

# THE RAMCO CEMENTS LIMITED

## PRESS RELEASE

### PERFORMANCE FOR THE QUARTER / HALF YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2019

#### SALES

Particulars	(In Lac Tonnes)			
	For quarter ended		For six months ended	
	30-9-2019	30-9-2018	30-9-2019	30-9-2018
Cement sale volume	27.24	24.69	54.27	50.83

#### HIGHLIGHTS OF UN-AUDITED FINANCIAL RESULTS

Particulars	Standalone (Rs. in Crores)			
	For quarter ended		For six months ended	
	30-9-2019	30-9-2018	30-9-2019	30-9-2018
Revenue, net of GST	1,325.88	1,189.45	2,717.94	2,414.25
Operating Profit (EBITDA)	304.43	253.06	671.91	508.26
Finance Costs	14.73	13.12	28.25	24.56
Depreciation	76.54	72.81	152.33	146.27
Profit before tax	213.16	167.13	491.33	337.43
Tax Expenses	45.01	52.66	131.21	97.98
Profit for the period	168.15	114.47	360.12	239.45
Total Comprehensive Income	167.47	114.26	359.86	239.17

Particulars	Consolidated (Rs. in Crores)			
	For quarter ended		For six months ended	
	30-9-2019	30-9-2018	30-9-2019	30-9-2018
Revenue, net of GST	1,332.08	1,196.67	2,728.90	2,424.46
Operating Profit (EBITDA)	308.14	258.99	678.06	515.91
Finance Costs	15.03	13.24	28.89	24.81
Depreciation	76.90	73.13	153.03	146.88
Profit before tax	216.21	172.62	496.14	344.22
Tax Expenses	46.11	54.38	132.82	100.07
Profit for the period	172.26	120.31	366.46	248.25
Total Comprehensive Income	171.67	120.16	367.13	248.91

#### CEMENT

During the half year ended 30-9-2019, the sale of cement for the company was at 5.43 million tons, compared to 5.08 million tons of the previous corresponding period. Exports have grown by 39% during the period under review.



The company has been constantly focussing on various cost reduction initiatives and improving productivity while maintaining highest quality standards. The company is taking continuous efforts to optimise the supply chain efficiency.

During the current half year, the company has launched a premium product variant viz., "SUPERCRETE" in the Tamilnadu, Kerala, Karnataka and Andhra Pradesh markets and the response has been encouraging. The company continue to focus on customer service, brand building and developing niche markets by conducting various meets with masons, architects, contractors and engineers by our technical services team viz., MACE. The company's initiative of right product for right applications has been well received and appreciated by all sections of the consumers.

### **WIND POWER**

During half year ended 30-9-2019, the company has generated 19.20 crore units as against 20.85 crore units of the previous corresponding period. The income for the half year ended 30-9-2019 from the wind power business is Rs.51.83 crores as against Rs.58.02 crores from corresponding period of previous year. The operating expenses for the half year ended 30-9-2019 is Rs.10.30 crores as against Rs.9.67 crores during the corresponding period of previous year.

### **PROFITABILITY**

EBIDTA for the half year ended 30-9-2019 is Rs.671.91 crores as against Rs.508.26 crores during the corresponding period of previous year. During the half year ended 30-9-2019, the company has contributed to Chief Ministers' Relief Fund / Political Parties, amounting to Rs.19 crores as against Rs.3 crores for the Half year ended 30-9-2018. During the half year ended 30-9-2019, the company has incurred Rs.1.28 crores towards employee separation scheme in Method plant.

### **INCOME TAX**

For the half year ended 30-9-2019, the company has made current tax provision of Rs.85.72 crores under MAT as against Rs.76.66 crores under regular method in the corresponding period of previous year.

The deferred tax for half year ended 30-9-2019 is Rs.57.54 crores as against Rs.15.03 crores in the corresponding period of previous year. MAT credit recognised during the half year ended 30-9-2019 is Rs.12.05 crores as against Nil during the corresponding period of previous year.



## **SUBSIDIARY COMPANIES**

### **1. RAMCO WINDFARMS LIMITED**

For the half year ended 30-9-2019, the generation of power is 2.87 crore units as against 3.13 crore units for the corresponding period of previous year. For the half year ended 30-9-2019, the revenue from operations and EBIDTA were Rs.11.50 crores and Rs.9.14 crores respectively. For the half year ended 30-9-2018, the revenue from operations and EBIDTA were Rs.12.55 crores and Rs.9.93 crores respectively. The subsidiary company has an installed capacity of 39.835 MW.

### **2. RAMCO INDUSTRIAL & TECHNOLOGY SERVICES LIMITED**

This company became subsidiary w.e.f. 21-3-2019. For the half year ended 30-9-2019, the revenue from operations and EBIDTA is Rs.17.26 crores and (-) Rs.1.30 crores respectively.

## **LEGAL**

The Competition Commission of India (CCI) vide its order dated 31-08-2016 had imposed a penalty of Rs.258.63 Crores on the company towards alleged cartelisation. Our appeal along with the appeals of other cement companies had been dismissed by NCLAT vide its order dated 25-7-2018. Against the order, the company appealed to the Hon'ble Supreme Court, which by its order dated 5-10-2018 admitted the appeal and directed to continue the interim order passed by NCLAT. Accordingly, the company re-deposited Rs.25.86 Crores being 10% of the penalty. The Company backed by legal opinion, believes that it has a good case and hence no provision is made.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company's initiatives on various CSR activities have been well recognised. The Ariyalur Plant has been conferred with

1. The Overall CSR Excellence Award organised by ZEE Business on the National CSR Leadership Congress at Bengaluru on 18<sup>th</sup> September 2019.
2. The Corporate Social Responsibility Summit & Awards, 2019 under Best CSR Impact Award Category by UBS Forums on 9<sup>th</sup> August 2019 at New Delhi.
3. The Asia's Best CSR Practices Award by CMO Asia on 16th August 2019 at Singapore, for the Company's commitment and respect for communities, environment and the people.



## **AWARDS**

International Research Institute for Manufacturing, Mumbai has awarded the Gold medal and Silver medal to Ramasamyraja Nagar plant, Alathiyur plant respectively for Manufacturing Competitiveness. Ramasamyraja Nagar plant has also been conferred with Special Apex Award - First Runner Up in All India Level, for demonstrating commitment and excellence in our journey towards improving manufacturing competitiveness.

Confederation of Indian Industry at the National Award for Excellence in Energy Management at Hyderabad held from 17<sup>th</sup> September to 19<sup>th</sup> September 2019 has awarded Ramasamyraja Nagar and Alathiyur plants for National Energy Leaders and Excellent Energy Efficient Units.

The Apex India Foundation, at the Apex India Sustainability Conference held at Goa on 24<sup>th</sup> September 2019 has awarded Alathiyur plant the Platinum Award for Energy Efficiency and Gold Award for Environment Excellence. Also the Ariyalur plant has been conferred with Platinum Award for Eco Innovation and two Gold Awards for Water Stewardship and Occupational Health & Safety.

## **CAPACITY EXPANSION**

The unit-2 of Cement grinding in Kolaghat, West Bengal has commenced commercial production from 26-9-2019. With this, the installed grinding capacity in Kolaghat has increased from 1 MTPA to 2 MTPA. The remaining on-going capacity expansion programme is progressing as per schedule but for the delays due to extended monsoon. The company has so far incurred Rs.1,430 crores for the capacity expansion programme. The company propose to meet the above capex partly through internal accruals and partly through borrowings.

## **BORROWINGS**

The company's total borrowings as on 30-9-2019 is Rs.2,441 crores (including current maturities of Rs.287 crores), out of that Rs.1,145 crores from banks and Rs.345 crores of Soft/Interest free loans are long term in nature. The average cost of interest bearing borrowing is at 7.55% p.a.

Place : Chennai

Date : 30-10-2019

