

# ANDHRA CEMENTS LIMITED

Ref: ACL:SEC:2019

July 30, 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,

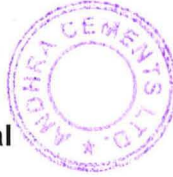
**Re: Unaudited Financial Results of the Company for the Quarter ended 30<sup>th</sup> June 2019**

We are enclosing here with Unaudited Financial Results for the Quarter ended 30<sup>th</sup> June 2019 which were duly approved by the Board of Directors at the their meeting held today i.e. July 30, 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

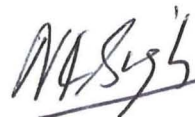
**ANDHRA CEMENTS LIMITED**

 Regd. Office : Sri Durga Cement Works, Sri Durgapuram - 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 ENDED JUNE 30, 2019**

( Rs. in Lakhs except otherwise stated)

S. No.	PARTICULARS	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		UNAUDITED	AUDITED	UNAUDITED	AUDITED
I	Revenue from Operations	4,100	7,494	9,293	32,124
II	Other Income	21	56	31	180
III	<b>Total income (I + II)</b>	<b>4,121</b>	<b>7,550</b>	<b>9,324</b>	<b>32,304</b>
IV	<b>Expenses</b>				
(a)	Cost of Material Consumed	458	808	987	3,574
(b)	Changes in inventories of finished goods and work-in-progress	(539)	289	419	449
(c)	Employee Benefits Expense	590	602	716	2,611
(d)	Finance Costs	2,864	2,837	2,490	10,844
(e)	Depreciation and Amortisation Expense	1,194	1,194	1,181	4,747
(f)	Power and Fuel	2,049	3,023	3,700	14,050
(g)	Freight and Forwarding expenses	774	1,411	1,786	6,458
(h)	Other Expenses	439	703	1,195	3,653
	<b>Total expenses</b>	<b>7,829</b>	<b>10,867</b>	<b>12,474</b>	<b>46,386</b>
V	Profit / (Loss) before exceptional items and tax (III - IV)	<b>(3,708)</b>	<b>(3,317)</b>	<b>(3,150)</b>	<b>(14,082)</b>
VI	Exceptional Items (Refer note no. 6)	-	-	-	(3,974)
VII	Profit / (Loss) before tax (V + VI)	<b>(3,708)</b>	<b>(3,317)</b>	<b>(3,150)</b>	<b>(18,056)</b>
VIII	Tax Expense				
	Current Tax	-	-	-	-
	Deferred Tax	(14)	20	(16)	(43)
IX	Net Profit / (Loss) for the period (VII - VIII)	<b>(3,694)</b>	<b>(3,337)</b>	<b>(3,134)</b>	<b>(18,013)</b>
X	<b>Other Comprehensive Income (net of tax)</b>				
(a)	items that will not be reclassified to profit and loss (net of tax)	(7)	(23)	(1)	2
(b)	items that will be reclassified to profit and loss (net of tax)	-	-	-	-
XI	Total Comprehensive Income for the period (IX + X) (Comprising profit / (loss) and other comprehensive income for the period)	<b>(3,701)</b>	<b>(3,360)</b>	<b>(3,135)</b>	<b>(18,011)</b>
XII	Paid up Equity Share Capital (Face value Rs. 10 per share)	29,352	29,352	29,352	29,352
XIII	Earnings Per Share (of Rs. 10/- each)				
(a)	Basic	(1.26)	(1.14)	(1.07)	(6.14)
(b)	Diluted	(1.26)	(1.14)	(1.07)	(6.14)
		Not Annualised	Not Annualised	Not Annualised	Annualised

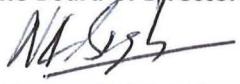



## Notes

- 1 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 July 30, 2019. The Statutory Auditors have carried out limited review of these results in terms of regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
- 2 The Company has incurred losses of Rs.3,701 lakhs for the quarter ended June 30, 2019, resulting into accumulated losses of Rs. 73,858 lakhs against the paid up share capital of Rs. 29,352 lakhs as at June 30, 2019. Moreover, the Company has aggregate borrowing of Rs. 101,706 lakhs as on June 30, 2019 including working capital loans and interest accrued thereon.  
The management has approached the financial institutions/banks for restructuring of the debts which is under consideration by major lenders. Further, the cement market has started improving and company is hope 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 Limited Review Report in respect of this matter.
- 3 Certain Trade receivables, Security deposits given/taken, Advances to suppliers, Trade payables and Advances from Customers are subject to confirmations. Management believes that no material adjustments would be required in books of accounts upon receipt of these confirmations.
- 4 The company's business operation fall in single segment i.e. manufacturing and marketing of cement.
- 5 During the financial year ended March 31, 2019, the Directorate of Revenue Intelligence has issued an order to the company u/s 110(1) of Customs Act,1962 confiscating the capital goods having import value of Rs. 3,979 lakhs due to non fulfillment of certain export obligations. As a result the company has provided Rs. 2,626 lakh during the previous financial year as differential Custom Duty and interest thereon .The same has been presented under the head "Exceptional Items".
- 6 Exceptional Items in the financial year ended on March 31, 2019 represents writeoff of capital work in progress of Rs. 1,348 lakh and the provision of differential Custom Duty and interest thereon aggregating to Rs. 2626 lakhs on imported Capital Goods as explained in Note 5.
- 7 During the quarter ended June 30, 2019, Andhra Bank vide letter dated May 1, 2019 declared the loan as Non-Performing Assets(NPA) and recalled the entire amount including interest on or before May 20, 2019. There has been no further development in this regard.
- 8 Figures for the quarter ended March 31, 2019, are the balancing figures between the audited figures in respect of financial year ended March 31,2019 and the published figures for the nine months ended December 31, 2018, which were subject to limited review.
- 9 The Company has adopted Ind AS 116 with modified retrospective approach, with effect from April 1, 2019. The impact of adoption of Ind AS 116 on the financial results for the quarter ended June 30, 2019 is insignificant.

For and on Behalf of the Board of Directors



  
**NAVEEN KUMAR SINGH**  
**DIRECTOR AND CEO**

New Delhi  
July 30, 2019

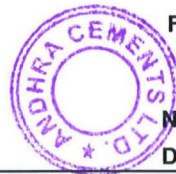
**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019**

(Rs. in Lakhs except otherwise stated)

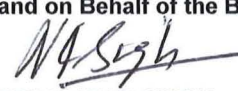
Sl. No.	Particulars	Quarter ended 30.06.2019 (Unaudited)	Year ended 31.03.2019 (Audited)	Quarter ended 30.06.2018 (Unaudited)
1.	Total Income	4,121	32,304	9,324
2.	Net Profit/(Loss) for the period before Tax and Exceptional items	(3,708)	(14,082)	(3,150)
3.	Net Profit/(Loss) for the period before Tax but after Exceptional items	(3,708)	(18,056)	(3,150)
4.	Net Profit/(Loss) for the period after Tax and Exceptional items	(3,694)	(18,013)	(3,134)
5.	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive income (after tax)]	(3,701)	(18,011)	(3,135)
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)	(60,833) (As on 31.03.2019)	(60,833) (As on 31.03.2019)	(42822) (As on 31.03.2018)
8.	Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations)			
	a) Basic	(1.26)	(6.14)	(1.07)
	b) Diluted	(1.26)	(6.14)	(1.07)
		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 July 30, 2019. The Statutory Auditors have carried out limited review of these results in terms of regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
- 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, as amended. The full format of the Quarterly Financial Results are available on Websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) and the Company's web site([www.andhracements.com](http://www.andhracements.com)).

 New Delhi  
 July 30, 2019


For and on Behalf of the Board of Directors

  
**NAVEEN KUMAR SINGH**  
 DIRECTOR AND CEO

# CHATURVEDI & PARTNERS

## Chartered Accountants

410, Shakuntla Building, 59, Nehru Place, New Delhi-110019

Phone : +91 11 41069164

E-mail : cpartners.delhi@gmail.com

**Independent Auditor's Review Report on Unaudited Financial Results of ANDHRA CEMENTS LIMITED for the quarter ended June 30, 2019 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**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 ended June 30, 2019, 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. 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 have been prepared in accordance with the recognition and measurement principals laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed 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 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. We refer to Note 2 to the Statement in respect of preparation of financial statements of the Company on going concern basis for the reasons stated therein. During the quarter ended June 30, 2019, the Company has incurred losses of Rs.3,701 lakhs, resulting into accumulated losses of Rs.73,858 lakhs and erosion of net worth as at June 30, 2019. The Company has obligation towards fund-based borrowings aggregating to Rs 101,706 lakhs as on June 30, 2019 including working capital loans and interest accrued thereon. The Company's current liabilities have exceeded current assets as on June 30, 2019. These matters require the Company to generate additional cash flow to fund the operations as well as payments to lenders, creditors, statutory dues and other obligations. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as going concern and therefore the company may be unable to realize its assets and discharge its liabilities in the normal course of business. 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. Emphasis of Matter

We refer to :

- (a) Note 3 to the Statement regarding pending confirmation in respect of certain trade receivables, security deposits given/taken, advances to suppliers, trade payables and advances from customers. The Management believes that on confirmation, there will not be any material impact on the accompanying Statement.
- (b) Note 5 to the Statement, in respect of confiscation of imported capital goods having import value of Rs.3,979 lakhs due to non-fulfillment of certain export obligations.

Our report is not modified in respect of these matters.

New Delhi  
July 30, 2019

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



*Anuj*  
**ANUJ MAHANSARIA**  
Partner,  
Membership No. 500819  
UDIN- 19500819AAAAAQ6623