

**PRISM CEMENT LIMITED**

CIN : L26942TG1992PLC014033

Registered Office : 305, Laxmi Nivas Apartments, Ameerpet, Hyderabad - 500 016.

Phone : +91 40 23400218 ; Fax : +91 40 23402249 ; e-mail : investor@prismcement.com ; website : www.prismcement.com

Corporate Office : 'Rahejas', Main Avenue, V. P. Road, Santacruz (West), Mumbai - 400 054.

**STATEMENT OF STANDALONE UNAUDITED RESULTS**

For the quarter and half year ended September 30, 2015

₹ Crores

**Part I**

Particulars	Quarter ended			Half Year ended		Year ended
	Sept. 30, 2015 Unaudited	June 30, 2015 Unaudited	Sept. 30, 2014 Unaudited	Sept. 30, 2015 Unaudited	Sept. 30, 2014 Unaudited	March 31, 2015 Audited
Sale of products and services	1,496.27	1,476.41	1,439.38	2,972.68	2,938.69	6,009.01
Less : Excise Duty	103.56	110.47	107.36	214.03	222.76	437.20
Net Sales	1,392.71	1,365.94	1,332.02	2,758.65	2,715.93	5,571.81
Income from Joint Ventures / Subsidiaries - Dividend	-	-	-	-	-	0.04
Other Income from operations	5.63	2.81	5.17	8.44	9.76	22.03
Total Income from operations (net)	1,398.34	1,368.75	1,337.19	2,767.09	2,725.69	5,593.88
Expenses :						
Cost of materials consumed	304.11	334.43	337.46	638.54	686.34	1,344.76
Purchases of stock-in-trade	316.41	299.96	298.50	616.37	570.02	1,242.62
Stores and spares consumed	23.45	19.06	23.26	42.51	41.43	80.83
Power & fuel	173.69	181.98	185.57	355.67	393.02	764.27
Employee benefits expense	92.29	86.67	79.23	178.96	153.46	314.98
Freight outward	176.50	197.72	179.58	374.22	356.11	719.02
Changes in inventories of finished goods, work-in-progress and stock-in-trade	44.54	(31.13)	(28.60)	13.41	(49.36)	(12.43)
Depreciation and amortisation expense	34.86	33.57	33.00	68.43	69.61	136.84
Other expenses	215.36	199.05	215.64	414.41	410.53	853.48
Total Expenses	1,381.21	1,321.31	1,323.64	2,702.52	2,631.16	5,444.37
Profit from operations before Other income, Finance cost and Exceptional items	17.13	47.44	13.55	64.57	94.53	149.51
Other Income	2.50	2.33	22.37	4.83	26.23	33.48
Profit before Finance cost and Exceptional items	19.63	49.77	35.92	69.40	120.76	182.99
Finance cost	66.85	62.06	65.24	128.91	130.43	255.86
Profit / (Loss) before Exceptional items	(47.22)	(12.29)	(29.32)	(59.51)	(9.67)	(72.87)
Exceptional items (refer note no.4)	(3.61)	-	-	(3.61)	-	62.12
Profit / (Loss) before Tax	(50.83)	(12.29)	(29.32)	(63.12)	(9.67)	(10.75)
Tax expenses	(17.57)	(4.25)	(9.56)	(21.82)	(3.15)	(25.45)
Net Profit / (Loss) after Tax	(33.26)	(8.04)	(19.76)	(41.30)	(6.52)	14.70
Paid-up Equity Share Capital (₹10/- per share)	503.36	503.36	503.36	503.36	503.36	503.36
Reserves excluding revaluation reserves						512.01
EPS - (Basic, diluted and not annualised) (₹)	-0.66	-0.16	-0.39	-0.82	-0.13	0.29
Debt Service Coverage Ratio (refer note no. 6a)				0.58	0.57	0.75
Interest Service Coverage Ratio (refer note no. 6b)				1.04	1.46	1.50

**Part II**

Select information for the quarter and half year ended September 30, 2015

<b>(A) Particulars of Shareholding</b>						
Public Shareholding :						
Number of Shares	126,475,411	126,475,411	126,475,411	126,475,411	126,475,411	126,475,411
Percentage of shareholding	25.13	25.13	25.13	25.13	25.13	25.13
Promoters and promoter group shareholding :						
a) Pledged / encumbered :						
Number of shares	-	-	-	-	-	-
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b) Non-encumbered :						
Number of shares	376,881,169	376,881,169	376,881,169	376,881,169	376,881,169	376,881,169
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
Percentage of shares (as a % of the total share capital of the Company)	74.87	74.87	74.87	74.87	74.87	74.87
<b>(B) Investor Complaints</b>						
Pending at the beginning of the Quarter	Nil					
Received during the Quarter	1					
Disposed off during the Quarter	1					
Remaining unresolved at the end of the Quarter	Nil					



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Notes :

- 1 The above statement has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 3, 2015. The Auditors have carried out the limited review of the results for the quarter and half year ended September 30, 2015.
- 2 "Other Expenses" for the quarter and half year ended September 30, 2015 includes ₹ 7.33 Crores (out of which ₹ 3.00 Crores and ₹ 1.43 Crores are in respect of earlier quarter ended June 30, 2015 and March 31, 2015 respectively) towards contribution to District Mineral Foundation and National Mineral Exploration Trust introduced vide The Mines and Minerals (Development and Regulation) Amendment Act, 2015. The said levy has been made effective from January 12, 2015 vide notification dated September 17, 2015.
- 3 The Company is in the process of identifying significant components of fixed assets as prescribed under Schedule II to the Companies Act, 2013 and the resultant impact will be considered in the FY 2015-16 on completion of such exercise.
- 4 Exceptional Items include :

Particulars	Quarter ended			Half Year ended		Year ended
	Sept. 30, 2015 Unaudited	June 30, 2015 Unaudited	Sept. 30, 2014 Unaudited	Sept. 30, 2015 Unaudited	Sept. 30, 2014 Unaudited	March 31, 2015 Audited
Settlement under long-term Gas supply agreement with GAIL (India) Ltd., for the calendar year 2014	(3.61)	-	-	(3.61)	-	-
Gain on sale of Investment	-	-	-	-	-	64.00
Transfer fees, etc., on amalgamation	-	-	-	-	-	(1.88)
<b>Total</b>	<b>(3.61)</b>	<b>-</b>	<b>-</b>	<b>(3.61)</b>	<b>-</b>	<b>62.12</b>

- 5 During the quarter ended September 30, 2015, the Board of Directors of the Company has, subject to the requisite regulatory approvals, agreed to reduce its stake in Raheja QBE General Insurance Company Limited (Raheja QBE), the general insurance subsidiary of the Company, from 74% to 51%. The existing partner in Raheja QBE, namely the QBE Group, Australia, has agreed to acquire the same for an approximate consideration of AUD 21,500,000 (equivalent to approximately ₹ 103 Crores).
- 6 The formula used for calculation of Ratios are as under :
  - (a) Debt Service Coverage Ratio = Profit before Depreciation, Interest and Tax / (Interest + Principal repayment of long term loans).
  - (b) Interest Service Coverage Ratio = Profit before Depreciation, Interest and Tax / Interest.
- 7 Figures of the previous periods have been regrouped wherever necessary.

for and on behalf of the Board of Directors

  
VIJAY AGGARWAL  
MANAGING DIRECTOR

Place: Mumbai  
Date : November 3, 2015



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**STANDALONE SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

For the quarter and half year ended September 30, 2015

₹ Crores

Particulars	Quarter ended			Half Year ended		Year ended
	Sept. 30, 2015 Unaudited	June 30, 2015 Unaudited	Sept. 30, 2014 Unaudited	Sept. 30, 2015 Unaudited	Sept. 30, 2014 Unaudited	March 31, 2015 Audited
<b>Segment Revenue</b>						
a) Cement	531.15	518.25	524.91	1,049.40	1,124.98	2,200.99
b) TBK	563.81	540.89	521.84	1,104.70	1,011.52	2,205.88
c) RMC	307.30	313.96	294.59	621.26	597.72	1,204.27
Total	1,402.26	1,373.10	1,341.34	2,775.36	2,734.22	5,611.14
Less : Inter Segment Revenue	3.92	4.35	4.15	8.27	8.53	17.26
Net Sales / Income from operations	1,398.34	1,368.75	1,337.19	2,767.09	2,725.69	5,593.88
<b>Segment Results</b>						
a) Cement	22.96	47.50	34.72	70.46	113.82	166.68
b) TBK	(12.20)	(4.45)	0.24	(16.65)	1.97	(1.94)
c) RMC	2.76	4.39	(4.29)	7.15	(4.14)	1.60
Total	13.52	47.44	30.67	60.96	111.65	166.34
Less : (i) Finance cost	66.85	62.06	65.24	128.91	130.43	255.86
(ii) Other Un-allocable expenditure net of un-allocable income	(2.50)	(2.33)	(5.25)	(4.83)	(9.11)	(78.77)
Total Profit / (Loss) Before Tax	(50.83)	(12.29)	(29.32)	(63.12)	(9.67)	(10.75)
<b>Capital employed</b>						
a) Cement	1,701.15	1,695.10	1,677.20	1,701.15	1,677.20	1,682.70
b) TBK	809.38	830.77	868.31	809.38	868.31	842.09
c) RMC	183.27	201.25	200.65	183.27	200.65	198.05
d) Unallocated	(1,719.73)	(1,719.79)	(1,688.01)	(1,719.73)	(1,688.01)	(1,707.47)
Total	974.07	1,007.33	1,058.15	974.07	1,058.15	1,015.37

Notes :

- The Company has identified primary segments based on the products and does not have any secondary segments. The primary reportable segments identified are Cement, TBK (Tile, Bath & Kitchen) and RMC (Readymixed Concrete). Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "Unallocated revenue / expenses / assets / liabilities".
- Figures of the previous periods have been regrouped wherever necessary.



Place : Mumbai  
Date : November 3, 2015

for and on behalf of the Board of Directors

*(Signature)*

VIJAY AGGARWAL  
MANAGING DIRECTOR

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**STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2015**

₹ Crores

Particulars	Half Year ended Unaudited	Year ended Audited
	September 30, 2015	March 31, 2015
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds :</b>		
(a) Share Capital	503.36	503.36
(b) Reserves and Surplus	470.71	512.01
<b>Sub-total - Shareholders' Funds</b>	<b>974.07</b>	<b>1,015.37</b>
<b>2 Non-current Liabilities :</b>		
(a) Long-term borrowings	1,487.14	1,485.26
(b) Deferred tax liabilities (net)	-	15.77
(c) Other long-term liabilities	156.35	145.77
(d) Long-term provisions	54.26	35.42
<b>Sub-total - Non-current Liabilities</b>	<b>1,697.75</b>	<b>1,682.22</b>
<b>3 Current Liabilities :</b>		
(a) Short-term borrowings	361.77	275.11
(b) Trade payables	719.27	789.82
(c) Other current liabilities	604.39	563.84
(d) Short-term provisions	19.27	16.35
<b>Sub-total - Current Liabilities</b>	<b>1,704.70</b>	<b>1,645.12</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>4,376.52</b>	<b>4,342.71</b>
<b>B ASSETS</b>		
<b>1 Non-current Assets :</b>		
(a) Fixed Assets	2,087.73	2,117.15
(b) Non-current investments	343.21	343.21
(c) Deferred tax assets (net)	6.07	-
(d) Long-term loans and advances	243.66	210.47
(e) Other non-current assets	43.98	59.84
<b>Sub-total - Non-current Assets</b>	<b>2,724.65</b>	<b>2,730.67</b>
<b>2 Current Assets :</b>		
(a) Inventories	530.51	578.48
(b) Trade receivables	590.79	561.58
(c) Cash and cash equivalents	139.07	79.70
(d) Short-term loans and advances	216.92	194.26
(e) Other current assets	174.58	198.02
<b>Sub-total - Current Assets</b>	<b>1,651.87</b>	<b>1,612.04</b>
<b>TOTAL - ASSETS</b>	<b>4,376.52</b>	<b>4,342.71</b>

Note :

1 Figures of the previous periods have been regrouped wherever necessary.



Place Mumbai

Date : November 3, 2015

for and on behalf of the Board of Directors

VIJAY AGGARWAL  
 MANAGING DIRECTOR

**G. M. KAPADIA & CO.**  
(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

**Limited Review Report on the Unaudited Standalone Financial Results  
for the quarter / half year ended on September 30, 2015**

To the Board of Directors  
**Prism Cement Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Prism Cement Limited** ('the Company') for the quarter / half year ended on September 30, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoters Group Shareholding' which have been traced from disclosures made by the management to stock exchanges and have not been reviewed by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review 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 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 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 notice that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For G. M. KAPADIA & CO.**

Chartered Accountants

Firm Registration No. 104767W



*Atul Shah*  
**Atul Shah**

Partner

Membership No: 039569

Place: Mumbai

Date : November 03, 2015





## Investor Update

**November 03, 2015**

**Prism Cement Limited today announced audited standalone financial results for the quarter ended September 30, 2015**

**Financial Overview (Audited for the quarter ended September 30, 2015)**

*(Figures in ₹ Crores unless mentioned otherwise)*

Particulars	Q2 '15-16	Q1 '15-16	Q2 '14-15
Sales	1,496	1,476	1,439
Profit / (Loss) before Other income, finance cost, tax, depreciation, and exceptional items	52	81	47
Profit / (Loss) before tax	(51)	(12)	(29)
Net Profit / (Loss) after tax	(33)	(8)	(20)
EPS (₹)	-0.66	-0.16	-0.39

### Segmental Results

*(Figures in ₹ Crores)*

Particulars	Q2 '15-16			Q1 '15-16			Q2 '14-15		
	Cement	TBK	RMC	Cement	TBK	RMC	Cement	TBK	RMC
Segment Revenue	531	564	307	518	541	314	525	522	295
Segment Results	23	(12)	3	48	(4)	4	35	0	(4)
Capital Employed	1,701	809	183	1,695	831	201	1,677	868	201

### Performance Review and key developments

The quarter ended September 2015 saw improvement in Cement EBITDA at Rs329/ton as compared to Rs276/ton in the corresponding quarter in FY15,

despite lower realizations. During the quarter provision was made towards District Mineral Foundation and National Mineral Exploration Trust including for prior period. This impacted EBITDA to the extent of ~₹33/ton.

For the quarter ended September 30, 2015, the Company sold 13.45 lac tons of cement and clinker as against 12.92 lac tons for the quarter ended September 30, 2014, growth of 4%. The cement volumes were flat as compared to the same period last year. Both the premium brands "Hitech" (launched last year) and "Duratech" (launched in Q1FY16) have been well received by the markets. Together they contributed ~6% of sales during Q2FY16 vis-a-vis 3% of total volume in FY15.

The company had taken various cost rationalization measures in FY15 such as resorting to imported coal, increase in imported pet-coke consumption, reduction in power consumption amongst others.

H & R Johnson (India) (HRJ) Division operates in the TBK (Tile Bath Kitchen) Segment. The Division's sales revenues during the quarter were ₹564 Crores, there by growing by 8% when compared to the corresponding quarter in FY15. The Division continued to scale-up its marketing activities through various initiatives like strengthening of distribution network, merchandising and also taken various initiatives to optimize the costs. The Division is making efforts to improve the product mix by upgrading the plants to produce more value added products which will help to improve the realizations.

The RMC Readymix (India) (RMC) Division's sales turnover increased by 4% as compared to the corresponding quarter in FY15. Profitability of the Division improved during the year as compared to the corresponding period last year. The division posted EBIT of ₹2.8cr as compared to loss of ₹4.3cr on a y-on-y basis. During the quarter under review, few plants were demobilized. The Division is in the process of identifying new locations where it plans to relocate unused / underutilized assets.

During the quarter the Company has agreed, in principle, to sell 23% of its holding in the paid-up capital of Raheja QBE General Insurance Company Limited (Raheja QBE), the general insurance subsidiary, to its existing partner in Raheja QBE, namely the QBE Group, Australia, for a consideration of approximately AUD 21,500,000 (equivalent to approximately ₹103cr).

The proposed transaction is subject to requisite approvals. Once the proposed transaction is consummated, the Company's shareholding in Raheja QBE shall stand reduced from 74% to 51%.

### **Industry Scenario / Future Outlook**

The government has taken several initiatives such Make in India, Swachh Bharat Mission, Housing for All, development of Smart Cities and renewed thrust for Infrastructure development amongst others. This apart stable inflation and recent interest rate cut augur well for all the businesses in medium to long term, though near term challenges remain.

The long term drivers for cement demand remain intact. Higher government spending on infrastructure particularly roads, growth in rural housing and rising per capita incomes are likely to augur well for the cement industry. The cement division is on strong footing with several cost rationalization exercise done in recent quarters.

The robust distribution network, strong brand equity, wide-spread manufacturing locations, and a comprehensive product portfolio of tiles, baths, and kitchens enable H & R Johnson (India) Division to enjoy a distinct competitive advantage over others in the market. Moreover, with the successful completion of initiatives last year to reduce power and fuel cost, the Division is enhancing its capacity utilization.

The Ready-mixed Concrete Industry in India is over 20 years old and was growing at a healthy rate till three years back. However, due to paucity of new construction projects taking off, volume growth for the industry in the last few quarters has been under pressure. The markets in most of the metros are expected to see a turnaround in the medium term as economy picks up and construction activities resume. With the Mega Projects Vertical, RMC Division is focusing on infrastructure segment as well. The markets in tier 2 & tier 3 cities have also been showing maturity which will help the industry's growth.

### **About Prism Cement Limited**

Prism Cement Limited is one of India's leading integrated Building Materials' Company, with a wide range of products from cement, ready-mixed concrete, tiles, bath products to kitchens. The company has three Divisions, viz. Prism Cement, H & R Johnson (India), and RMC Readymix (India). Prism Cement Limited also has a 74% stake in Raheja QBE General Insurance Company Limited, a JV with QBE Group of Australia.

The equity shares of the company are listed on the Bombay and National Stock Exchanges.

### ***Prism Cement***

Prism Cement commenced production at its Unit I in August, 1997 and Unit II in December, 2010. It manufactures Portland Pozzolana Cement (PPC) with the brand name 'Champion' and premium quality grade of cement under 'HI-TECH' and 'DURATECH' brand. Prism Cement has the highest quality standards due to efficient plant operations with automated controls. It caters mainly to markets of Eastern UP, MP and Bihar, with an average lead distance of 399 kms for cement from its plant at Satna, MP. It has a wide marketing network with about 3,800 dealers serviced from ~90 stocking points.

### ***H & R Johnson (India)***

Established in 1958, H & R Johnson (India) is the pioneer of ceramic tiles in India. For over five decades, HRJ has added various product categories to offer complete solutions to its customers. Today, HRJ enjoys the reputation of being



the only entity in India to offer end-to-end solutions of Tiles, Sanitaryware, Bath Fittings, Kitchens, and Engineered Marble & Quartz. All the products are sold under 4 strong brands, viz. Johnson, Johnson Marbonite, Johnson Porselano and Johnson Endura and. In ceramic / vitrified tiles, HRJ along with its Joint Ventures and subsidiaries has a capacity of over 54.5 million m<sup>2</sup> per annum spread across 9 manufacturing plants across the country which is one of the largest in India.

### ***RMC Readymix (India)***

RMC Readymix (India) is one of India's leading ready-mixed concrete manufacturers, set-up in 1996. RMC currently operates 77 ready-mixed concrete plants in 36 cities/towns across the Country. Further, the Division has been able to secure new positions in its existing markets which will help it to maintain its growth. RMC has also ventured into the Aggregates business and operates large Quarries and Crushers. At present, RMC has 7 Quarries across the country. RMC has been at the forefront in setting high standards for plant and machinery, production and quality systems and product services in the ready-mixed concrete industry.

### **Investor Relations**

Prism Cement Limited is committed to creating long-term sustainable shareholder value through successful implementation of its growth plans. The company's investor relations mission is to maintain an ongoing awareness of its performance among shareholders and financial community.

For additional information, please contact:

**Mr. Munzal Shah**

**Prism Cement Limited**

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Website: [www.prismcement.com](http://www.prismcement.com)

#### Address:

"Rahejas", Main Avenue, V. P. Road  
Santacruz (W), Mumbai—400 054

#### **Safe Harbor**

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.