

## INDEPENDENT AUDITOR'S REVIEW REPORT

TO,  
THE BOARD OF DIRECTORS  
SAURASHTRA CEMENT LIMITED.

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of **Saurashtra Cement Limited** ("the Company") for the quarter and half year ended September 30, 2017. This statement is the responsibility of Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 provide 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 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, read with SEBI Circular No. CIR/CFD/CMD/15/2015 dated 30<sup>th</sup> November, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We have not audited or reviewed the accompanying financial results and other financial information for six months ended September 30, 2016 which have been presented solely based on the information compiled by the Management.

For, Manubhai & Shah LLP  
Chartered Accountants  
Firm Registration No.: 106041W/W100136



K C Patel  
Partner  
Membership No.: 30083

Place: Mumbai

Date: November 09, 2017



# SAURASHTRA CEMENT LIMITED

CIN : L26941GJ1956PLC000840

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## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2017

		Quarter ended			Half Year ended	
		Sept. 30, 2017 (Unaudited) ₹ in lacs	June 30, 2017 (Unaudited) ₹ in lacs	Sept. 30, 2016 (Unaudited) ₹ in lacs	Sept. 30, 2017 (Unaudited) ₹ in lacs	Sept. 30, 2016 (Unaudited) ₹ in lacs
1	<b>Revenue from Operations :</b>					
a	Net Sales	11,522.03	15,549.41	12,236.17	27,071.44	28,073.56
b	Other Operating Income	62.69	196.47	271.23	259.16	546.71
	<b>Total</b>	<b>11,584.72</b>	<b>15,745.88</b>	<b>12,507.40</b>	<b>27,330.60</b>	<b>28,620.27</b>
2	<b>Other Income (See Note 8)</b>	<b>603.61</b>	<b>567.61</b>	<b>201.97</b>	<b>1,171.22</b>	<b>403.14</b>
3	<b>Total Income (1+2)</b>	<b>12,188.33</b>	<b>16,313.49</b>	<b>12,709.37</b>	<b>28,501.82</b>	<b>29,023.41</b>
4	<b>Expenses :</b>					
a	Cost of Materials Consumed	927.01	1,034.76	844.38	1,961.77	1,862.59
b	Purchase of Stock-in-trade	-	-	-	-	146.20
c	Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	(1,336.73)	(265.64)	(778.73)	(1,602.37)	(499.05)
d	Excise Duty on Sale of Goods	-	1,835.67	1,434.52	1,835.67	3,215.27
e	Employee Benefit Expenses	983.50	991.67	1,007.59	1,975.17	1,978.41
f	Finance Costs	84.11	79.18	124.16	163.29	207.98
g	Depreciation and Amortisation	371.02	355.66	357.79	726.68	705.20
h	Other Expenses :					
	-Stores and Repairs	1,177.40	1,308.93	1,731.35	2,486.33	3,372.83
	-Freight and Forwarding	2,366.02	1,971.16	1,716.04	4,337.18	3,727.85
	-Power and Fuel	3,893.10	3,636.98	3,395.17	7,530.08	6,286.77
	-Others	2,168.91	2,305.69	2,303.02	4,474.60	4,620.60
	<b>Total Expenses (a to h)</b>	<b>10,634.34</b>	<b>13,254.06</b>	<b>12,135.29</b>	<b>23,888.40</b>	<b>25,624.65</b>
5	<b>Profit from Operations before Exceptional Items (3-4)</b>	<b>1,553.99</b>	<b>3,059.43</b>	<b>574.08</b>	<b>4,613.42</b>	<b>3,398.76</b>
6	Exceptional Items	-	-	-	-	-
7	<b>Profit before Tax (5+6)</b>	<b>1,553.99</b>	<b>3,059.43</b>	<b>574.08</b>	<b>4,613.42</b>	<b>3,398.76</b>
8	<b>Tax Expense</b>					
a	Current Tax	299.97	641.40	110.81	941.37	715.35
b	Deferred Tax Charge	247.40	136.43	23.36	83.83	81.68
9	<b>Net Profit for the period (7-8)</b>	<b>1,006.62</b>	<b>2,281.60</b>	<b>439.91</b>	<b>3,588.22</b>	<b>2,601.73</b>
10	<b>Other Comprehensive Income (net of tax)</b>					
	Items that will not be reclassified to profit or loss					
	- Remeasurement gains on defined benefit plans	5.49	(10.70)	(51.15)	(5.21)	(47.08)
	- Income tax relating to above Items	(1.90)	3.70	17.70	1.80	16.29
	- Items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total Other Comprehensive Income</b>	<b>3.59</b>	<b>(7.00)</b>	<b>(33.45)</b>	<b>(3.41)</b>	<b>(30.79)</b>
11	<b>Total Comprehensive Income for the period (9+10)</b>	<b>1,010.21</b>	<b>2,274.60</b>	<b>406.46</b>	<b>3,284.81</b>	<b>2,570.94</b>
12	<b>Paid up Equity Share Capital (Face value of ₹ 10 each)</b>	<b>6,919.11</b>	<b>6,919.11</b>	<b>6,019.11</b>	<b>6,919.11</b>	<b>6,019.11</b>
13	<b>Basic and Diluted Earnings per Share of ₹ 10 each (not annualised) - In ₹</b>	<b>1.45</b>	<b>3.30</b>	<b>0.73</b>	<b>4.75</b>	<b>4.32</b>



## Notes :

## 1 Statement of Assets and Liabilities :

Particulars	As on Sept 30, 2017 Unaudited ₹ in lacs
<b>ASSETS</b>	
<b>NON-CURRENT ASSETS</b>	
(a) Property, plant and equipment	19,659.99
(b) Capital work-in-progress	5,349.06
(c) Intangible assets	19.65
(d) Financial assets	
(i) Investments	1,878.46
(ii) Loans	178.94
(iii) Other financial assets	756.93
(e) Advance tax (net of provisions)	527.71
(f) Other non-current assets	733.44
<b>SUB-TOTAL</b>	<b>29,104.18</b>
<b>CURRENT ASSETS</b>	
(a) Inventories	7,474.50
(b) Financial Assets	
(i) Trade Receivables	1,959.58
(ii) Cash and cash equivalents	47.92
(iii) Bank Balances other than (ii) above	5,951.96
(iv) Loans	231.78
(v) Other financial assets	236.60
(c) Other current assets	1,631.98
<b>SUB-TOTAL</b>	<b>17,534.32</b>
<b>TOTAL ASSETS</b>	<b>46,638.50</b>
<b>EQUITY AND LIABILITIES</b>	
<b>EQUITY</b>	
(a) Equity share capital	6,919.42
(b) Other Equity	23,741.01
<b>SUB-TOTAL</b>	<b>30,660.43</b>
<b>LIABILITIES</b>	
<b>NON-CURRENT LIABILITIES</b>	
(a) Financial liabilities	
(i) Borrowings	257.04
(b) Provisions	1,163.21
(c) Deferred tax liabilities (net)	228.52
<b>SUB-TOTAL</b>	<b>1,648.77</b>
<b>CURRENT LIABILITIES</b>	
(a) Financial liabilities	
(i) Borrowings	2,355.10
(ii) Trade payables	1,898.06
(iii) Other financial liabilities	3,998.97
(b) Other current liabilities	5,190.46
(c) Provisions	886.71
<b>SUB-TOTAL</b>	<b>14,329.30</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>46,638.50</b>

2. The above unaudited Financial Results for the quarter and half year ended September 30, 2017 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 9, 2017.



3. The Company has only one business segment 'Cement / Clinker'.
4. The Company adopted Indian Accounting Standard ('Ind AS') with effect from April 1, 2017 and accordingly, the above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013. As per SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, the Company has presented Ind AS compliant results for the corresponding quarter and half year ended September 30, 2016.
5. There is possibility that these quarterly financial results along with the provisional Financial Statements as of and for the year ended March 31, 2017 may require adjustment before constituting the final Ind AS Financial Statements as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by ICAI or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.
6. The Auditors of the Company have carried out Limited Review of unaudited financial results for the quarter and half year ended September 30, 2017 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the related report is being submitted to the concerned stock exchange. The results for the quarter and half year ended September 30, 2016 as per Ind AS have not been subject to limited review or Audit. However, the Management has exercised necessary due diligence to ensure that the said financial results provide a true and fair view of the Company's affairs.
7. The Government of India introduced the Goods and Services Tax (GST) with effect from July 1, 2017. GST is collected on behalf of the Government and no economic benefit flows to the entity and does not result in an increase in Equity, consequently revenue for the quarter ended September 30, 2017 is presented net of GST. Sales of earlier periods included excise duty which now is subsumed in GST. The half year ended September 30, 2017 includes excise duty upto June 30, 2017. Accordingly, the related figures for the quarter and half year are not comparable with the previous periods presented in the results.
8. The Hon'ble Supreme Court vide its order dated October 13, 2017, has held applicability of District Mineral Fund (DMF) under Mines and Mineral (Development and Regulations) Amendment Act, 2015 with effect from September 17, 2015. Accordingly the Company has reversed the provision for contribution to DMF of ₹ 290.50 lacs relating to the period before September 17, 2015, in the result for the quarter and half year ended September 30, 2017.
9. Reconciliation of Net Profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and half year ended September 30, 2016

Sr. No.	Particulars	Quarter ended Sept. 30, 2016 (Unaudited) Refer No. 6 ₹ in lacs	Half year ended Sept. 30, 2016 (Unaudited) Refer No. 6 ₹ in lacs
	Net Profit for the quarter and half year ended September 30, 2016 under previous Indian GAAP	404.22	1,604.67
a.	On account of discounting of non-current financial assets	3.22	6.42
b.	On account of depreciation and amortisation due to fair value / cost adjustment and recognition of assets as per Ind AS 101	(1.47)	(2.50)
c.	Actuarial Loss considered in other Comprehensive Income	51.15	47.08
d.	Deferred Tax (net)	(17.21)	(53.94)
	Net Profit for the quarter and half year ended September 30, 2016 under Ind AS	439.91	2,601.73
e.	Other Comprehensive Income (Net of taxes)	(33.45)	(30.79)
	Total Comprehensive Income for the period as per Ind AS	406.46	2,570.94

10. Previous period's figures have been regrouped and / or rearranged and / or reclassified wherever necessary to make them comparable with the current period's figures.

By the Order of the Board  
For Saurashtra Cement Limited



(M.S. Gilotra)  
Managing Director



Place : Mumbai

Dated : November 9, 2017.