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Website: www.ramcocements.in
Corporate Identity Number: L26941TN1957PLC003566

RAMCO **THE RAMCO CEMENTS LIMITED**

27 July 2021

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: Investor Presentation

Pursuant to Regulation 30, read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Presentation on the performance of the Company for the quarter ended 30.06.2021, being shared at the Investors' Meets.

Thanking you,

Yours faithfully,
For **THE RAMCO CEMENTS LIMITED,**

KSNaraman

K.SELVANAYAGAM
SECRETARY

Encl : As above

The Ramco Cements Limited

Consolidating Strengths. Ready for future

Investor Update

Q1 2021-22

Contents

Overview

Overview of Economy

- India's real GDP growth for FY22 is projected at 11%, as per Economic Survey 2020-21,
- The January 2021 World Economic Outlook (WEO) update forecast a 6.8% rise in FY23.
- India is also expected to emerge as the fastest-growing economy, in the next two years, as per IMF

Positives

- Revival of demand from rural housing, PMAY Scheme, commercial and industrial construction, infrastructure development by private and Government
- The per-capita consumption of cement in India is 195 Kg against Global average of 500 Kg, showing significant potential for the growth of industry, which is around 40% of world average.
- Continued growth in middle class and urbanization

Watch outs

- Fuel price hike
- Third wave of CoVID 19 pandemic
- Monsoon fury

Market update

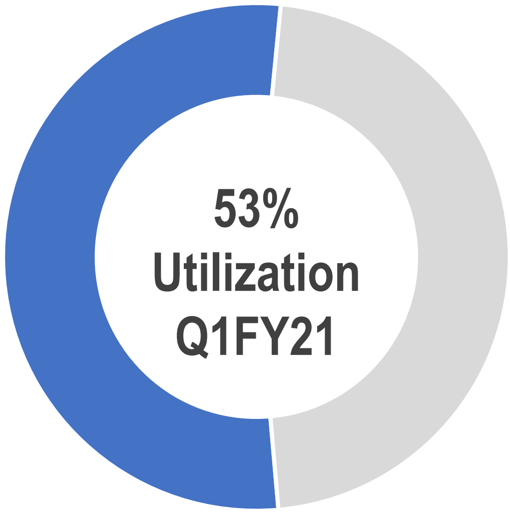
South

- ✓ Individual housing demand marginally de-grown
- ✓ Infra demand has picked up
- ✓ Demand from commercial segment is up
- ✓ Demand dampened due to lock down in May / Jun’21
- ✓ Week-end lock-downs still continue in Kerala
- ✓ Prices have improved YoY
- ✓ Signs for demand recovery is visible

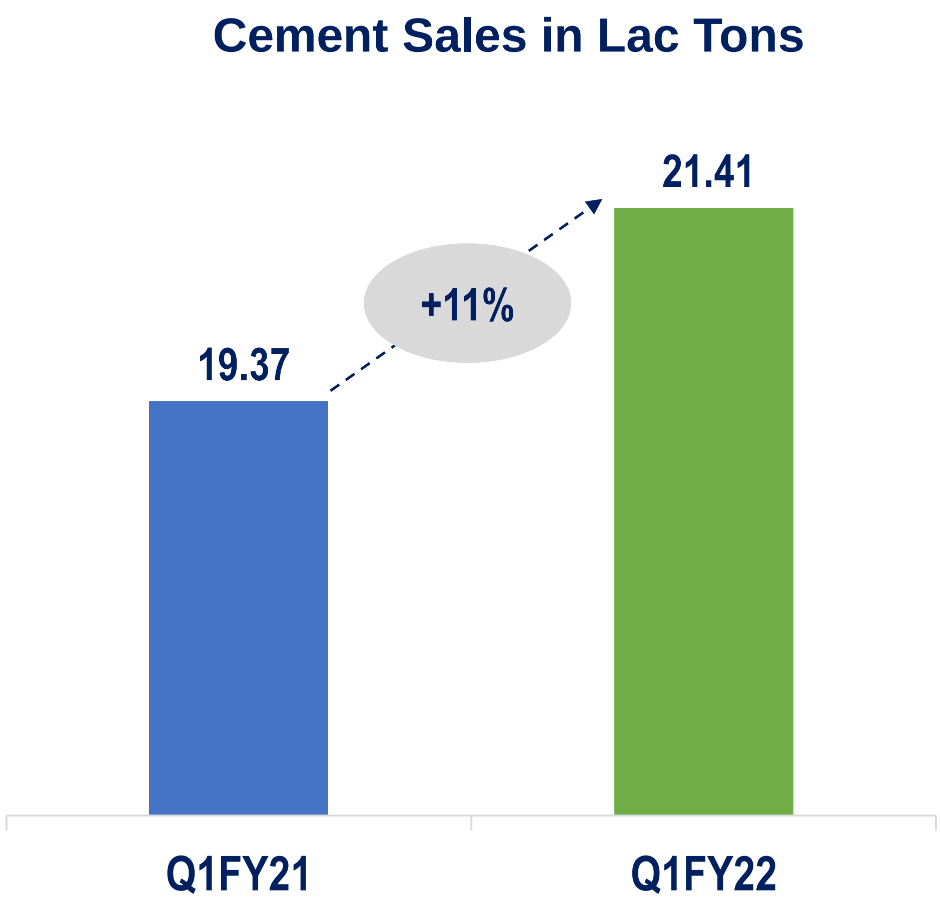
East

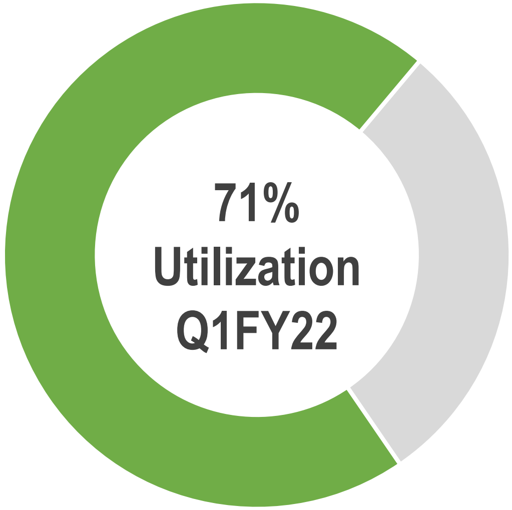
- ✓ Individual housing saw good growth
- ✓ Infra demand has picked up
- ✓ Demand from commercial segment is up
- ✓ Prices have improved YoY
- ✓ Strong demand recovery expected to sustain

Sales and Capacity Utilization



Capacity based on Clinker





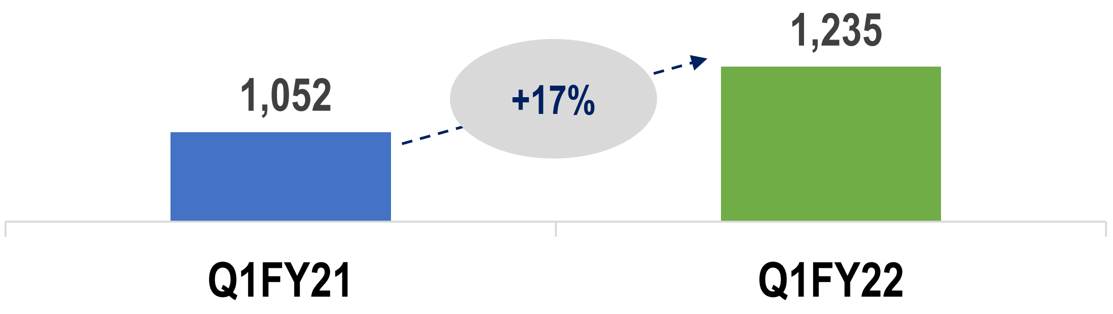
Capacity based on Clinker

Demand impacted due to lock down in May / June 21

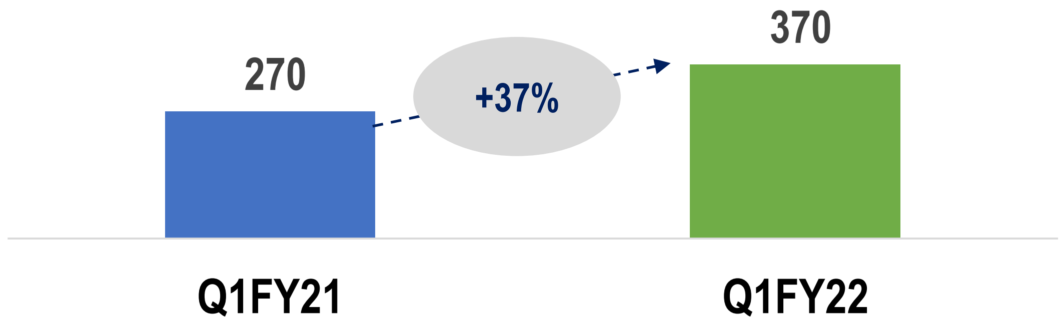
Key Performance Metrics

₹ in Crores

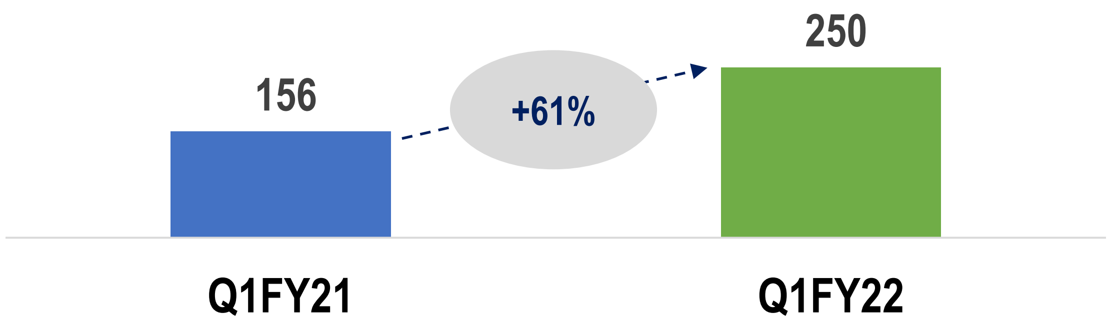
Revenue



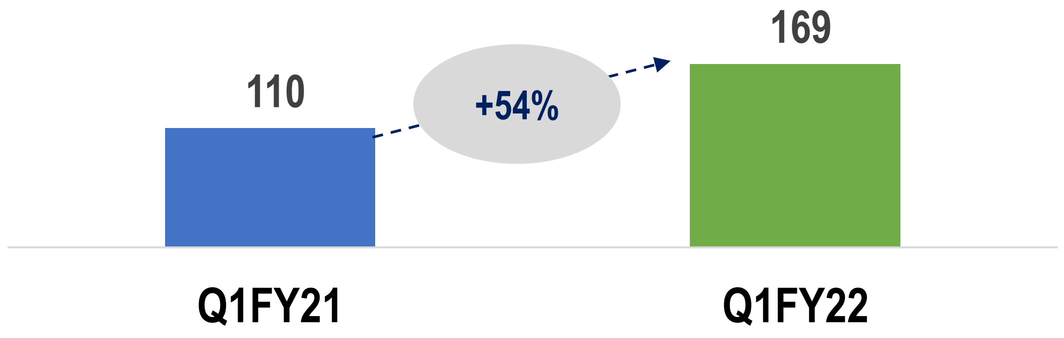
EBITDA



Profit Before Tax



Profit After Tax



- ✓ Delivered strong performance even during this difficult quarter
- ✓ Tight cost control measures in manufacturing operations

- ✓ Effective austerity measures taken to control fixed overheads
- ✓ Under absorption of overheads due to dampened volume growth

Income Statement

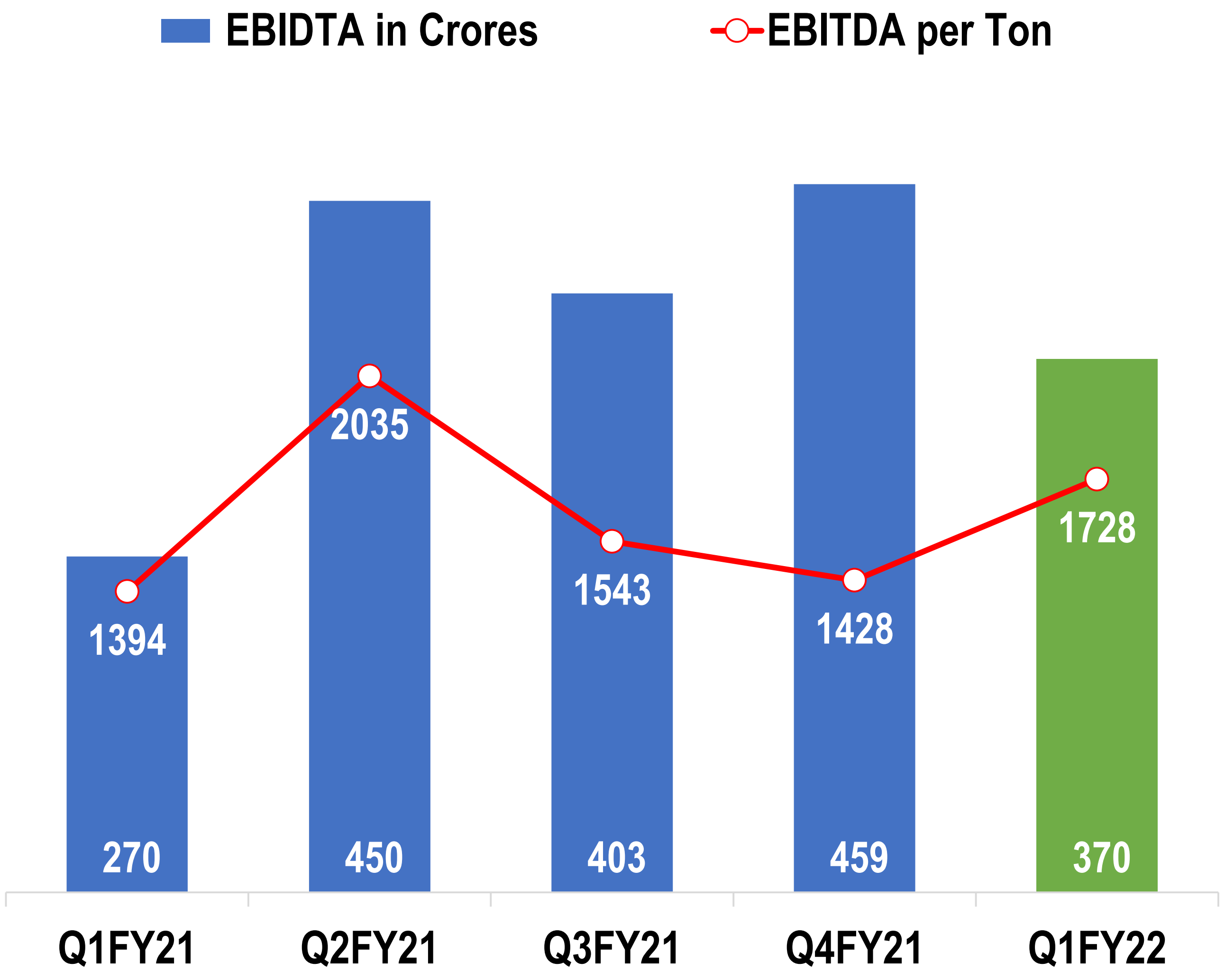
₹ in Crores

Standalone			Particulars	Consolidated		
Q1FY22	Q1FY21	Variance %		Q1FY22	Q1FY21	Variance %
1,234.67	**1,051.90**	**17%**	**Revenue**	**1,239.99**	**1,056.79**	**17%**
864.66	781.83	11%	Operating Expenses	868.22	784.61	11%
370.01	**270.07**	**37%**	**EBITDA**	**371.77**	**272.18**	**37%**
24.30	29.93	19%	Less: Finance Costs	24.30	29.93	19%
95.61	84.43	13%	Less: Depreciation	95.94	84.75	13%
250.10	**155.71**	**61%**	**Profit Before Tax**	**251.53**	**157.50**	**60%**
43.70	27.18	61%	Less: Current Tax Expenses	43.89	27.41	60%
37.42	18.93	98%	Less: Deferred Tax, net of MAT Credit	37.62	19.17	96%
168.98	**109.60**	**54%**	**Profit After Tax**	**170.02**	**110.92**	**53%**
168.94	**109.86**	**54%**	**Total Comprehensive Income**	**171.95**	**117.02**	**47%**

Subsidiaries

Ramco Windfarms Limited			Particulars	Ramco Industrial & Technology Services Ltd		
Q1FY22	Q1FY21	Variance %		Q1FY22	Q1FY21	Variance %
3.69	**3.51**	**5%**	**Revenue**	**7.81**	**7.72**	**1%**
2.27	**2.34**	**3%**	**EBITDA**	**0.19**	**0.60**	**68%**

Quarterly EBITDA and Key Ratios

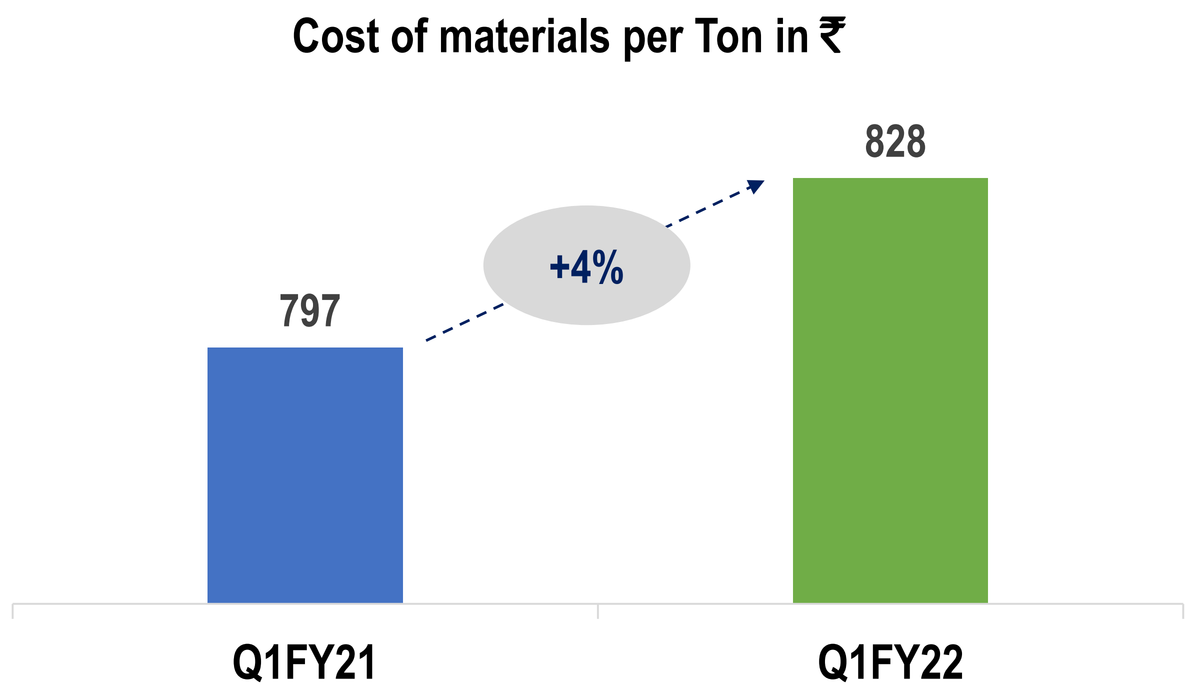


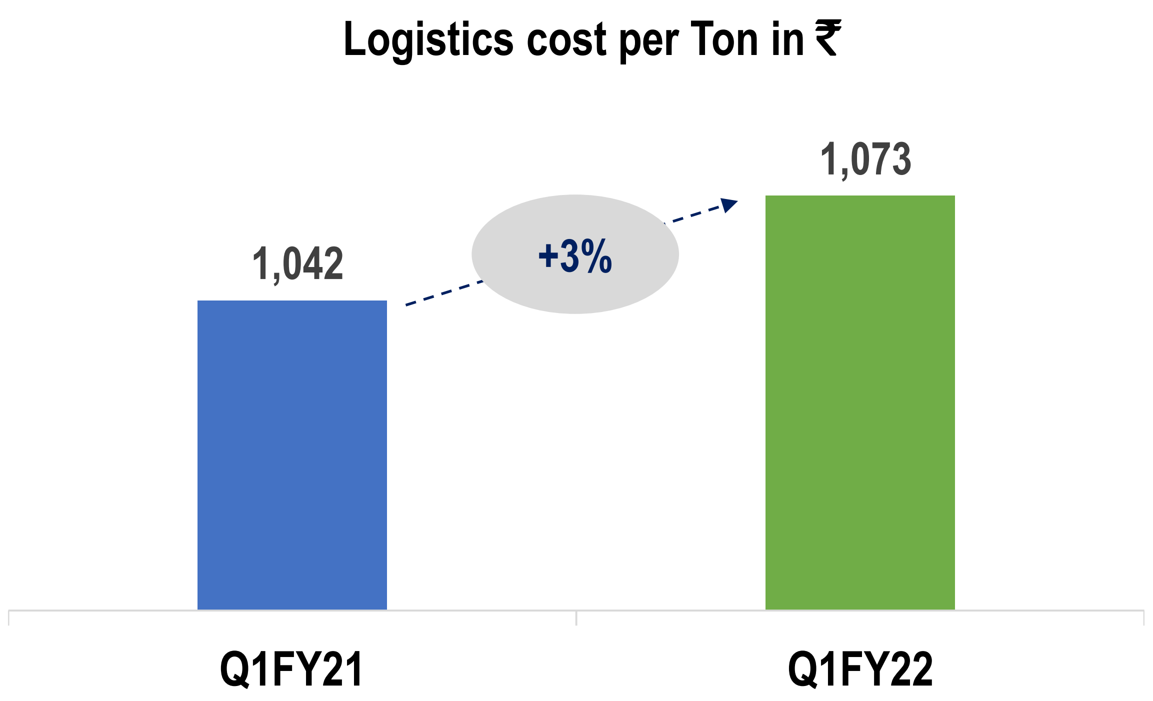
Key Ratios

Particulars	Q1FY22	Q1FY21
EBITDA %	30%	26%
PBT %	20%	15%
PAT %	14%	10%
EPS	₹ 7	₹ 5

- ✓ Consistently delivered best-in-class margins
- ✓ EPS growth is 40%

Cost of materials and Logistics

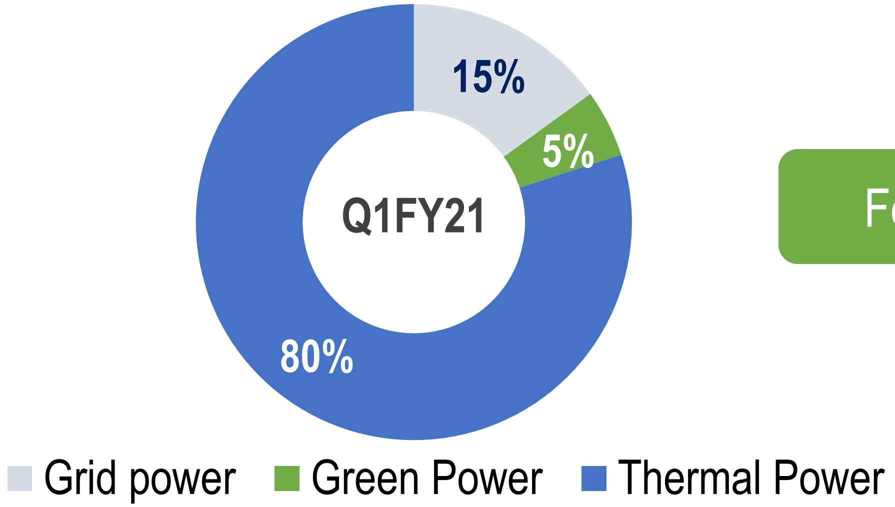




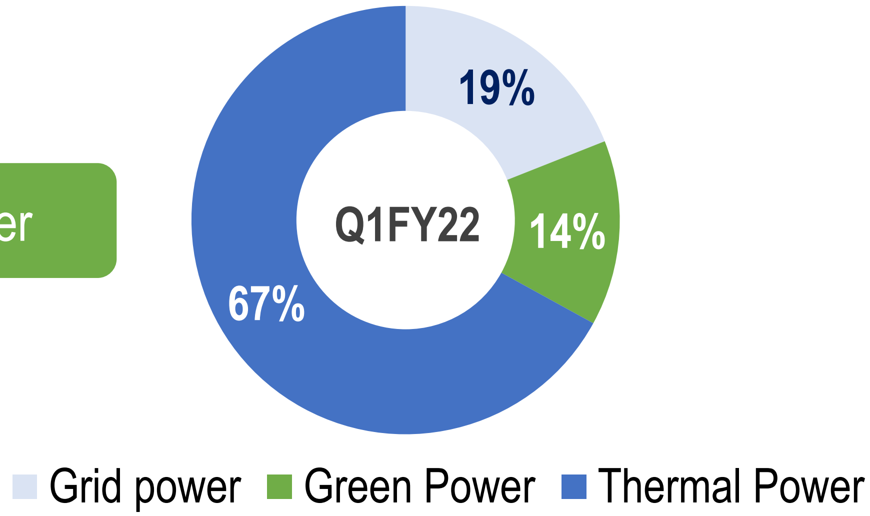
- ✓ Increase in diesel price by 29% YoY pushed the cost of inbound and outbound logistics cost
- ✓ Purchased clinker consumption during current quarter is 0.40 lac tons vs 0.82 lac tons YoY
- ✓ Rail co-efficient for outbound logistics is 12% vs 8% YoY
- ✓ Average Lead Distance for the current quarter is 346 KMs vs. 315 KMs YoY

Power and Fuel Mix

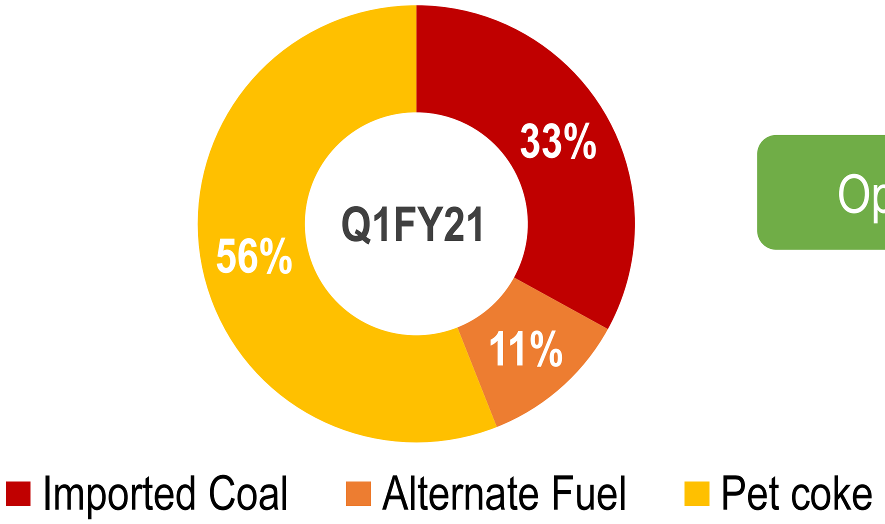
Power Mix



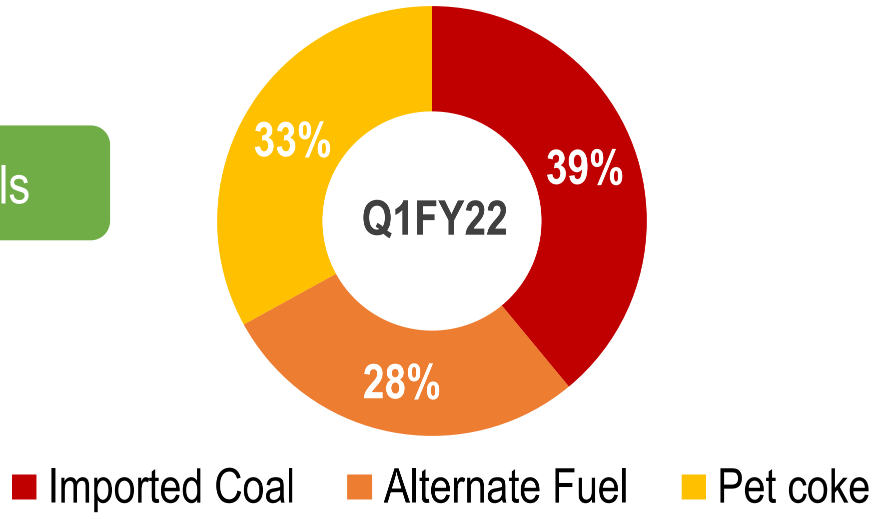
Focus on Green Power



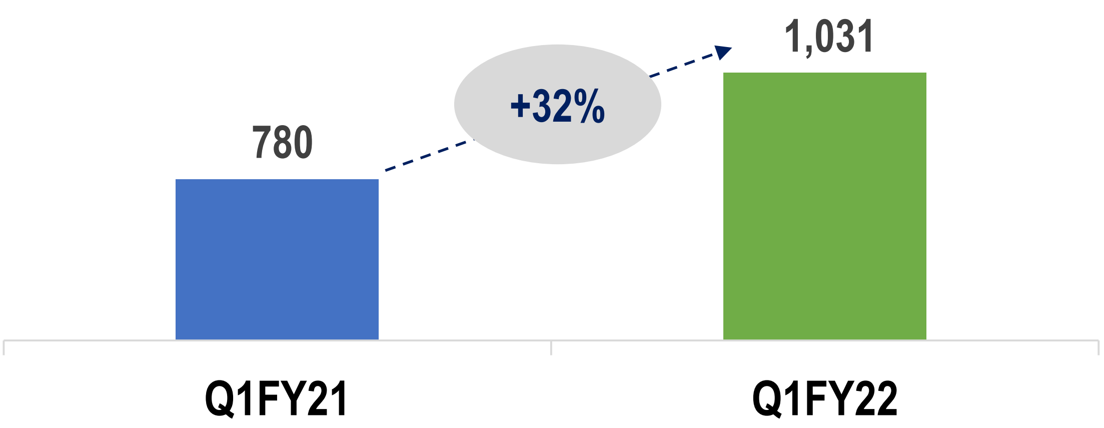
Fuel Mix



Optimum usage of fuels

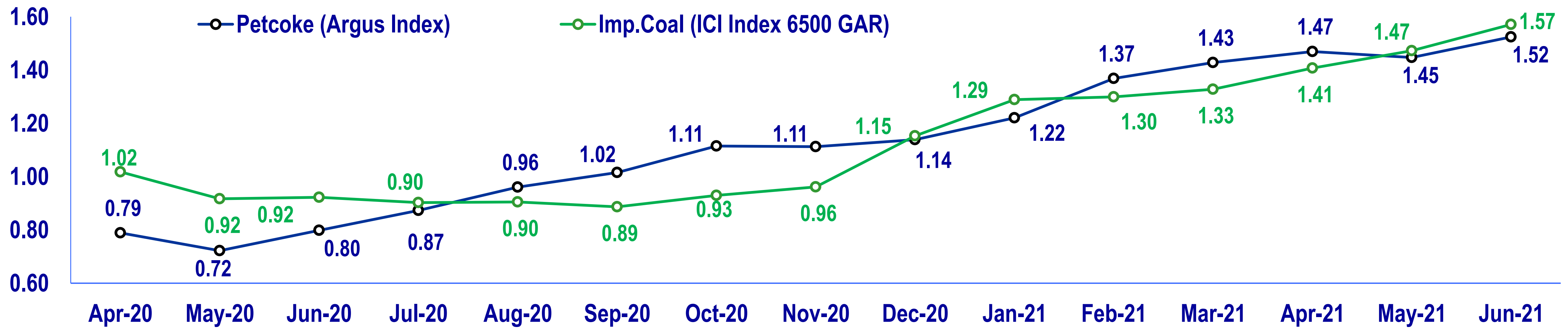


Power and Fuel Cost



- ✓ Current spot CIF Pet Coke price increased to $ 150
- ✓ Pet coke in fuel mix reduced
- ✓ Alternate fuel usage increased
- ✓ Operation of 18 MW WHRS in JPM reduced the power cost

Trend of Fuel Cost per CV based on Index price



Line III Clinkering unit in Jayanthipuram commissioned

Clinkering Capacity in MTPA	JPM	Company
Existing Clinkering Capacity	3.11	9.90
Line III Capacity commissioned on 28th June 2021	1.50	1.50
Total Capacity after JPM expansion	4.61	11.40

Unique features

- ✓ State-of-art equipments supplied by Loesche and F L Smidth
- ✓ Construction by L&T ECC
- ✓ Balance 9 MW of WHRS to be commissioned during FY 2021-22

Status of On-going Capex

Clinker Capacity	Cement Capacity	WHRS Capacity	TPP Capacity
Existing : 11.40 MT	**Existing : 19.40 MT**	**Existing : 18 MW**	**Existing : 175 MW**
In Pipeline	In Pipeline	In Pipeline	In Pipeline
Kurnool: 2.25 MTPA	Kurnool: 1 MTPA	Jayanthipuram: 9 MW	Kurnool: 18 MW
Expected to Commission Before Q2FY22	Expected to Commission During FY 2022-23	Expected to Commission FY 2021-22	Expected to Commission During FY 2022-23
		Kurnool: 12 MW Expected to Commission During FY 2022-23	
After Expansion: 13.65 MT	**After Expansion: 20.40 MT**	**After Expansion: 39 MW**	**After Expansion: 193 MW**

Capex incurred during Q1FY22 is ₹ 397 Crores

New projects

Modernisation in Ramasamy Raja Nagar

- ✓ New clinker line with 3000 TPD; Old kiln of 1450 TPD will be de-commissioned. Net increase in Clinkerization Capacity will be from 1.09 MTPA to 1.44 MTPA
- ✓ Estimated Project Cost ₹ 476 Crores
- ✓ Orders placed with FL Smidth for Main machinery of Kiln, Cooler, Raw Mill 200 TPH x 2, VRM 24 TPH, Additive Stacker, Raw Meal Silo, Clinker Silo at factory, Lime Stone Benefication Plant at mines. Civil work order is also finalized.
- ✓ Public hearing completed; EC expected in Sep-21; Expected to commission in 15 months from receipt of EC

Additional capacity for Dry Mortar Business

- ✓ 2 plants in TN, 1 plant in Orissa and 1 Plant in AP
- ✓ Plants are to be located within the precincts to the existing cement units; Proposed Capacity: 30 TPH for each unit
- ✓ Estimated Project cost: ₹ 160 Crores (₹ 40 Crores * 4)
- ✓ To produce High value products viz. Water proofing, repair products, flooring screeds including liquid products

Wind power

Particulars	Q1FY22	Q1FY21	Variance
Capacity (In MW)	125.95	125.95	-
Generation of Wind power (In Crore Units)	7.01	6.11	15% ▲
Revenue from Wind power (₹ in Crores)	19.39	16.62	17% ▲
Less: Operating Expenses (₹ in Crores)	5.61	5.47	3% ▲
EBITDA from Wind power (₹ in Crores)	**13.78**	**11.15**	**24%** ▲

Disclaimer

This communication, except for the historical information, may contain statements which reflect the Management's current views and estimates and could be construed as forward looking statements. The future involves certain risks and uncertainties that could cause actual results to differ materially from the current views being expressed. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange and commodity price fluctuations, competitive product and pricing pressures, regulatory changes, economic developments within India and other countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement, due to any subsequent development, information or events, or otherwise.

Stock Code: BSE: 500260 | NSE: RAMCOCEM

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