



Penna Cement Industries Limited.

09th May, 2018

To,

BSE Limited

Phirozejeejeebhoy Towers,
Dalal Street, Ambalal Doshi Marg,
Kala Ghoda, Fort, Mumbai,
Mumbai- 400 001

Dear Sir,

Sub: Audited Financial Results for the half year/ year ended 31st March, 2018.

Ref: PENNA CEMENT/SCRIP CODE: 950381/ISIN No. : INE862107015

With reference to the Listing Regulation 52 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, as amended from time to time, please find enclosed herewith:

- Audited Financial Results of the Company for the half year/ financial year ended 31st March 2018 duly approved by the Board of Directors in its meeting held on 09th May 2018; the Standalone and Consolidated Audit Financial Statements;
- Auditors Report of the Company for the Half Year ended 31st March, 2018;
- Declaration in respect of Audit Report with unmodified opinion for the financial year ended 31st March 2018.

We request you to kindly bring the above information to the notice of your members.

**Yours faithfully,
For Penna Cement Industries Limited**

**Raj Kumar Singh
Company Secretary
Mem. No. A14265
Encl: As above**

PENNA CEMENT INDUSTRIES LIMITED

CIN : U26942AP1991PLC013359

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018 (STANDALONE)

Sl.No	Particulars	1-Oct-2017	1-Oct-2016	1-Apr-2017	1-Apr-2016
		to 31-Mar-2018	to 31-Mar-2017	to 31-Mar-2018	to 31-Mar-2017
		Audited	Audited	Audited	Audited
I	(a) Sales/income from operations	914.35	989.55	1,839.83	1,850.50
	(b) Other operating income	-	-	-	29.83
	Total Income	914.35	989.55	1,839.83	1,880.33
II	EXPENDITURE				
	(a) Increase/(decrease) in finished goods and work-in-progress	17.59	5.30	7.70	6.96
	(b) Cost of raw material consumed	158.45	129.51	295.45	255.13
	(c) Purchase of traded goods	-	-	-	28.71
	(d) Consumption of coal	146.43	125.16	295.56	233.33
	(e) Consumption of stores and spares	20.08	17.61	34.30	39.42
	(f) Consumption of packing material	31.24	29.15	59.98	55.41
	(g) Electricity charges	36.23	67.58	75.94	133.10
	(h) Repairs & Maintenance	12.84	10.07	25.62	21.41
	(i) Employees cost	39.50	43.09	79.26	76.76
	(j) Depreciation	41.25	40.14	81.51	80.33
	(k) Freight & forwarding charges	213.64	174.27	404.88	331.28
	(l) Other expenditure	56.44	206.51	167.47	328.12
	Total expenses	773.70	848.38	1,527.66	1,589.98
III	Profit from operations before other income, interest and exceptional items (I-II)	140.66	141.17	312.17	290.35
IV	Other income	1.67	7.36	20.83	7.33
V	Profit before interest & exceptional items (III+IV)	142.33	148.53	332.99	297.68
VI	Interest	21.26	21.60	103.46	59.70
VII	Exceptional items	-	-	-	-
VIII	Profit from ordinary activities before tax (V) - (VI+VII)	121.06	126.93	229.53	237.98
IX	Tax expenses				
	- Current Tax	21.22	51.85	59.66	80.98
	- Deferred Tax	17.31	4.05	12.81	(9.17)
X	Net profit from ordinary activities after tax (VIII-IX)	82.53	71.02	157.06	166.17
XI	Other comprehensive income				
	Re-measurement gains/ (losses) on defined benefit plan	(0.29)	0.51	(0.52)	0.51
	Fair value changes on equity instruments through OCI (FVTOCI)	0.25	-	0.45	-
	Deferred Tax Effect	0.16	(0.18)	0.16	(0.18)
XII	Net profit for the period (X-XI)	82.53	71.02	157.15	166.50
XIII	Paid-up equity share capital (face value)	13.38	13.38	13.38	13.38
XIV	Paid up debt capital	938.12	581.62	938.12	581.62
XV	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	964.86	805.26	964.86	805.26
XVI	Debenture redemption reserve	24.50	35.00	24.50	35.00
XVII	Earning per share (EPS in Rs)	62	53	117	124
XVIII	Debt equity ratio	1.04	1.41	1.04	1.43
XIX	Debt service coverage ratio	4.62	1.77	4.62	1.77
XX	Interest service coverage ratio	10.18	8.31	10.18	8.31

Note:

- 1) The Company has business segments namely Cement, Thermal Power and Waste Heat Recovery Power (WHR - Captive purpose). Following are the required disclosures of those segments.

Particulars	(Rs. in Crores)		
	Cement	Thermal Power	WHR
Revenue from the Operations	1,689.64	150.19	-
Profit Before Tax	183.90	45.63	-
Capital Employed (investments in fixed assets)	1,699.74	112.53	129.96

- 2) Details of investor's complaints/requests for the year ended 31st March 2018: Opening Balance: Nil; Received during the year: Nil; Disposed of during the year: Nil; Pending at the end of the year: Nil.
- 3) The above audited results were reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 9th May 2018
- 4) During the year, Company has commenced its commercial production of cement from Grinding Units located at Krishnapatanam & Pune and Packing Terminal at Cochin.
- 5) Previous figures have been re-grouped / re-classified / re-casted wherever necessary to confirm to current year presentation.
- 6) The Company retained its Credit ratings from India Rating & Research AA- for its Long Term borrowings.
- 7) The Non-convertible Debentures of the Company aggregating Rs.24.50 crores as at 31st March 2018 are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debt), both present and future, in favour of Company's lenders/trustees.
- 8) In terms of provisions of Section 71 of the Companies Act, 2013 read with Rule 18(7) of The Companies (Share Capital and Debenture) Rules, 2014, the company has provided Debenture Redemption Reserve of Rs.24.50 crores.
- 9) Debt service coverage ratio = Earnings before interest, depreciation and tax / (Interest + Principal)
Interest service coverage ratio = Earnings before interest, depreciation and tax / Interest expenses

Date: 9th May 2018

Place: Hyderabad


BEZAWADA VIKRAM
 EXECUTIVE DIRECTOR
 DIN: 02086809

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PENNA CEMENT INDUSTRIES LTD

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

Rs. in Crores

Particulars	As at 31-03-2018	As at 31-03-2017
ASSETS		
NON-CURRENT ASSETS:		
a) Property, Plant and Equipment	1699.77	1113.85
b) Capital Work-in-Progress	242.04	298.10
c) Intangible Assets	0.42	1.06
d) Financial Assets		
i) Investments	143.61	76.62
ii) Loans	107.92	107.58
e) Other Non-Current Assets	204.78	121.71
Total Non-Current Assets	2398.54	1718.92
CURRENT ASSETS:		
a) Inventories	178.95	273.51
b) Financial Assets		
i) Trade Receivables	90.24	85.96
ii) Cash and Cash Equivalents	23.97	20.23
iii) Bank Balance other than Cash and Cash Equivalents	16.86	34.43
c) Other Current Assets	171.33	291.98
Total Current Assets	481.35	706.11
Total Assets	2879.89	2425.03
EQUITY AND LIABILITIES		
SHARE HOLDER'S FUNDS		
a) Equity Share Capital	13.38	13.38
b) Other Equity	989.36	840.26
Total Equity	1002.74	853.64
NON-CURRENT LIABILITIES:		
a) Financial Liabilities		
i) Borrowings	1011.20	689.53
ii) Other Financial Liabilities	238.87	161.06
b) Provisions	6.34	5.42
c) Deferred Tax Liabilities (Net)	207.11	194.47
Total Non-Current Liabilities	1463.52	1050.48
CURRENT LIABILITIES:		
d) Financial Liabilities		
i) Borrowings	207.76	213.03
ii) Trade Payables	49.14	106.09
iii) Other Financial Liabilities	59.49	50.24
e) Provisions	0.24	0.58
f) Other Current Liabilities	46.44	70.33
g) Current Tax Liabilities	50.56	80.64
Total Current Liabilities	413.63	520.91
Total Equity and Liabilities	2879.89	2425.03

Date: 9th May 2018
Palce: Hyderabad


BEZAWADA VIKRAM
EXECUTIVE DIRECTOR
DIN: 02086809



INDEPENDENT AUDITORS' REPORT

To
The Board of Directors of
Penna Cement Industries Limited

1. We have audited the accompanying 'Statement of Financial Results of Penna Cement Industries Limited ("the Company") for the year ended March 31, 2018 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in the India, our responsibility is to express an opinion on the Statement based on our audit of such Ind AS financial Statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.


An Audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.



3. In our opinion and to the best of our information and according to the explanations given to us, the Statement.
- (i) Have been presented in accordance with the requirements of the Regulation 52 of the SEBI (Listing Obligations, and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net profit including other comprehensive income and other financial information for the year ended March 31, 2018.
4. The Statement includes the results for the six months ended March 31,2018 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the first six months of the respective financial years which were subject to limited review by us.

For C. RAMACHANDRAM & CO.,
Chartered Accountants
(Firm Registration No.002864S)


PREMNATH DEGALA
Partner
Membership No.207133



Place: Hyderabad,
Date: May 9, 2018

PENNA CEMENT INDUSTRIES LIMITED
CIN : U26942AP1991PLC013359
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018 (CONSOLIDATED)

Sl.No	Particulars	1-Apr-2017 to 31-Mar-2018	1-Apr-2016 to 31-Mar-2017
		Audited	Audited
I	(a) Sales/income from operations	1,839.83	1,850.50
	(b) Other operating income	-	29.83
	Total Income	1,839.83	1,880.33
II	EXPENDITURE		
	(a) Increase/(decrease) in finished goods and work-in-progress	7.71	6.96
	(b) Cost of raw material consumed	295.45	255.13
	(c) Purchase of traded goods	-	28.71
	(d) Consumption of coal	295.57	233.34
	(e) Consumption of stores and spares	34.30	39.42
	(f) Consumption of packing material	59.98	55.41
	(g) Electricity charges	75.94	133.11
	(h) Repairs & Maintenance	26.37	22.40
	(i) Employees cost	79.34	76.76
	(j) Depreciation	81.55	80.37
	(k) Freight & forwarding charges	404.88	331.28
	(l) Other expenditure	168.67	328.17
	Total expenses	1,529.75	1,591.06
III	Profit from operations before other income, interest and exceptional items (I-II)	310.08	289.28
IV	Other income	21.84	8.28
V	Profit before interest & exceptional items (III+IV)	331.92	297.56
VI	Interest	103.48	59.71
VII	Exceptional items	-	-
VIII	Profit from ordinary activities before tax (V) - (VI+VII)	228.44	237.84
IX	Tax expenses		
	- Current Tax	59.67	80.95
	- Deferred Tax	12.79	(9.20)
X	Share of Minority Interest	(0.13)	(0.14)
XI	Share of Profits / (Loss) from Associates	(8.35)	8.79
XII	Net profit from ordinary activities after tax (VIII-IX+X+XI)	147.51	174.74
	Other comprehensive income		
	Re-measurement gains/ (losses) on defined benefit plan	(0.52)	0.51
	Fair value changes on equity instruments through OCI (FVTOCI)	0.45	-
	Income-tax effect	0.02	(0.18)
XIII	Net profit for the period (XI-XII)	147.45	175.08
XIV	Paid-up equity share capital (face value)	13.38	13.38
XV	Paid up debt capital	938.12	581.62
XVI	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	960.06	820.53
XVII	Debenture redemption reserve	24.50	35.00
XVIII	Earning per share (EPS in Rs)	110.24	130.60
XIX	Debt equity ratio	1.08	1.43
XX	Debt service coverage ratio	4.51	1.82
XXI	Interest service coverage ratio	9.93	8.15

- 1) The Company has business segments namely Cement, Thermal Power and Waste Heat Recovery Power (WHR - Captive purpose). Following are the required disclosures of those segments.

Particulars	(Rs. in Crores)		
	Cement	Thermal Power	WHR
Revenue from the Operations	1,689.64	150.19	-
Profit Before Tax	182.81	45.63	-
Capital Employed (investments in fixed assets)	1,793.51	112.53	129.96

- 2) Details of investor's complaints/requests for the year ended 31st March 2018: Opening Balance: Nil; Received during the year: Nil; Disposed of during the year: Nil; Pending at the end of the year: Nil.
- 3) The above audited results were reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 9th May 2018.
- 4) During the year, Company has commenced its commercial production of cement from Grinding Units located at Pune & Krishnapatanam and Packing Terminal at Cochin.
- 5) Previous figures have been re-grouped / re-classified / re-casted wherever necessary to confirm to current year presentation.
- 6) The Company retained its Credit ratings from India Rating & Research AA- for its long term borrowings.
- 7) The Non-convertible Debentures of the Company aggregating Rs.24.50 crores as at 31st March 2018 are secured by way of first charge, having pari passu rights, on the Company's movable and immovable assets (save and except stocks and book debt), both present and future, in favour of Company's lenders/trustees.
- 8) In terms of provisions of Section 71 of the Companies Act, 2013 read with Rule 18(7) of The Companies(Share Capital and Debenture)Rules, 2014, the company has provided Debenture Redemption Reserve of Rs.24.50 crores.
- 9) Debt service coverage ratio = Earnings before interest, depreciation and tax / (Interest + Principal)
Interest service coverage ratio = Earnings before interest, depreciation and tax / Interest expenses

Date: 9th May 2018
Place: Hyderabad



BEZAWADA VIKRAM
EXECUTIVE DIRECTOR
DIN: 02086809

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PENNA CEMENT INDUSTRIES LTD

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Rs. in Crores

Particulars	As at 31-03-2018	As at 31-03-2017
ASSETS		
NON-CURRENT ASSETS:		
a) Property, Plant and Equipment	1759.58	1170.23
b) Capital Work-in-Progress	275.38	330.56
c) Intangible Assets	1.04	1.73
d) Goodwill on Consolidation	0.30	0.01
e) Financial Assets		
i) Investments	19.19	27.09
ii) Loans	107.92	107.57
ii) Others	15.19	14.28
f) Deferred Tax asset	0.17	0.28
f) Other Non-Current Assets	242.00	158.85
Total Non-Current Assets	2420.77	1810.59
CURRENT ASSETS:		
a) Inventories	178.95	273.51
b) Financial Assets		
i) Trade Receivables	90.24	85.96
ii) Cash and Cash Equivalents	26.61	20.39
iii) Bank Balance other than Cash and Cash Equivalents	16.86	34.43
iv) Loans	0.01	0.01
c) Other Current Assets	173.41	235.04
Total Current Assets	486.08	649.34
Total Assets	2906.85	2459.94
EQUITY AND LIABILITIES		
SHARE HOLDER'S FUNDS		
a) Equity Share Capital	13.38	13.38
b) Other Equity	989.16	849.19
Total Equity	1002.54	862.57
Minority Interest	25.57	25.70
NON-CURRENT LIABILITIES:		
a) Financial Liabilities		
i) Borrowings	1011.20	689.53
ii) Other Financial Liabilities	238.87	161.06
b) Provisions	6.37	5.44
c) Deferred Tax Liabilities (Net)	207.11	194.47
Total Non-Current Liabilities	1463.55	1050.50
CURRENT LIABILITIES:		
d) Financial Liabilities		
i) Borrowings	207.76	213.03
ii) Trade Payables	49.14	106.09
iii) Other Financial Liabilities	61.05	50.49
e) Other current liabilities	46.44	70.33
f) Current tax liabilities, net	50.56	80.63
g) Provisions	0.24	0.60
Total Current Liabilities	415.19	521.17
Total Equity and Liabilities	2906.85	2459.94

Date: 9th May 2018
Palce: Hyderabad


BEZAWADA VIKRAM
EXECUTIVE DIRECTOR
DIN: 02086809



INDEPENDENT AUDITORS' REPORT

To
The Board of Directors of
Penna Cement Industries Limited

1. We have audited the accompanying `Statement of Consolidated Financial Results of Penna Cement Industries Limited ("the Company") for the year ended March 31, 2018 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016.

This Consolidated Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the Indian Accounting Standards (`Ind AS`) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in the India, our responsibility is to express an opinion on the Statement based on our audit of such Ind AS Consolidated Financial Statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated statement is free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We did not audit the financial statements of 1(one) subsidiary included in the consolidated year to date financial results, whose financial statements reflect total assets of Rs.123.17 Crores as at March 31, 2018 as well as the total revenue of Rs.1.01 Crores as at March 31, 2018. These financial statements and other financial information have been audited by other auditors whose




report have been derived from such financial statements is based solely on the report of such other auditors.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Consolidate Statement.
 - (i) Include the year to date financial results of the following entities
 - (a) Penna Cement Industries Limited
 - (b) Pioneer Cement Industries Limited
 - (c) Marwar Cement Limited
 - (d) Parasakti Cement Industries Limited
 - (ii) Have been presented in accordance with the requirements of the Regulation 52 of the SEBI (Listing Obligations, and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016; and
 - (iii) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net profit including other comprehensive income and other financial information for the year ended March 31, 2018.

4. The Statement includes the results for the six months ended March 31,2018 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the first six months of the respective financial years which were subject to limited review by us.

For C. RAMACHANDRAM & CO.,
Chartered Accountants
(Registration No.002864S)


PREMNATH DEGALA
Partner
Membership No.207133



Place: Hyderabad,
Date: May 9, 2018



Penna Cement Industries Limited.

09th May, 2018

To,

BSE Limited

Phirozejeejeebhoy Towers,
Dalal Street, Ambalal Doshi Marg,
Kala Ghoda, Fort, Mumbai,
Mumbai- 400 001

Dear Sir,

Sub: Declaration pursuant to Regulation 52(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ref: PENNA CEMENT/SCRIP CODE: 950381/ISIN No. : INE862107015

Pursuant to Regulation 52(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2016, we hereby state that the Audit Report in respect of the Audited Financial Results for the year ended 31st March, 2018 is with unmodified opinion.

Thanking You,
Yours faithfully,

For **Penna Cement Industries Limited**

Raj Kumar Singh
Company Secretary
Mem. No. A14265
Encl: As above

No. 1343/ITSL/OPR/2018-19
May 9, 2018

To
Company Secretary
Penna Cement Industries Limited
Lakshmi Nivas 705,
Road 3, Banjara Hills,
Hyderabad, Telangana, India- 5000034

Dear Sir,

Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)]

Ref: PENNA CEMENT/SCRIP CODE: 950381/ISIN No. : INE862107015

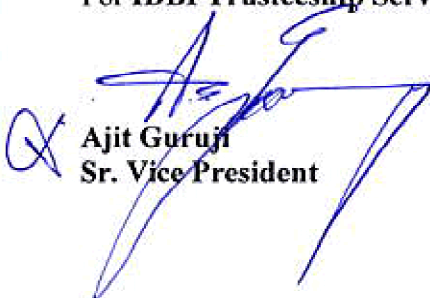
This has reference to the privately placed, redeemable, non-convertible debentures aggregating to Rs 35 Crs issued by Penna Cement Industries Limited (“Issuer”) wherein IDBI Trusteeship Services Limited is acting as the Debenture Trustee and listed on the BSE Limited (BSE) (“Listed Debt Securities”).

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (LODR), the Issuer is required to submit the documents as required thereunder along with its half yearly/annual financial results to the BSE, with a letter of the Debenture Trustee, that the Debenture Trustee has noted the contents furnished by the Issuer as per Regulation 52(4) of SEBI (LODR).

In pursuance thereof we hereby confirm that we have received the aforesaid information from the Issuer for the period ending March 31, 2018 through the letter dated May 9, 2018 and we have noted the contents provided therein.

Thanking you,

Yours faithfully,
For IDBI Trusteeship Services Limited


Ajit Guruji
Sr. Vice President