

ANDHRA CEMENTS LIMITED

Ref: ACL:SEC:2019

February 11, 2019

The Manager
Listing Department
National Stock Exchange of India Limited.
"Exchange Plaza" C/1, G-Block
Bandra-Kurla Complex, , Bandra (E)
Mumbai - 400051

Bombay Stock Exchange Limited
25 Floor, New Trading Ring
Rotunda Building P J Towers,
Dalal Street, Fort
Mumbai – 400 001

Dear Sirs,

Re: Unaudited Financial Results of the Company for the Quarter ended 31st December, 2018

We are enclosing here with Unaudited Financial Results for the Quarter ended 31st December 2018 which were duly approved by the Board of Directors at the their meeting held today i.e. February 11, 2019 along with Limited Review Report issued by the Statutory Auditors pursuant to Regulation 33 of SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015

Thanking you

Yours faithfully
For **ANDHRA CEMENTS LIMITED**


G Tirupati Rao
Company Secretary & G.M. - Legal



Encl: as above

ANDHRA CEMENTS LIMITED

 Regd. Office : Sri Durga Cement Works, Sri Durgaapuram - 522 414, Guntur Dist., (A.P.)
 Website: andhracements.com, E-mail Id: investorcell@andhracements.com, CIN No. L26942AP1936PLC002379

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in Lakhs except EPS)

S. No.	PARTICULARS	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	Revenue from Operations	7,494	7,843	11,377	24,630	36,191	48,422
2	Other Income	27	66	76	124	403	463
3	Total Income (1+2)	7,521	7,909	11,453	24,754	36,594	48,885
4	Expenses						
(a)	Cost of Material Consumed	872	907	1,179	2,766	3,741	5,204
(b)	Changes in inventories of finished goods and work-in-progress	71	(330)	594	160	(180)	(343)
(c)	Employee Benefits Expense	633	660	661	2,009	2,182	2,910
(d)	Finance Costs	2,794	2,723	2,917	8,007	9,398	12,739
(e)	Depreciation and Amortisation Expense	1,188	1,184	1,122	3,553	3,362	4,476
(f)	Power and Fuel	3,419	3,908	5,102	11,027	14,804	20,053
(g)	Freight and Forwarding expenses	1,613	1,648	2,254	5,047	6,518	8,874
(h)	Excise Duty	-	-	-	-	1,796	1,796
(i)	Other Expenses	953	802	1,013	2,950	3,244	4,440
	Total expenses	11,543	11,502	14,842	35,519	44,865	60,149
5	Profit / (Loss) from operations before exceptional items and tax (3-4)	(4,022)	(3,593)	(3,389)	(10,765)	(8,271)	(11,264)
6	Exceptional Items (Refer note no. 4)	(3,974)	-	-	(3,974)	4,071	4,071
7	Profit / (Loss) before tax (5+6)	(7,996)	(3,593)	(3,389)	(14,739)	(4,200)	(7,193)
8	Tax Expense						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	(22)	(25)	(13)	(63)	(39)	(84)
9	Net Profit / (Loss) for the period (7-8)	(7,974)	(3,568)	(3,376)	(14,676)	(4,161)	(7,109)
10	Other Comprehensive Income (net of tax)						
	Items that will not be reclassified to profit and loss	9	17	(12)	25	(40)	(4)
	Items that will be reclassified to profit and loss	-	-	-	-	-	-
11	Total Comprehensive Income for the period (9+10)	(7,965)	(3,551)	(3,388)	(14,651)	(4,201)	(7,113)
12	Paid up Equity Share Capital (Face value Rs. 10 per share)	29,352	29,352	29,352	29,352	29,352	29,352
13	Earning Per Share (of Rs. 10/- each)						
(a)	Basic	(2.71)	(1.21)	(1.15)	(4.99)	(1.43)	(2.42)
(b)	Diluted	(2.71)	(1.21)	(1.15)	(4.99)	(1.43)	(2.42)
		Not Annualised	Not Annualised	Not Annualised	Not Annualised	Not Annualised	Annualised

Notes

- The above results were reviewed and recommended by the Audit Committee and approved subsequently by the Board of Directors at their respective meetings held on February 11, 2019. The Statutory Auditors have carried out limited review of these financial results.
- The Company has incurred losses of Rs.7965 lakhs and Rs. 14,651 lakhs for the quarter and nine months ended December 31, 2018 respectively, resulting into accumulated losses of Rs. 66,796 lakhs against the paid up share capital of Rs. 29,352 lakhs as at December 31, 2018. Moreover, the Company has aggregate borrowing of Rs. 99,997 lakhs as on December 31, 2018 including working capital loans and interest accrued thereon. The management has prepared a comprehensive plan and decided to dispose off its split grinding unit located at Vishakapattanam, to which operation is currently suspended, to reduce its borrowings and to meet additional funds required for its operations and liabilities /obligations on maturity. Moreover, the Management is also under discussion with the lenders for the restructuring of the debts and is making all efforts and is hopeful to achieve profitable operations and meet obligations/liabilities and is of the view that the company will continue as a going concern. The statutory auditors have qualified their review report in respect of this matter.
- The company's business operation fall in single segment i.e. manufacturing and marketing of cement.
- Exceptional items for the quarter and nine months ended December 31, 2018 represent impaired capital work in progress of Rs. 1,348 lakhs and provision of differential Custom Duty and interest thereon aggregating to Rs. 2,626 lakhs on imported Capital Goods. Amount in nine months period ended December 31, 2017 and financial year ended March 31, 2018 represents profit on sale of surplus land.
- In accordance with the requirements of Ind AS, revenue from operations is net of Goods & Services Tax (GST) for the period beginning from July 1, 2017. However, revenue from operations for the period prior to July 1, 2017 is inclusive of Excise Duty. Hence, revenue from operations for the nine months ended December 31, 2018 is not comparable with corresponding nine months ended December 31, 2017.

For and on Behalf of the Board of Directors


NAVEEN KUMAR SINGH
 DIRECTOR AND CEO

 New Delhi
 February 11, 2019


STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2018

Sl. No.	Particulars	(Rs. in Lakhs except EPS)		
		Quarter ended 31.12.2018 (Unaudited)	Year ended 31.03.2018 (Audited)	Quarter ended 31.12.2017 (Unaudited)
1.	Total Income	7,521	48,885	11,453
2.	Net Profit/(Loss) for the period before Tax and Exceptional items	(4,022)	(11,264)	(3,389)
3.	Net Profit/(Loss) for the period before Tax but after Exceptional items	(7,996)	(7,193)	(3,389)
4.	Net Profit/(Loss) for the period after Tax and Exceptional items	(7,974)	(7,109)	(3,376)
5.	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive income (after tax)]	(7,965)	(7,113)	(3,388)
6.	Paid-up Equity Share Capital (Face value Rs. 10/- per share)	29,352	29,352	29,352
7.	Reserve (excluding Revaluation Reserves as shown in the Audited Balance Sheet of previous year)	(42,822) (As on 31.03.2018)	(42,822) (As on 31.03.2018)	(35,825) (As on 31.03.2017)
8.	Earning Per Share (of Rs. 10/- each) (for continuing and discontinued operations)			
	a) Basic	(2.71)	(2.42)	(1.15)
	b) Diluted	(2.71)	(2.42)	(1.15)
		Not Annualised	Annualised	Not Annualised

Note :

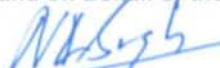
- The above results were reviewed and recommended by the Audit Committee and approved subsequently by the Board of Directors at their respective meetings held on February 11, 2019. The Statutory Auditors have carried out limited review of these financial results.
- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The full format of the Quarterly Financial Results are available on Websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) and the Company's web site(www.andhracements.com).

New Delhi

February 11, 2019



For and on Behalf of the Board of Directors


NAVEEN KUMAR SINGH
 DIRECTOR AND CEO

CHATURVEDI & PARTNERS

Chartered Accountants

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Independent Auditor's Review Report on Unaudited Financial Results of ANDHRA CEMENTS LIMITED for the quarter and nine months ended December 31, 2018 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of ANDHRA CEMENTS LIMITED

1. We have reviewed the accompanying statement of unaudited financial results ("the statement") of **ANDHRA CEMENTS LIMITED** ("the Company") for the quarter and nine months ended December 31, 2018, attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by Circular no. CIR/CFD/FAC/62/2016 dated July 05, 2016. This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been compiled from the related interim financial statements which has been prepared in accordance with Indian Accounting standard 34 "Interim Financial Reporting" (Ind AS 34) specified 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 statement based on our review.
2. 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 Statement is free of material misstatements. 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. We draw attention to Note 2 to the accompanying statement, in respect of preparation of the statement of the Company on going concern basis for the reasons stated therein. During the quarter and nine months ended December 31, 2018, the company has incurred losses of Rs.7,965 lakhs and Rs. 14,651 lakhs respectively, resulting into accumulated losses of Rs. 66,796 lakhs and erosion of net worth as at December 31, 2018. The company has borrowings aggregating to Rs. 99,997 lakhs as on December 31, 2018 including working capital loans and interest accrued thereon. Moreover, current liabilities have also exceeded current assets as on December 31, 2018. These matters require the company to generate additional cash flow to fund the operations as well as payment to lenders, creditors and other statutory obligations. The appropriateness of assumption of going concern is dependent upon generation of additional cash flow to fund the operations and meet its obligations towards lenders, creditors and other statutory obligations which are critical to the Company's ability to continue as going concern. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying statement.
4. Based on our review conducted as stated above, except for the possible effect of the matter described in para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with 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 SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 as amended by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to Note 4 to the accompanying statement, in respect of confiscation of imported capital goods aggregating to Rs. 3,979 lakhs in event of non-payment of related custom duty. Our report is not qualified in respect of this matter.

New Delhi
February 11, 2019



For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

Anuj
ANUJ MAHANSARIA
Partner,
Membership No. 500819