

Saurashtra Cement Limited

Corporate Office

N K Mehta International House, 2nd Floor,
178 Backbay Reclamation, Mumbai 400 020
T +91 22 6636 5444
F +91 22 6636 5445
E scl-mum@mehtagroup.com
CIN : L26941GJ1956PLC000840

Ref:B/SCL/SE/SS/19-20
14th November 2019

Department of Corporate Services
Bombay Stock Exchange Limited
1st Floor, New Trading Ring, Rotunda Bldg
P.J.Tower, Dalal Street
Mumbai 400 001.

Stock Code No: 502175

Dear Sir,

Sub : Outcome of Board Meeting held today i.e. 14th November 2019 pursuant to Regulation 33 and Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Further to our letter dated 30th October, 2019 and pursuant to Regulation 33 and Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors at its meeting held today i.e. Thursday, the 14th November, 2019 had inter-alia considered and approved the following:

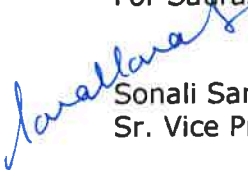
1. Unaudited Financial Results for the Second Quarter and Half Year ended 30th September 2019. In this regard, we are enclosing herewith Unaudited Financial Results for the second quarter and half year ended 30th September 2019 along with Limited Review report issued by the Statutory Auditors.
2. Declaration of Interim Dividend of Re.0.75 per share (Seventy five paisa only) per share on 6,94,80,288 equity shares of Rs.10/- each fully paid up for the period ended 30th September 2019. The record date for the purpose of determining the entitlement of the shareholders for the interim dividend has been fixed as 25th November 2019 and the interim dividend will be paid to the shareholders on 30th November 2019.

The results are also placed on the website of the Company www.saurashtracementlimited.com

The meeting commenced at 4.30 p.m. and ended at 6.20 p.m.

This is for your information and records.

Yours faithfully,
For Saurashtra Cement Limited.


Sonali Sanas
Sr. Vice President (Legal) & Company Secretary

Encl: as above



Regd. Office & Works
Near Railway Station, Ranavav 360 560
Gujarat, India

Manubhai & Shah LLP

Chartered Accountants

LIMITED REVIEW REPORT ON UNAUDITED STANDALONE QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SAURASHTRA CEMENT LIMITED

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results ("Statements") of **Saurashtra Cement Limited** ("the Company") for the quarter and six month ended September 30, 2019 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. The preparation of the statement 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 is the responsibility of Company's Management and has been approved by the Board of Directors. Our responsibility is to express conclusion on 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Standalone Financial Statements are 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.

Attention is drawn to the fact that the figures for cash flow for the six months ended on September 30, 2018, as reported in these financial results have been approved by the Company's Board of Directors, but have not been subjected to review by us.

4. 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 read with Rule 7 of the Companies (Accounts) Rules, 2014 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, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Mumbai

Date: November 14, 2019



For Manubhai & Shah LLP
Chartered Accountants

Firm Registration No.: 106041W/W100136

(K C Patel)

Partner

Membership No.: 30083

UDIN : 19030083AAAAHY3129

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878

Regd. Office : G-4, Capstone, Opp. Chirag Motors, Sheth Mangaldas Road, Ellisbridge, Ahmedabad - 380 006.
Gujarat, India. Phone : +91-79-2647 0000 Fax : +91-79-2647 0050

Email : info@msglobal.co.in

Website : www.msglobal.co.in

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LIMITED REVIEW REPORT ON UNAUDITED CONSOLIDATED QUARTERLY FINANCIAL RESULTS**TO THE BOARD OF DIRECTORS OF
SAURASHTRA CEMENT LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Saurashtra Cement Limited** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") for the quarter and six month ended September 30, 2019 ("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 ('the Regulation').
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 Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 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. 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 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Attention is drawn to the fact that the consolidated figures for the corresponding quarter and six months ended September 30, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to our review.

4. The Statement includes the results of Agrima Consultants International Limited (a wholly owned subsidiary)

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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, 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.
6. The consolidated unaudited financial results include the interim financial results of a subsidiary which have not been reviewed by its auditors, whose interim financial results reflect total assets of Rs. 47.13 Lakhs as at September 30, 2019, total revenue of Rs. 6.00 Lakhs and Rs.12.00 Lakhs, total net loss after tax of Rs. 3.29 Lakhs and Rs. 5.63 Lakhs and total comprehensive Loss of Rs. 3.29 Lakhs and Rs. 5.63 Lakhs for the quarter and six months ended September 30, 2019 respectively and cash out flows (net) of Rs. 0.97 Lakhs for six months ended September 30, 2019, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

Place: Mumbai

Date: November 14, 2019



For Manubhai & Shah LLP

Chartered Accountants

Firm Registration No.: 106041W/W100136

(K C Patel)

Partner

Membership No.: 30083

UDIN : 19030083AAAAHZ1774

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Regd. Office : G-4, Capstone, Opp. Chirag Motors, Sheth Mangaldas Road, Ellisbridge, Ahmedabad - 380 006.
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Email : info@msglobal.co.in

Website : www.msglobal.co.in

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SAURASHTRA CEMENT LIMITED

CIN : 126941G1956PLC000840

Registered Office : Near Railway Station, Ranavav 360 560 (Gujarat)

Phone : 02801-234200 Fax : 02801-234376 Email : cfo@mehtagroup.com Website : www.mehtagroup.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

	Particulars	Consolidated									
		Stand alone					Consolidated				
		Quarter ended		Six Months ended		Year ended	Quarter ended		Six Months ended		Year ended
		30.09.2019 (Unaudited) ₹ in lakhs	30.06.2019 (Unaudited) ₹ in lakhs	30.09.2018 (Unaudited) ₹ in lakhs	30.06.2018 (Unaudited) ₹ in lakhs	31.03.2019 (Audited) ₹ in lakhs	30.09.2019 (Unaudited) ₹ in lakhs	30.06.2019 (Unaudited) ₹ in lakhs	30.09.2018 (Unaudited) ₹ in lakhs	30.06.2018 (Unaudited) ₹ in lakhs	31.03.2019 (Audited) ₹ in lakhs
1	Revenue from Operations	12,830.05	15,077.08	13,431.79	30,227.37	62,119.04	12,830.05	15,077.08	13,431.79	27,907.13	62,119.04
2	Other Income	181.22	200.01	108.78	332.61	884.05	180.89	199.72	111.85	380.61	889.02
3	Total Income	13,011.27	15,277.09	13,540.57	30,559.98	63,003.09	13,010.94	15,276.80	13,543.64	28,287.74	63,003.09
4	Expenses :										
a	Cost of Materials Consumed	1,354.47	1,707.22	1,943.24	4,525.78	9,342.43	1,354.47	1,707.22	1,943.24	3,061.69	9,342.43
b	Purchase of Stock-in-trade										
c	Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	(734.29)	(1,073.43)	(962.21)	(1,807.72)	(292.68)	(734.29)	(1,073.43)	(962.21)	(1,807.72)	(292.68)
d	Employee Benefit Expenses	1,123.87	1,183.87	1,196.24	2,437.58	4,939.83	1,123.87	1,183.87	1,196.24	2,437.58	4,939.83
e	Finance Costs	82.49	124.27	142.78	246.58	474.33	82.49	124.27	142.78	246.58	474.33
f	Depreciation and Amortisation Expenses	416.17	475.01	450.43	883.76	1,833.54	416.17	475.01	450.43	883.76	1,833.54
g	Other Expenses	8,684.35	10,894.55	11,269.75	23,491.36	47,698.23	8,687.31	10,896.60	11,271.68	23,495.21	47,698.23
5	Total Expenses (a to g)	10,927.06	13,311.49	14,040.23	24,238.55	63,995.68	10,930.02	13,313.54	14,042.16	24,243.56	64,005.65
6	Profit / (Loss) from Operations before Exceptional Items (3-4)	2,084.21	1,965.60	(499.66)	4,049.81	(992.59)	2,080.92	1,963.26	(498.52)	4,044.18	(992.59)
7	Exceptional Items - Profit on sale of land					319.72					319.72
8	Profit / (Loss) after Exceptional Items and before Tax (5+6)	2,084.21	1,965.60	(499.66)	4,049.81	(672.87)	2,080.92	1,963.26	(498.52)	4,044.18	(672.87)
	Tax Expense										
a	Current Tax	285.26	426.30	(117.10)	711.56	20.45	285.26	426.30	(117.10)	711.56	20.32
b	Adjustment relating to Previous Years										
c	Deferred Tax	260.72	(23.89)	(10.63)	236.83	(206.07)	260.72	(23.89)	(10.63)	236.83	(206.07)
9	Net Profit / (Loss) for the period (7-8)	1,538.23	1,563.19	(371.93)	3,101.42	(487.25)	1,534.94	1,560.85	(370.79)	3,095.79	(487.25)
10	Other Comprehensive Income (net of tax)										
	Items that will not be reclassified to profit or loss										
-	Remeasurement of defined benefit plan	2.60	(27.56)	0.11	(24.96)	(53.22)	2.60	(27.56)	0.11	(24.96)	(53.22)
-	Income tax relating to above items	(0.91)	9.63	(0.04)	8.72	18.60	(0.91)	9.63	(0.04)	8.72	18.60
-	Effect of measuring Equity Instruments on Fair Value	(45.72)	(92.58)	-	(138.30)	(82.31)	(45.72)	(92.58)	-	(138.30)	(82.31)
	Total Other Comprehensive Income	(44.03)	(110.51)	0.07	(154.54)	(116.93)	(44.03)	(110.51)	0.07	(154.54)	(116.93)
11	Total Comprehensive Income for the period (9+10)	1,494.20	1,452.68	(371.86)	2,946.88	(604.18)	1,490.91	1,450.34	(370.72)	2,941.25	(604.18)
12	Paid up Equity Share Capital (Face value of ₹ 10 each)	6,948.34	6,936.28	6,919.42	6,948.34	6,934.04	6,948.34	6,936.28	6,919.42	6,948.34	6,934.04
13	Other Equity					34,004.09					33,893.07
14	Earnings per Share of ₹ 10 each (not annualised) - In ₹										
i	Basic	2.22	2.25	(0.54)	4.47	(0.70)	2.21	2.25	(0.54)	4.46	(0.71)
ii	Diluted	2.21	2.24	(0.54)	4.45	(0.70)	2.20	2.24	(0.54)	4.44	(0.71)



Statement of Assets and Liabilities

Particulars	Standalone		Consolidated	
	As at 30.09.2019 Unaudited ₹ in lakhs	As at 31.03.2019 Audited ₹ in lakhs	As at 30.09.2019 Unaudited ₹ in lakhs	As at 31.03.2019 Audited ₹ in lakhs
ASSETS				
NON-CURRENT ASSETS				
(a) Property, Plant and Equipment	34,226.47	34,847.20	34,227.21	34,847.96
(b) Capital Work-in-progress	4,051.88	3,701.99	4,051.88	3,701.99
(c) Right of Use Assets	43.64	-	43.64	-
(d) Other Intangible Assets	18.36	12.83	18.36	12.83
(e) Financial Assets				
(i) Investments	393.49	531.79	393.74	532.04
(ii) Loans	271.34	281.93	139.22	150.73
(iii) Other Financial Assets	106.66	105.00	106.66	105.00
(f) Deferred Tax Assets (Net)	-	188.43	-	188.43
(g) Other Non-current Assets	2,363.88	2,010.83	2,378.90	2,024.65
SUB-TOTAL	41,475.72	41,680.00	41,359.61	41,563.63
CURRENT ASSETS				
(a) Inventories	10,097.70	7,841.51	10,097.70	7,841.51
(b) Financial Assets				
(i) Trade Receivables	2,917.48	1,580.27	2,917.48	1,580.27
(ii) Cash and Cash Equivalents	230.83	743.37	246.53	760.04
(iii) Bank Balances other than (ii) above	6,766.78	7,303.88	6,766.78	7,303.88
(iv) Loans	9.95	11.74	9.95	11.74
(v) Other Financial Assets	288.65	199.27	273.78	191.02
(c) Other Current Assets	760.87	439.42	761.41	439.78
SUB-TOTAL	21,072.26	18,119.46	21,073.63	18,128.24
TOTAL ASSETS	62,547.98	59,799.46	62,433.24	59,691.87
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	6,948.34	6,934.04	6,948.34	6,934.04
(b) Other Equity	37,112.27	34,004.09	36,995.60	33,893.07
SUB-TOTAL	44,060.61	40,938.13	43,943.94	40,827.11
LIABILITIES				
NON-CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	342.16	401.75	342.16	401.75
(ii) Other Financial Liabilities	29.18	-	29.18	-
(b) Provisions	1,225.72	1,240.06	1,225.72	1,240.06
(c) Deferred Tax Liabilities (Net)	39.68	-	39.68	-
SUB-TOTAL	1,636.74	1,641.81	1,636.74	1,641.81
CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	2,701.67	2,597.02	2,701.67	2,597.02
(ii) Trade payables				
- Total Outstanding dues of MSME	37.07	93.68	37.07	93.68
- Total Outstanding dues of Creditors other than MSME	4,341.82	6,249.13	4,343.75	6,252.56
(iii) Other Financial Liabilities	3,032.22	1,950.38	3,032.22	1,950.38
(b) Other Current Liabilities	6,055.24	6,040.92	6,055.24	6,040.92
(c) Provisions	295.19	288.39	295.19	288.39
(d) Current Tax Liabilities (Net)	387.42	-	387.42	-
SUB-TOTAL	16,850.63	17,219.52	16,852.56	17,222.95
TOTAL EQUITY AND LIABILITIES	62,547.98	59,799.46	62,433.24	59,691.87



Statement of Cash Flows

Particulars	Standalone		Consolidated	
	Six months ended	Six months ended	Six months ended	Six months ended
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	Unaudited	Unaudited	Unaudited	Unaudited
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax	4,049.81	143.35	4,044.18	145.57
Adjustments for :				
Add:				
Finance Costs	206.76	246.58	206.76	246.58
Loss on Sale of Property, Plant and Equipment	34.02	6.89	34.02	6.89
Bad Debts Written off	0.39	-	0.39	-
Fair Value changes	0.88	1.43	0.88	1.43
Provision for Leave & Gratuity Expenses	(32.50)	20.37	(32.50)	20.37
Share-based Payments to Employees	162.91	375.53	162.91	375.53
Depreciation and Amortisation Expense	891.18	883.76	891.18	883.76
	1,263.64	1,534.56	1,263.64	1,534.56
Less:				
Interest Income	(262.47)	(247.15)	(255.85)	(247.15)
Gain on Termination of Lease	(0.07)	-	(0.07)	-
Excess Provision Written Back	(41.81)	(22.77)	(41.81)	(22.77)
Provision for Doubtful Debts Written Back	(0.39)	-	(0.39)	-
	(304.74)	(269.92)	(298.12)	(269.92)
Operating Profit before Working Capital changes	5,008.71	1,407.99	5,009.70	1,410.21
Adjustments for increase / decrease in:				
Trade Payables, Financial Liabilities and Other Current Liabilities	(894.98)	(250.77)	(896.48)	(251.22)
Long-term Loans and Other Non-Current Assets	6.98	40.19	7.90	40.19
Inventories	(2,256.19)	(1,178.66)	(2,256.19)	(1,178.66)
Trade Receivables	(1,337.21)	(378.56)	(1,337.21)	(378.56)
Short-term Loans, Financial Assets and Other Current Assets	(317.52)	(258.39)	(317.70)	(232.41)
	(4,798.92)	(2,026.19)	(4,799.68)	(2,000.66)
Cash Generated from Operations	209.79	(618.20)	210.02	(590.45)
Add: Direct Taxes (Payments) / Refunds	(320.86)	(253.90)	(322.06)	(254.50)
Net Cash Generated from Operating Activities	(111.07)	(872.10)	(112.04)	(844.95)
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment	(1,020.82)	(1,677.57)	(1,020.82)	(1,677.57)
Proceeds from Sale of PPE	16.92	12.19	16.92	12.19
(Increase) / Decrease in Bank Deposits	535.44	20.08	535.44	20.08
Interest income on Bank Deposits	170.07	175.99	170.07	175.99
Received against Loan given to Companies	-	222.31	-	44.17
Net Cash used in Investing Activities	(298.39)	(1,247.00)	(298.39)	(1,425.14)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of shares on exercise of ESOP	12.69	-	12.69	-
Proceeds from Long-term Borrowings	67.88	359.22	67.88	539.22
Repayment of Long-term Borrowings	(103.87)	(59.03)	(103.87)	(92.03)
Short-term Borrowings (Net)	104.65	2,509.13	104.65	2,509.13
Repayment of Lease Liability	(7.41)	-	(7.41)	-
Finance Costs Paid	(165.09)	(204.91)	(165.09)	(204.91)
Dividend Paid	(11.93)	(676.12)	(11.93)	(676.12)
Dividend Distribution Tax Paid	-	(142.22)	-	(142.22)
Net Cash used in Financing Activities	(103.08)	1,786.07	(103.08)	1,933.07
Net increase / (decrease) in Cash and Cash Equivalents	(512.54)	(333.03)	(513.51)	(337.02)
Cash and Cash Equivalents - Opening	743.37	552.63	760.04	563.73
Cash and Cash Equivalents - Closing	230.83	219.60	246.53	226.71



Notes :

1. The above unaudited Financial Results for the quarter and half year ended September 30, 2019 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on November
2. Consolidated Financial Results includes results of Agrima Consultants International Limited (a wholly owned subsidiary).
3. The Company operates in a single reportable segment of manufacture of cement and clinker as per Ind AS 108 - Operating
4. The Board of Directors have recommended an interim dividend of ₹0.75 per equity share of ₹10/- each equivalent to 7.5% (Seven and Half percent) on paid up equity share capital of the Company for the year 2019-20.
5. The Company has adopted Ind AS 116 on "Leases" with effect from April 1, 2019 and applied on all contracts of leases existing on April 1, 2019 by using modified retrospective approach and accordingly, comparative information for the year ended March 31, 2019 have not been restated. The Company has recognised and measured the Right-of-Use (ROU) asset and the lease liability on the remaining lease period and payments discounted using the incremental borrowing rate as at the date of initial application. This has resulted in recognising ROU asset of ₹ 50.05 lacs and corresponding lease liability of ₹ 50.05 lacs as at April 1, 2019. In the results for the quarter and half year ended September 30, 2019, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation for the ROU asset and finance costs for interest accrued on lease liability. The adoption of Ind AS 116 on the results and earning per share for the quarter and half year ended
6. During the quarter ended September 30, 2019, the company has allotted 1,20,583 equity shares of ₹ 10 each under Saurashtra Employee Stock Option Scheme 2017.
7. Figures for the previous periods have been regrouped and / or recasted and / or reclassified wherever necessary to make them comparable with those of current period.

Place : Mumbai

Dated : November 14, 2019

By the Order of the Board
For Saurashtra Cement Limited



(M.S. Gilotra)
Managing Director

