



SHREE CEMENT LIMITED

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CIN: L26943RJ1979PLC001935

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER, 2016

S.N.	PARTICULARS	Quarter ended			Nine Months ended	Six Months ended	Rs. in Crore
		31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 (Unaudited)	31.12.2015 (Unaudited) [Refer Note 4(ii)]	Nine Months ended 31.12.2015 (Unaudited) [Refer Note 4(ii) & (iii)]
1	Income from operations						
	a. Sales/Income from operations [Refer Note 4(iii)]	2091.17	2254.02	2025.49	6813.02	3940.81	5660.24
	b. Other operating Income	0.01	0.01	-	0.08	0.01	5.17
	Total Income from operations (net)	2091.18	2254.03	2025.49	6813.10	3940.82	5665.41
2	Expenses						
	a. Cost of materials consumed	161.46	155.19	152.17	477.87	287.55	450.31
	b. Purchases of stock-in-trade	-	-	-	-	-	-
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	(16.99)	(67.08)	20.59	(67.10)	10.77	(28.08)
	d. Excise duty on Sales	247.82	247.20	222.53	764.20	425.98	425.08
	e. Employee benefits expense	131.31	137.67	120.10	402.08	242.90	361.91
	f. Depreciation and amortisation expense	317.62	432.20	276.61	903.86	521.41	759.66
	g. Power and fuel	299.09	357.25	373.93	984.22	746.10	1161.78
	h. Freight and forwarding expenses	420.44	406.62	366.50	1267.25	713.29	1114.43
	i. Other expenses	379.10	360.92	311.03	1128.50	639.31	947.39
	Total expenses	1939.85	2029.97	1843.46	5860.88	3587.31	5193.38
3	Profit from operations before other income and finance costs (1-2)	151.33	224.06	182.03	952.22	353.51	472.03
4	Other Income	135.61	123.27	101.72	356.69	197.49	236.72
5	Profit from ordinary activities before finance costs (3+4)	286.94	347.33	283.75	1308.91	551.00	708.75
6	Finance costs	41.05	29.34	23.52	97.98	46.99	73.35
7	Profit from Ordinary Activities after finance cost but before exceptional items(5-6)	245.89	317.99	260.23	1210.93	504.01	635.40
8	Exceptional Items	-	-	-	-	-	23.99
9	Profit from Ordinary Activities before tax (7-8)	245.89	317.99	260.23	1210.93	504.01	611.41
10	Tax expense						
	a. Current Tax	61.60	59.77	34.67	257.47	67.86	95.18
	b. Deferred Tax	(53.27)	(33.28)	(8.19)	(83.27)	(43.95)	(67.98)
	c. Prior Period Tax	2.13	-	-	2.13	-	-
	Total (a to c)	10.46	26.49	26.48	176.33	23.91	27.20
11	Net Profit for the period (9-10)	235.43	291.50	233.75	1034.60	480.10	584.21
12	Other Comprehensive Income (net of Tax)	(3.76)	(1.13)	0.30	(4.42)	(7.13)	(7.13)
13	Total Comprehensive Income after Tax (11+12)	231.67	290.37	234.05	1030.18	472.97	577.08
14	Paid-up Equity Share Capital (Face value Rs. 10 per share)	34.84	34.84	34.84	34.84	34.84	34.84
15	Earnings Per Share (EPS) (of Rs. 10 each) - Not annualised						
	Cash (in Rs.)	143.46	198.18	144.15	532.53	274.87	366.24
	Basic and Diluted (in Rs.)	67.58	83.67	67.10	296.98	137.81	167.70

REPORTING OF UNAUDITED SEGMENT INFORMATION							
S.N.	PARTICULARS	Quarter ended			Nine Months ended 31.12.2016 (Unaudited)	Six Months ended 31.12.2015 (Unaudited) [Refer Note 4(ii)]	Nine Months ended 31.12.2015 (Unaudited) [Refer Note 4(ii) & (iii)]
		31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)			
1	Segment Revenue						
	a. Cement	2063.99	2059.38	1847.23	6385.02	3568.35	5083.63
	b. Power	246.47	396.27	366.45	1043.67	743.67	1142.10
	Total	2310.46	2455.65	2213.68	7428.69	4312.02	6225.73
	Less: Inter Segment Revenue	219.28	201.62	188.19	615.59	371.20	560.32
	Total Income from operations (net)	2091.18	2254.03	2025.49	6813.10	3940.82	5665.41
2	Segment Results (Profit before Finance Cost, Exceptional Items and Taxes)						
	a. Cement	45.71	97.40	82.31	532.75	195.47	147.91
	b. Power	134.44	170.60	149.68	527.82	257.48	442.02
	Total	180.15	268.00	231.99	1060.57	452.95	589.93
	Less:						
	a. Finance Costs	41.05	29.34	23.52	97.98	46.99	73.35
	b. Exceptional Items	-	-	-	-	-	23.99
	c. Other Unallocable (Income)	(106.79)	(79.33)	(51.76)	(248.34)	(98.05)	(118.82)
	Profit before Tax	245.89	317.99	260.23	1210.93	504.01	611.41
3	Segment Assets						
	a. Cement	5404.09	5231.73	4928.00	5404.09	4928.00	4928.00
	b. Power	495.86	486.86	504.68	495.86	504.68	504.68
	c. Unallocated (Includes Investments of Rs. 4400.78 crore as of 31st December, 2016, and Rs. 2751.66 crore as of 31st December, 2015)	5238.90	4912.56	3578.12	5238.90	3578.12	3578.12
	Total Segment Assets	11138.85	10631.15	9010.80	11138.85	9010.80	9010.80
4	Segment Liabilities						
	a. Cement	1555.94	1477.38	1376.42	1555.94	1376.42	1376.42
	b. Power	137.86	113.30	148.84	137.86	148.84	148.84
	c. Unallocated	1646.14	1473.22	1159.11	1646.14	1159.11	1159.11
	Total Segment Liabilities	3339.94	3063.90	2684.37	3339.94	2684.37	2684.37

The figures of Cement segment includes those of Autoclaved Aerated Concrete (AAC) Block business being a cementitious product.

Notes:

- 1 The above results were taken on record at the meeting of the Board of Directors held on 30th January, 2017. The Results have been reviewed by Statutory Auditors.
- 2 The Company has adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016. The figures for the quarter and six months ended 31st December, 2015 are Ind AS compliant.
- 3 The Board of Directors of the Company at its meeting held on 30th January, 2017, has declared a "One-time Special Dividend" of Rs. ~~100~~ per equity share of Rs. 10 each. The same will be payable to those shareholders who hold the equity shares of the Company on the record date i.e. 7th February, 2017.
- 4 (i) The Company had adopted change in its accounting year in terms of Section 2(41) of the Companies Act, 2013 from financial year 2015-16. Accordingly, the said financial year of the Company was of a nine months period from 1st July, 2015 to 31st March, 2016. The date of transition to Ind AS for the Company is 1st July, 2015. Consequently, in terms of SEBI Circular dated 5th July, 2016, the figures for corresponding period of previous year are of six months period i.e. 1st July, 2015 to 31st December, 2015. Hence, the same are not comparable with the Financial Results for the Nine Months period ended 31st December, 2016.
- (ii) Figures of results for the Nine Months period ended 31st December, 2015 are aggregation of the results for the quarter ended 30th September, 2015 and 31st December, 2015 prepared as per Ind AS and the results for the quarter ended 30th June, 2015 prepared as per Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (previous Indian GAAP). Hence, the same are not comparable with the Financial Results for the Nine Months period ended 31st December, 2016.
- (iii) In compliance of Ind AS requirements, the Sales/Income from Operations have been shown inclusive of excise duty. However, the figures of nine months period ended 31st December, 2015 include figures of quarter ended 30th June, 2015, which were prepared in accordance with previous Indian GAAP and are thus, net of excise duty amounting to Rs. 199.82 crore.
- 5 (i) The Divisional Bench of Hon'ble Rajasthan High Court vide Judgement dated December 06, 2016 has allowed the appeal filed by Commercial Taxes Department/Finance Department of Govt. of Rajasthan against earlier favourable order of single member bench of Hon'ble Rajasthan High Court in the matter of incentives granted under Rajasthan Investment Promotion Scheme-2003 to the Company for capital investment made in cement plants in the State of Rajasthan. Vide the above Judgement, the Company's entitlement towards Capital Subsidy for the entitled period stands revised from "up to 75% of Sales Tax / VAT" to "up to 50% of Sales Tax/ VAT". The Company has filed special leave petition before the Hon'ble Supreme Court against the above judgment. Based on the legal opinion, it has a good case in appeal. Accordingly, no provision has been made for the excess subsidy received amounting to Rs. 73.08 crore and excess subsidy recognized directly in capital reserve which has not been received.

(ii) The State of Rajasthan and Uttar Pradesh had imposed Entry Tax on the goods and materials being imported from other States, which was challenged by the Company. The Hon'ble Supreme Court vide its Judgement dated 11th November, 2016 has upheld the constitutional validity of the imposition of Entry Tax. The Company has been making necessary provision in its books of accounts and, therefore, there is no extra impact of the above judgement on the results of the Company.

(iii) In terms of the direction of the Hon'ble Competition Appellate Tribunal (COMPAT), Company has deposited an amount of Rs. 39.75 Crore during the quarter being 10% of the penalty imposed by Competition Commission of India (CCI) vide its order dated 7.11.2016. Company has been granted stay on the order of CCI. Based on the company's own assessment and advice given by its legal counsels, Company believes that it has a good case in appeal.

In another matter, Hon'ble Competition Commission of India (CCI) has vide its order dated 19.1.2017 imposed a penalty of Rs. 18.44 crore on the Company in connection with a reference filed by Government of Haryana in respect of tender invited by Director Supplies & Disposals, Haryana, for supply of cement. Based on Company's own assessment and advice given by its legal counsels, Company believes that it has a good case, and will file its appeal before the COMPAT against the above order.

6 Reconciliation of Net Profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter ended 31st December, 2015:

Rs. in crore

S.N.	Particulars	Quarter ended 31.12.2015
	Net Profit as per previous Indian GAAP	102.86
(i)	On account of measuring investments at amortised cost	31.64
(ii)	On account of measuring investments at Fair Value through Profit and Loss	(0.46)
(iii)	On account of Govt. grants accounted through Profit and Loss	81.62
(iv)	On account of reversal of amortisation of Goodwill	27.72
(v)	Others	(0.18)
(vi)	Deferred tax on above adjustments (net)	(9.45)
	Net Profit for the period under Ind AS	233.75
	Other Comprehensive Income (net of Tax)	0.30
	Total Comprehensive Income after Tax under Ind AS	234.05

7 (a) EBITDA (after eliminating the impacts of inter-segment transfers) is as under:

Rs. In crore

Segment	Quarter ended			Nine Months ended 31.12.2016	Six months ended 31.12.2015	Nine Months ended 31.12.2015
	31.12.2016	30.09.2016	31.12.2015			
Cement	479.03	594.10	409.42	1725.57	767.92	1061.23
Power	(10.08)	62.16	49.22	130.51	107.00	170.46
Other Income	135.61	123.27	101.72	356.69	197.49	236.72
Total	604.56	779.53	560.36	2212.77	1072.41	1468.41

(b) Depreciation and amortisation expense for Cement and Power Segment is as under:

Rs. In crore

Segment	Quarter ended			Nine Months ended 31.12.2016	Six months ended 31.12.2015	Nine Months ended 31.12.2015
	31.12.2016	30.09.2016	31.12.2015			
Cement	296.69	392.27	235.79	836.80	401.63	625.27
Power	20.93	39.93	40.82	68.06	119.78	134.39
Total	317.62	432.20	276.61	903.86	521.41	759.66

8 Previous period figures have been regrouped wherever necessary.

Place Kolkata

Date: 30th January, 2017

By order of the Board
For SHREE CEMENT LIMITED

(B.G. Bangur)
Chairman