

# Ambuja Cement

ACL:SEC:

28<sup>th</sup> April, 2017

|                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bombay Stock Exchange Limited<br>Phiroz Jeejeebhoy Towers,<br>Dalal Street, Mumbai – 400 023<br>Fax No. 22723719/22723121/22722037 /<br>22722039 / 22722041/ 22722061<br><a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a> | National Stock Exchange of India Ltd.,<br>Plot No.C/1 'G' Block<br>Bandra – Kurla Complex<br>Bandra East,<br>Mumbai 400 051<br>Fax No.26598237 / 38<br><a href="mailto:cmli@nse.co.in">cmli@nse.co.in</a>          |
| Deutsche Bank<br>Trust Company Americas<br>Winchester House<br>1 Great Winchester Street<br>London EC2N 2DB, Fax No.+44207547<br>6073<br><a href="mailto:Ctas.Documents@db.com">Ctas.Documents@db.com</a>                                             | Societe de la Bourse de Luxembourg,<br>Avenue de la Porte Neuve<br>L-2011 Luxembourg,<br>B.P 165<br>FAX NO.00352 473298<br>"Luxembourg Stock Ex-Group ID "<br><a href="mailto:&lt;ost@bourse.lu">ost@bourse.lu</a> |

Dear Sirs,

**Sub: Intimation under the Listing Agreement**

This is to inform you that the Board of Directors at its meeting held today, i.e. on 28<sup>th</sup> April, 2017 which commenced at 1.30 p.m. and concluded at 4.15 p.m. have approved the following:-

**Financial Results for the First Quarter ended 31<sup>st</sup> March, 2017**

The Board approved the Unaudited Financial Results for the First Quarter ended 31<sup>st</sup> March, 2017 of the F.Y.2017. The results together with a copy of the Press Release are enclosed.

You are requested to kindly take note of the same.

Thanking you,

Yours faithfully,  
For AMBUJA CEMENTS LIMITED



RAJIV GANDHI  
COMPANY SECRETARY  
**Membership No A11263**

**AMBUJA CEMENTS LIMITED**

Elegant Business Park, MIDC Cross Road 'B', Off Andheri Kurla Road, Andheri (E), Mumbai 400059.  
Tel.: 022- 4066 7000 / 6616 7000, Fax: 022 - 6616 7711 / 4066 7711. Website: [www.ambujacement.com](http://www.ambujacement.com)  
Regd. Off. : P. O. Ambujanagar, Taluka - Kodinar, Dist. Gir Somnath, Gujarat.  
CIN: L26942GJ1981PLC004717

**AMBUJA CEMENTS LIMITED**
**CIN: L26942GJ1981PLC004717**
**Registered office : Ambujanagar P.O., Taluka - Kodinar, District - Gir Somnath, Gujarat - 362 715**
**Tel No. : 022-4066 7000 • Website: www.ambujacement.com • E-mail: shares@ambujacement.com**
**Statement of Standalone Unaudited Financial Results for the quarter ended 31/03/2017**

| Particulars                                                                              | 3 months<br>ended<br>(31/03/2017) | Corresponding<br>3 months ended<br>(31/03/2016)<br>in the<br>previous year<br>(Refer note - 5) |
|------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------|
|                                                                                          | (Unaudited)                       | (Unaudited)                                                                                    |
| ₹ in crore                                                                               |                                   |                                                                                                |
| <b>1 Income from operations</b>                                                          |                                   |                                                                                                |
| a) Sales / Income from operations (inclusive of excise duty)                             | 2,893.38                          | 2,745.48                                                                                       |
| b) Other operating income                                                                | 29.02                             | 26.33                                                                                          |
|                                                                                          | <b>2,922.40</b>                   | <b>2,771.81</b>                                                                                |
| 2 Other income (Refer note 2)                                                            | 101.94                            | 124.99                                                                                         |
| <b>Total income</b>                                                                      | <b>3,024.34</b>                   | <b>2,896.80</b>                                                                                |
| <b>3 Expenses</b>                                                                        |                                   |                                                                                                |
| a) Cost of materials consumed                                                            | 204.31                            | 220.69                                                                                         |
| b) Change in inventories of finished goods,<br>work-in-progress and stock-in-trade       | 31.11                             | (66.75)                                                                                        |
| c) Excise duty                                                                           | 359.96                            | 339.51                                                                                         |
| d) Employee benefits expense                                                             | 167.71                            | 147.25                                                                                         |
| e) Depreciation and amortisation expense                                                 | 145.98                            | 382.96                                                                                         |
| f) Power and fuel                                                                        | 538.79                            | 511.80                                                                                         |
| g) Finance costs                                                                         | 37.70                             | 18.80                                                                                          |
| h) Freight and forwarding :<br>- On finished products<br>- On internal material transfer | 562.13<br>179.03                  | 515.78<br>180.95                                                                               |
|                                                                                          | <b>741.16</b>                     | <b>696.73</b>                                                                                  |
| i) Other Expenses                                                                        | 485.27                            | 470.71                                                                                         |
| <b>Total expenses</b>                                                                    | <b>2,711.99</b>                   | <b>2,721.70</b>                                                                                |
| <b>4 Profit from continuing operations before tax (1+2-3)</b>                            | <b>312.35</b>                     | <b>175.10</b>                                                                                  |
| 5 Tax expense                                                                            |                                   |                                                                                                |
| Current Tax                                                                              | 68.00                             | 134.74                                                                                         |
| Deferred Tax                                                                             | (2.19)                            | (13.15)                                                                                        |
|                                                                                          | <b>65.81</b>                      | <b>121.59</b>                                                                                  |
| <b>6 Net Profit for the period (4-5)</b>                                                 | <b>246.54</b>                     | <b>53.51</b>                                                                                   |
| 7 Other comprehensive income / (expenses) not to be reclassified<br>to profit and loss   |                                   |                                                                                                |
| Remeasurement of defined benefit plans                                                   | 1.44                              | (2.27)                                                                                         |
| Tax expense                                                                              | (0.50)                            | 0.79                                                                                           |
|                                                                                          | <b>0.94</b>                       | <b>(1.48)</b>                                                                                  |
| <b>8 Total comprehensive income for the period (6+7)</b>                                 | <b>247.48</b>                     | <b>52.03</b>                                                                                   |
| 9 Paid-up equity share capital (Face value ₹ 2 each)                                     | 397.13                            | 310.38                                                                                         |
| 10 Earnings per share (in ₹) : (of ₹ 2 each) (not annualised) :                          |                                   |                                                                                                |
| a) Basic                                                                                 | 1.24                              | 0.27                                                                                           |
| b) Diluted                                                                               | 1.24                              | 0.27                                                                                           |

See accompanying notes to financial results



**Notes :**

- 1 The above results have been approved and taken on record by the Board of Directors at its meeting held on 28th April, 2017.
- 2 Other income for the quarter ended 31st March, 2016 includes ₹ 21.04 crore, towards writeback of provision for interest on income tax relating to earlier years.
- 3 The Competition Commission of India (CCI), vide their Order dated 31st August, 2016, has imposed a penalty of ₹ 1,163.91 crore on the Company. On Company's appeal, Competition Appellate Tribunal (COMPAT) has granted a stay on the penalty with a condition to deposit ₹ 116.39 crore, being 10% of the penalty amount, which has been deposited.

In a separate matter, pursuant to a reference filed by the Director, Supplies and Disposals, Government of Haryana, the CCI, by its Order dated 19th January, 2017, has imposed a penalty of ₹ 29.84 crore on the Company. On Company's appeal the COMPAT has stayed the operation of CCI's order in the meanwhile.

Based on the advice of external legal counsel, the Company believes it has good grounds on merit for a successful appeal in both the aforesaid matters. Accordingly, no provision is considered necessary in the above financial results.

- 4 The Company follows January to December as the financial year and has adopted Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder, from 1st January, 2017, therefore the above financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" and the other accounting principles generally accepted in India.
- 5 The Company has opted to avail the relaxations provided by the Securities and Exchange Board of India, vide its circular dated 5th July, 2016 (circular), as available to listed entities. On 22nd March, 2017 the Company has informed the Stock Exchanges of its intention to avail relaxations as given in the circular. Accordingly, the Company has provided Ind AS compliant financial results only for the previous quarter ended 31st March, 2016 along with financial results for the current quarter ended 31st March, 2017.

Further, in accordance with the relaxations provided in the circular, the results for the previous quarter ended 31st March, 2016 have not been subjected to a limited review or audit by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.

- 6 During the previous year, pursuant to Scheme of Amalgamation, Holcim (India) Private Limited (HIPL) has been amalgamated with the Company with effect from appointed date 1st April, 2013. As a result, the Company while publishing its results for the quarter ended 30th September, 2016, had restated the financial results and related earnings per share (calculated based on enhanced share capital) of previous quarter of the year 2016 to give impact of the Amalgamation. Accordingly, net profit for the quarter ended 31st March, 2016 as per previous GAAP is restated from ₹ 303.76 crore to ₹ 60.28 crore.

- 7 Reconciliation of total comprehensive income for the quarter ended 31st March, 2016 is as under :

| Particulars                                                                                       | Corresponding<br>3 months ended<br>(31/03/2016)<br>(Refer note - 5)<br>(Unaudited)<br>₹ in crore |
|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Net profit for the period as per Indian GAAP (refer note 6 above)</b>                          | <b>60.28</b>                                                                                     |
| <b>Add / (Less) : Adjustments for GAAP differences :</b>                                          |                                                                                                  |
| a) On account of measuring investments at fair value through profit and loss                      | (12.20)                                                                                          |
| b) On account of unwinding effect of financial liabilities                                        | (0.42)                                                                                           |
| c) On account of reclassification of actuarial gains, arising in respect of defined benefit plans | 2.27                                                                                             |
| d) Tax adjustment on above items                                                                  | 3.58                                                                                             |
| <b>Net profit for the period as per Ind AS</b>                                                    | <b>53.51</b>                                                                                     |
| Other comprehensive income (net of tax)                                                           | (1.48)                                                                                           |
| <b>Total comprehensive income for the period as per Ind AS</b>                                    | <b>52.03</b>                                                                                     |

- 8 The Company is exclusively engaged in the business of cement and cement related products.
- 9 The figures for the previous period have been regrouped wherever necessary to conform to the current period's presentation.
- 10 Limited review of the financial results for the quarter ended 31st March, 2017 has been carried out by the statutory auditors.



Mumbai  
28th April, 2017



By Order of the Board

  
Ajay Kapur  
Managing Director & CEO  
DIN: 03096416

## **INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF AMBUJA CEMENTS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **AMBUJA CEMENTS LIMITED** ("the Company"), which includes a Joint Operation consolidated on a proportionate basis, for the Quarter ended 31<sup>st</sup> March, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016. As stated in Note 5 to the statement, the figures relating to the corresponding quarter ended 31<sup>st</sup> March, 2016 including the reconciliation of net profit for the said period between the previous GAAP and Indian Accounting Standards ("IND AS"), as reported in this statement, have not been subjected to review.

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 recognition and measurement principles laid down in the 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 provides 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 stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India; has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



4. We draw attention to Note 3 to the Standalone Financial Results which describes the following matters:
- a. In terms of order dated 31<sup>st</sup> August, 2016 the Competition Commission of India (CCI) has imposed a penalty of Rs.1,163.91 crores for alleged contravention of the Competition Act, 2002 by the Company. The Company has filed an appeal against the CCI order before the Competition Appellate Tribunal (COMPAT). The COMPAT has granted a stay on the CCI order on the condition that the Company deposits 10% of the penalty amount i.e. Rs.116.39 crores, which has been deposited.
  - b. In terms of order dated 19<sup>th</sup> January, 2017 the CCI has imposed penalty of Rs.29.84 crores pursuant to the reference filed by the Director, Supplies and Disposals, State of Haryana in August 2012 for alleged contravention of the provisions of the Competition Act, 2002 by the Company. An appeal has been filed with the COMPAT against the said order and an interim stay has been granted by the COMPAT in the matter.

Based on the advice of external legal counsel, no provision has been considered necessary by the Company in respect of these matters. Our report is not qualified in respect of these matters.

5. The previously issued financial information of the Company for the quarter ended 31<sup>st</sup> March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006, and reviewed by the predecessor auditor whose report dated 28<sup>th</sup> April, 2016 expressed unmodified conclusion, have been restated to comply with Indian Accounting Standards ("Ind AS") and included in this Statement as comparative financial information. Adjustments made to the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS and to give effect of other adjustments as described in Note 6 to the Statement, have been presented solely based on the financial information compiled by the Management and have not been audited or reviewed by us as stated in Note 5 to the Statement.

Our report is not qualified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

*B. P. Shroff*

**B. P. Shroff**  
Partner  
(Membership No. 34382)

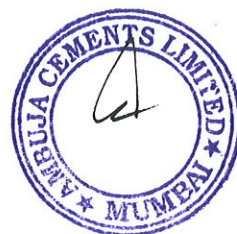
MUMBAI, 28<sup>th</sup> April, 2017

*[Signature]*

**Statement of Consolidated Unaudited Financial Results for the quarter ended 31/03/2017**

| Particulars                                                                                                          | 3 months<br>ended<br>(31/03/2017) | Corresponding<br>3 months ended<br>(31/03/2016)<br>in the<br>previous year<br>(Refer note - 5) |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------|
|                                                                                                                      | (Unaudited)                       | (Unaudited)                                                                                    |
| ₹ in crore                                                                                                           |                                   |                                                                                                |
| <b>1 Income from operations</b>                                                                                      |                                   |                                                                                                |
| a) Sales / Income from operations (inclusive of excise duty)                                                         | 6,449.02                          | 5,998.86                                                                                       |
| b) Other operating income                                                                                            | 81.50                             | 71.76                                                                                          |
|                                                                                                                      | <b>6,530.52</b>                   | 6,070.62                                                                                       |
| 2 Other income (Refer note 2)                                                                                        | 74.67                             | 166.54                                                                                         |
| <b>Total income</b>                                                                                                  | <b>6,605.19</b>                   | 6,237.16                                                                                       |
| <b>3 Expenses</b>                                                                                                    |                                   |                                                                                                |
| a) Cost of materials consumed                                                                                        | 662.14                            | 645.00                                                                                         |
| b) Purchases of stock-in-trade                                                                                       | 0.21                              | 0.37                                                                                           |
| c) Change in inventories of finished goods,<br>work-in-progress and stock-in-trade                                   | 35.34                             | (58.42)                                                                                        |
| d) Excise duty                                                                                                       | 817.12                            | 726.89                                                                                         |
| e) Employee benefits expense                                                                                         | 370.18                            | 334.24                                                                                         |
| f) Depreciation and amortisation expense                                                                             | 312.62                            | 528.05                                                                                         |
| g) Power and fuel                                                                                                    | 1,187.57                          | 1,080.45                                                                                       |
| h) Finance costs                                                                                                     | 61.93                             | 36.79                                                                                          |
| i) Freight and forwarding :<br>- On finished products<br>- On internal material transfer                             | 1,252.12<br>315.83                | 1,126.29<br>302.97                                                                             |
|                                                                                                                      | <b>1,567.95</b>                   | 1,429.26                                                                                       |
| j) Other Expenses                                                                                                    | 1,081.10                          | 1,017.18                                                                                       |
| <b>Total expenses</b>                                                                                                | <b>6,096.16</b>                   | 5,739.81                                                                                       |
| <b>4 Profit from continuing operations before share of<br/>joint ventures and associates and tax expense (1+2-3)</b> | <b>509.03</b>                     | 497.35                                                                                         |
| 5 Share of profit / (loss) of joint ventures and associates                                                          | 2.65                              | 4.33                                                                                           |
| <b>6 Profit from continuing operations before tax (4+5)</b>                                                          | <b>511.68</b>                     | 501.68                                                                                         |
| 7 Tax expense                                                                                                        |                                   |                                                                                                |
| Current Tax                                                                                                          | 126.08                            | 249.23                                                                                         |
| Deferred Tax                                                                                                         | (11.36)                           | (35.12)                                                                                        |
|                                                                                                                      | <b>114.72</b>                     | 214.11                                                                                         |
| <b>8 Net profit for the period (6-7)</b>                                                                             | <b>396.96</b>                     | 287.57                                                                                         |
| 9 Other comprehensive income / (expenses) not to be reclassified<br>to profit and loss                               |                                   |                                                                                                |
| Remeasurement of defined benefit plans                                                                               | 4.61                              | (7.76)                                                                                         |
| Tax expenses                                                                                                         | (1.60)                            | 2.68                                                                                           |
|                                                                                                                      | <b>3.01</b>                       | (5.08)                                                                                         |
| <b>10 Total comprehensive income (8+9)</b>                                                                           | <b>399.97</b>                     | 282.49                                                                                         |
| 11 Net profit for the period attributable to :                                                                       |                                   |                                                                                                |
| Shareholders of the Company                                                                                          | 291.52                            | 171.71                                                                                         |
| Non-controlling interest                                                                                             | 105.44                            | 115.86                                                                                         |
| 12 Other comprehensive income (net of tax) attributable to :                                                         |                                   |                                                                                                |
| Shareholders of the Company                                                                                          | 1.98                              | (3.29)                                                                                         |
| Non-controlling interest                                                                                             | 1.03                              | (1.79)                                                                                         |
| 13 Total comprehensive income attributable to :                                                                      |                                   |                                                                                                |
| Shareholders of the Company                                                                                          | 293.50                            | 168.42                                                                                         |
| Non-controlling interest                                                                                             | 106.47                            | 114.07                                                                                         |
| 14 Paid-up equity share capital (Face value ₹ 2 each)                                                                | 397.13                            | 310.38                                                                                         |
| 15 Earnings per share (in ₹) (of ₹ 2 each) (not annualised) :                                                        |                                   |                                                                                                |
| a) Basic                                                                                                             | 1.47                              | 0.86                                                                                           |
| b) Diluted                                                                                                           | 1.47                              | 0.86                                                                                           |

See accompanying notes to financial results



**Notes :**

- 1 The above results have been approved and taken on record by the Board of Directors at its meeting held on 28th April, 2017.
- 2 Other income for the quarter ended 31st March, 2016 includes ₹ 21.04 crore towards writeback of provision for interest on income tax relating to earlier years.
- 3 The Competition Commission of India (CCI), vide their Order dated 31st August, 2016, has imposed a penalty of ₹ 1,163.91 crore on the Company and ₹ 1,147.59 crore on its subsidiary, ACC Limited. On appeal by the Company and ACC Limited, Competition Appellate Tribunal (COMPAT) has granted a stay on the penalty with a condition to deposit 10% of the penalty amount, which has been deposited.  
  
In a separate matter, pursuant to a reference filed by the Director, Supplies and Disposals, Government of Haryana, the CCI, by its Order dated 19th January, 2017, has imposed a penalty of ₹ 29.84 crore on the Company and ₹ 35.32 crore on ACC Limited. On appeal by the Company and ACC Limited, the COMPAT has stayed the operation of CCI's order in the meanwhile.  
  
Based on the advice of external legal counsel, both the Companies believe they have good grounds on merit for a successful appeal in both the aforesaid matters. Accordingly, no provision is considered necessary in the above financial results.
- 4 The Company follows January to December as the financial year and has adopted Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder, from 1st January, 2017, therefore the above consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" and the other accounting principles generally accepted in India.
- 5 The Company has opted to avail the relaxations provided by the Securities and Exchange Board of India, vide its circular dated 5th July, 2016 (circular), as available to listed entities. On 22nd March, 2017 the Company has informed the Stock Exchanges of its intention to avail relaxations as given in the circular. Accordingly, the Company has provided Ind AS compliant financial results only for the previous quarter ended 31st March, 2016 along with financial results for the current quarter ended 31st March, 2017.  
  
Further, in accordance with the relaxations provided in the circular, the results for the previous quarter ended 31st March, 2016 have not been subjected to a limited review or audit by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- 6 During the previous year, pursuant to Scheme of Amalgamation, Holcim (India) Private Limited (HIPL) has been amalgamated with the Company with effect from appointed date 1st April, 2013. As a result, the Company while publishing its results for the quarter ended 30th September, 2016, had restated the financial results and related earnings per share (calculated based on enhanced share capital) of previous quarters of the year 2016 to give impact of the Amalgamation. Accordingly, net profit for the quarter ended 31st March, 2016 as per previous GAAP is restated from ₹ 306.14 crore to ₹ 177.33 crore.
- 7 Reconciliation of total comprehensive income attributable to shareholders, for the quarter ended 31st March, 2016 is as under :

| Particulars                                                                                                | Corresponding<br>3 months ended<br>(31/03/2016)<br>(Refer note - 5)<br>(Unaudited)<br>₹ in crore |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Net profit for the period attributable to shareholders as per Indian GAAP (Refer note 6 above)</b>      | <b>177.33</b>                                                                                    |
| <b>Add / (Less) : Adjustments for GAAP differences :</b>                                                   |                                                                                                  |
| a) On account of measuring investments at fair value through profit and loss                               | (14.50)                                                                                          |
| b) On account of depreciation and amortization due to recognition of assets                                | 2.93                                                                                             |
| c) On account of reclassification of actuarial gains / (loss), arising in respect of defined benefit plans | 5.00                                                                                             |
| d) On account of other Adjustments                                                                         | (0.69)                                                                                           |
| e) Tax adjustment on above items                                                                           | 1.64                                                                                             |
| <b>Net profit for the period attributable to shareholders as per Ind AS</b>                                | <b>171.71</b>                                                                                    |
| Other comprehensive income (net of tax)                                                                    | (3.29)                                                                                           |
| <b>Total comprehensive income attributable to shareholders for the period as per Ind AS</b>                | <b>168.42</b>                                                                                    |

- 8 The Company is exclusively engaged in the business of cement and cement related products.
- 9 The figures for the previous period have been regrouped wherever necessary to conform to the current period's presentation.
- 10 Limited review of the consolidated financial results for the quarter ended 31st March, 2017 has been carried out by the statutory auditors.



Mumbai  
28th April, 2017



By Order of the Board

Ajay Kapur  
Managing Director & CEO

DIN: 03096416

## **INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF AMBUJA CEMENTS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **AMBUJA CEMENTS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit / (loss) of its joint ventures and associates for the quarter ended 31<sup>st</sup> March, 2017 ("the Statement"), which includes five joint operations of the Group, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016. As stated in Note 5 to the Statement, the figures relating to the corresponding quarter ended 31<sup>st</sup> March, 2016, including the reconciliation of net profit for the quarter ended 31<sup>st</sup> March, 2016 between the previous GAAP and Indian Accounting Standards ("IND AS"), as reported in this statement, have not been subjected to review.

This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles 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 Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.



3. The Statement includes the results of the following entities:

| <b>Name of the Entity</b>                                                                                                                                                                                                                                                                                                                                                                     | <b>Relationship</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Ambuja Cements Limited                                                                                                                                                                                                                                                                                                                                                                        | Holding Company     |
| M.G.T. Cements Private Limited<br>Chemical Limes Mundwa Private Limited<br>Dang Cement Industries Private Limited, Nepal<br>Dirk India Private Limited<br>OneIndia BSC Private Limited<br>ACC Limited<br>ACC Mineral Resources Limited<br>Lucky Minmat Limited<br>National Limestone Company Private Limited<br>Singhania Minerals Private Limited<br>Bulk Cement Corporation (India) Limited | Subsidiaries        |
| Counto Microfine Products Private Limited<br>Aakaash Manufacturing Company Private Limited                                                                                                                                                                                                                                                                                                    | Joint Ventures      |
| Alcon Cement Company Private Limited<br>Asian Concretes and Cements Private Limited                                                                                                                                                                                                                                                                                                           | Associates          |

4. We did not review the interim financial information of 8 subsidiaries (which includes four jointly controlled operations of a subsidiary) included in the consolidated unaudited financial results, whose interim financial information reflect total income of Rs. 5.97 crores for the quarter ended 31<sup>st</sup> March, 2017, total loss after tax of Rs. 15.27 crores and total comprehensive loss of Rs. 15.27 crores for the quarter ended 31<sup>st</sup> March, 2017, as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also include the Group's share of profit after tax of Rs. 2.65 crores and total comprehensive income of Rs. 2.65 crores for the quarter ended 31<sup>st</sup> March, 2017, as considered in the consolidated unaudited financial results, in respect of 2 joint ventures and 2 associates, whose interim financial information / results have not been reviewed by us.

These interim financial information / results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, is based solely on the reports of the other auditors.

Our report is not qualified in respect of these matters.

5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be

disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to Note 3 to the Statement which describes the following matters:
- In terms of order dated 31<sup>st</sup> August, 2016, the Competition Commission of India (CCI) has imposed a penalty of Rs.2,311.50 crores for alleged contravention of the Competition Act, 2002 by the Parent and ACC Limited (subsidiary of the Parent). The Parent and ACC Limited have filed appeals against the CCI order before the Competition Appellate Tribunal (COMPAT). The COMPAT has granted a stay on the CCI order on the condition that the Parent and ACC Limited deposit 10% of the penalty amounting to Rs.231.15 crores, which has been deposited.
  - In terms of order dated 19<sup>th</sup> January, 2017, the CCI has imposed penalty of Rs.65.16 crores pursuant to the reference filed by the Director, Supplies and Disposals, State of Haryana in August 2012 for alleged contravention of the provisions of the Competition Act, 2002 by the Parent and ACC Limited. An appeal has been filed with the COMPAT against the said order and an interim stay has been granted by the COMPAT in the matter.

Based on the advice of external legal counsel, no provision has been considered necessary by the Parent and ACC Limited in respect of these matters. Our report is not qualified in respect of these matters.

7. The previously issued consolidated financial information of the Group, its associates and joint ventures for the quarter ended 31<sup>st</sup> March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and reviewed by the predecessor auditor whose report dated 28<sup>th</sup> April, 2016 expressed an unmodified conclusion has been restated to comply with Indian Accounting Standards ("Ind AS") and included in this Statement as comparative financial information. Adjustments made to the previously issued consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS and to give effect of other adjustments as described in Note 6 to the Statement, have been presented solely based on the financial information compiled by the Management and have not been audited or reviewed by us as stated in Note 5 to the Statement.

Our report is not qualified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**B. P. Shroff**  
Partner

(Membership No. 34382)

 MUMBAI, 28<sup>th</sup> April, 2017

**Q1 standalone PAT increases by 357%**

**Net Sales up by 5.3% YoY**

**1. Standalone Financial Results for the Quarter ended 31<sup>st</sup> March, 2017**

Ambuja Cements Limited today announced its unaudited financial results for the quarter ended 31<sup>st</sup> March, 2017.

|                                |                | <b>Quarter<br/>Jan-Mar<br/>2017</b> | <b>Quarter<br/>Jan-Mar<br/>2016</b> |
|--------------------------------|----------------|-------------------------------------|-------------------------------------|
| Sales Volume – Cement          | Million tonnes | <b>6.02</b>                         | 5.86                                |
| Net Sales (net of excise duty) | ₹ in crore     | <b>2,533</b>                        | 2,406                               |
| Operating EBITDA               | ₹ in crore     | <b>394</b>                          | 452                                 |
| Net Profit after Tax           | ₹ in crore     | <b>247</b>                          | 54                                  |

**Highlights**

“Improving sales volumes, combined with favourable pricing, contributed to a positive quarter despite rising costs. With demonetization largely behind us, we are well placed to serve both small and large customers. This quarter marked the opening of India’s longest lifeline tunnel “Chenani-Nashri” connecting Jammu and Kashmir and the rest of the country. We are proud of having been the largest supplier of cement and a key partner in this project.” said Ajay Kapur, Managing Director and CEO, Ambuja Cement.

**Performance**

Cement sales volume and realisation improved each consecutive month of Q1 2017, backed by good cement demand as compared to the corresponding quarter of the previous year leading to increase in net sales by 5.3%.

Ambuja's Roof special cement, a premium product has been very well received in its markets and has seen a healthy growth.

Production cost was impacted on account of higher petcoke and imported coal prices. Sourcing of flyash from longer leads and increase in diesel prices led to higher freight cost. This impact was partly offset by cost reduction initiatives and lower gypsum cost. Operating EBITDA for the quarter stood at ₹ 394 crore against ₹ 452 crore in the corresponding quarter of previous year.

Net profit after tax increased by 357% as compared to the corresponding quarter of the previous year mainly on account of amortization of goodwill in March 2016 quarter.

*The Company has adopted Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 from 1st January, 2017. The figures for the quarter ended March 31, 2016 have also been restated as per Ind AS.*

*RS*

## 2. Performance of Material Subsidiary

ACC Limited's net sales at ₹ 3,108 crore, increased by 8% compared to the corresponding quarter of the previous year. Cement sales volume increased mainly from expanded capacity at Jamul and Sindri. RMX volume improved driven by higher productivity and increased participation in infrastructure projects. Two new products were launched in February 2017, i.e. ACC Suraksha and ACC HPC (High Performance Cement), reinforcing ACC's commitment in the specialised product segment. Net profit after tax was ₹ 211 crore, compared to ₹ 232 crore in the corresponding quarter of the previous year. This was impacted by increased input costs and higher depreciation charge on account of commissioning of Jamul / Sindri project in H2, 2016.

## 3. Consolidated Financial Results for the Quarter ended 31<sup>st</sup> March, 2017

|                                            |                | <b>Quarter<br/>Jan-Mar<br/>2017</b> | Quarter<br>Jan-Mar<br>2016 |
|--------------------------------------------|----------------|-------------------------------------|----------------------------|
| Sales Volume – Cement                      | Million tonnes | <b>12.62</b>                        | 12.22                      |
| Net Sales (net of excise duty)             | ₹ in crore     | <b>5,632</b>                        | 5,272                      |
| Operating EBITDA                           | ₹ in crore     | <b>809</b>                          | 896                        |
| Net Profit after Tax                       | ₹ in crore     | <b>397</b>                          | 288                        |
| Net Profit after Tax and minority interest | ₹ in crore     | <b>292</b>                          | 172                        |

The combined annual cement capacity of both the companies stands at 63 million tonnes.

## 4. Outlook

With the Government's continued focus towards infrastructure development, affordable housing, smart cities, concrete roads and highways, coupled with remonetisation and the structural reforms pursued by the Union Government in the form of GST, it is expected that the economy would return to a high growth trajectory. Hence the medium to long term outlook for cement demand remains positive.

With its continuing operational excellence programs, combined with segmented marketing and value added special cement products and building solutions, Ambuja is well placed to benefit from economic growth trajectory.

*Rajiv M. Gandhi*

Rajiv Gandhi  
Company Secretary  
Mumbai, 28th April 2017

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