



THE RAMCO CEMENTS LIMITED

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Corporate Identity Number: L26941TN1957PLC003566

1 August 2022

National Stock Exchange of India Limited,
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Scrip Code: RAMCOCEM

BSE Limited,
Floor 25, "P.J.Towers",
Dalal Street,
Mumbai – 400 001.

Scrip Code: 500260

Dear Sirs,

Sub: Press Release

We enclose a copy of the Press Release on the performance of the Company for the Q1 of FY 2022-2023.

Thanking you,

Yours faithfully,

For **THE RAMCO CEMENTS LIMITED**,

K Selvanayagam

K.SELVANAYAGAM
SECRETARY

Encl : As above

Sd/-

THE RAMCO CEMENTS LIMITED

PRESS RELEASE ON UN-AUDITED RESULTS FOR Q1 OF 2022-23

During Q1 of CY, the sale of cement is 3.31 million tons, compared to 2.14 million tons in the Q1 of PY with a growth of 55%. During Q1 of PY, sale volume was impacted by CoVID lock downs. The company continues to focus on the strategy of right products for right applications to make its brands stronger. During Q1 of CY, the windfarms have generated 7.71 crore units as against 7.01 crore units in the Q1 of PY, with an increase of 10%.

Net revenue for the Q1 of CY is Rs.1,779 crores as against Rs.1,235 crores during Q1 of PY with a growth of 44%. EBIDTA for Q1 of CY is Rs.308 crores as against Rs.370 crores during Q1 of PY with de-growth of 17%, mainly due to sharp increase in fuel price and weak cement prices. The industry could not pass on the full cost increase arising out of sharp fuel price hike, to its customers. Blended EBIDTA per ton for the Q1 of CY is Rs.929/- as against Rs.1,728/- during Q1 of PY. Operating ratio for Q1 of CY is 17% as against 30% in Q1 of PY.

The average increase in diesel prices by 11% during the Q1 of CY has resulted in increase of all in-bound / out-bound logistics cost. During the Q1 of CY, the average price of pet coke has increased by 90% compared to Q1 of PY. The spot CIF prices of pet coke per ton has spiked to \$ 242 in May-22. During the Q1 of CY the average price of imported coal of 4200 GAR from Indonesia, meant for thermal power plant has also increased by 50% over the average price in the Q1 of PY. The spot CIF price of said imported coal have increased to the level of \$ 110 in May-22. Since the fuel prices have peaked in the Q1 of CY, the power & fuel cost per ton of cement for Q1 of CY has sharply increased to Rs.1,584/- from Rs.1,031/- in the Q1 of PY. The operation of WHRS in Jayanthipuram has helped to moderate the overall power & fuel cost to some extent.

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Interest cost for the Q1 of CY is Rs.47 crores as against Rs.24 crores during the Q1 of PY. The increase is due to commissioning of Clinkering unit in Jayanthipuram Line III. The effective average cost of borrowing for Q1 of CY is 5.41% as against 5.16% in the Q1 of PY. Depreciation for the Q1 of CY is Rs.106 crores as against Rs.96 crores during the Q1 of PY. Profit before tax for Q1 of CY is Rs.154 crores as against Rs.250 crores during the Q1 of PY with a de-growth of 39%.

As per Section 115BAA in the Income Tax Act, 1961, the Company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives, deductions and accumulated MAT credit. During Q2 of PY, the company had opted for shifting to lower tax rate from FY 2021-22 onwards, in view of the overall tax benefits available under the said option.

The trial production from clinkering plant in Kurnool is successful and is running well. With this, the clinkering capacity has gone up to 13.65 MTPA. The cement grinding facility, 6 MW of WHRS in Kurnool will be commissioned in Aug 2022. With this, the installed capacity of cement will go past 20 MTPA. Balance 6.15 MW of WHRS and will be commissioned in Mar-23. The modernisation of RR Nagar plant along with lime stone beneficiation plant will be commissioned in Mar-23.

The company also propose to expand the capacity of its dry mix products in Tamilnadu, Orissa and Andhra Pradesh to produce high value products viz. water proofing, repair products, flooring screeds including liquid products besides other regular dry mix products. The two units in TN will be commissioned in FY23 and the remaining two units in AP & Orissa will be commissioned in FY24.



During the Q1 of CY, the company has incurred Rs.482 crores towards capex, including for the above-mentioned ongoing capacity expansion programme. The net debt for the company as on 30-6-2022 is Rs. 4,148 Crores, out of which Rs.450 crores is short-term loan. The average cost of interest-bearing borrowings for the Q1 of CY is increased to 5.68% from 5.50% in the Q1 of PY.

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