	5,840	6,357
(iii) Other financial liabilities	5,085	5,754
(b) Provisions	28	52
(c) Other current liabilities	4,144	2,700
Total Current Liabilities (3)	17,046	18,624
Total Equity and Liabilities (1+2+3)	55,054	56,170



- 4 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]

5 In the absence of profits for the year, the Company has not created Debenture Redemption Reserve during the year.

6 The Company had issued 11.6% Non-Convertible Debentures (NCDs) on March 23, 2016. Following are the additional disclosure as per Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2016:

(i)

S No.	Particulars	As at March 31, 2018
(a)	Previous due date for the payment of interest of NCDs	November 28, 2017
(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, 2018
(e)	Amount of interest payable (₹ in lakhs)	877
(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 India Ratings for the NCD's issued by the Company is 'IND A - /' stable.

(iii) The Company continues to maintain 100% asset cover for the secured NCDs issued by it.

7

The Government of India introduced the Goods and Services Tax (GST) with effect from July 01, 2017. Accordingly, in compliance with Indian Accounting Standards (Ind AS) 18- 'Revenue', Revenue for the operations for the half year ended March 31, 2018, and year ended 31 March 2018 (from July 1, 2018) is net of GST. For the quarter ended and year ended 31 March 2017, Revenue from operations includes excise duty which is now subsumed in GST.

8 The figures for the half year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to half year of the financial year.

9 Corresponding previous period's figures have been regrouped/reclassified, wherever necessary.

Place: Hyderabad
Date: May 29, 2018



For Sagar Cements (R) Limited

S.Sahithi
Executive 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** ("the Company"), for the year ended March 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. 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.
3. 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.

4. 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, 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, 2018.

Deloitte Haskins & Sells

5. The Statement includes the results for the Half Year ended March 31, 2018 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, 2017 of the current financial year which were subject to limited review by us.

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



Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Hyderabad
Date: May 29, 2018



SAGAR CEMENTS (R) LIMITED

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

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 Auditors' Report on the Annual financial Results of the company for the quarter and year ended March 31, 2018 is an "unmodified opinion".

For Sagar Cements (R) Limited


S.Sahithi
Executive Director

Place: Hyderabad
Date : May 29, 2018



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, 2018

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, 2018
[Pursuant to Regulation 52(5) 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 thereunder for the year ended March 31, 2018, for dissemination to the debenture holders as mentioned below:

- (a) Credit rating and change in credit rating (if any) : Present rating Ind A- stable
Previous Rating BBB
- (b) Asset cover available, in case of non-convertible debt Securities : 1.57
- (c) Debt-equity ratio : 4.11
- (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 29th May, 2018 and same was paid.

- (e) A copy of Certificate submitted to the Stock Exchange under Regulation 57(1) of the SEBI (LODR) Regulations, 2015.
- (f) Next due date for the payment of interest:

S.No.	Due Date of Interest payment	Amount of Interest payable
1.	28 th November, 2018	Rs.8,77,15,068.50

- (g) Debt service coverage ratio : 0.52
- (h) Interest service coverage ratio : 0.76
- (i) outstanding redeemable Debentures (Quantity and value) : 1500 redeemable Non convertible Debentures of Rs.10 lakhs each
- (j) Debenture redemption reserve : Nil
- (k) Net worth : Rs.7368 Lakhs
- (l) Net profit after tax : Rs.-2147 Lakhs (Loss)
- (m) Earnings per share : -2.40

Yours faithfully,

For Sagar Cements (R) Limited

R.Soundararajan
Company Secretary



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CIN : U40300KA2007PLC043746



C. RAMACHANDRAM & CO.
CHARTERED ACCOUNTANTS

3-6-237, Unit # 606,
Lingapur La Builde Complex,
Himayatnagar, Hyderabad - 500 029.
Ph : 23264144/45, 23223787
E-mail : crcooca@gmail.com

May 29, 2018

To
The Board of Directors
Sagar Cements (R) Limited
Plot No.111, Road No.10
Jubilee Hills
Hyderabad – 500 033

Sub: Statutory Compliance – Periodical Report for the year ended 31st March, 2018.

M/s Sagar Cements (R) Limited (formerly known as BMM Cements Limited) having its Registered office at # 19/13, Old No.19/5, 19/6, 3rd Floor, Western Side, Kareem Towers, SRT Road, (Cunningham Road), Bengaluru – 560052 has issued 1500 Secured, redeemable, Non-convertible Debentures (NCD's) of face value of Rs.10,00,000/- each aggregating to Rs. 150 Crores on Private placement. In this regard, we certify that:

The proceeds of the issue were utilized for refinancing the existing financial indebtedness and to meet the working capital requirements for which the issue was made as mentioned in the offer document.

(a) Asset cover available, in case of non-convertible debt Securities	:	1.57
(b) Debt-equity ratio	:	4.11
(c) Debt service coverage ratio	:	0.52
(d) Interest service coverage ratio	:	0.76
(e) outstanding redeemable Debentures (Quantity and value)	:	1500 Redeemable Non-convertible Debentures of Rs.10 lakhs each aggregating to Rs.150 crores
(f) Debenture redemption reserve	:	Nil
(g) Net worth	:	Rs.7368 Lakhs
(h) Net profit after tax	:	Rs.-2147 Lakhs (Loss)
(i) Earnings per share	:	-2.40

for C. Ramachandram & Co.,
Chartered Accountants
Firm No. 002846S

B.S.Narayan

B.S.Narayan
Partner
M.No. 025009



IDBI Trusteeship Services Ltd

CIN : U65991MH2001GOI131154



Ref. No.: ITSL/OPR/2018-19/2061

Date: May 29, 2018

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, 2018

Dear Sir/Madam,

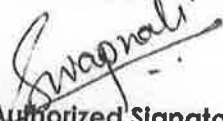
We are acting as Debenture Trustee for the Secured, Redeemable Non-Convertible Debentures issued by BMM Cements Limited ("The Company").

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