FROM START, TO FINISH.
WE GO THE LENGTH.

Prism Cement Limited

INVESTOR PRESENTATION

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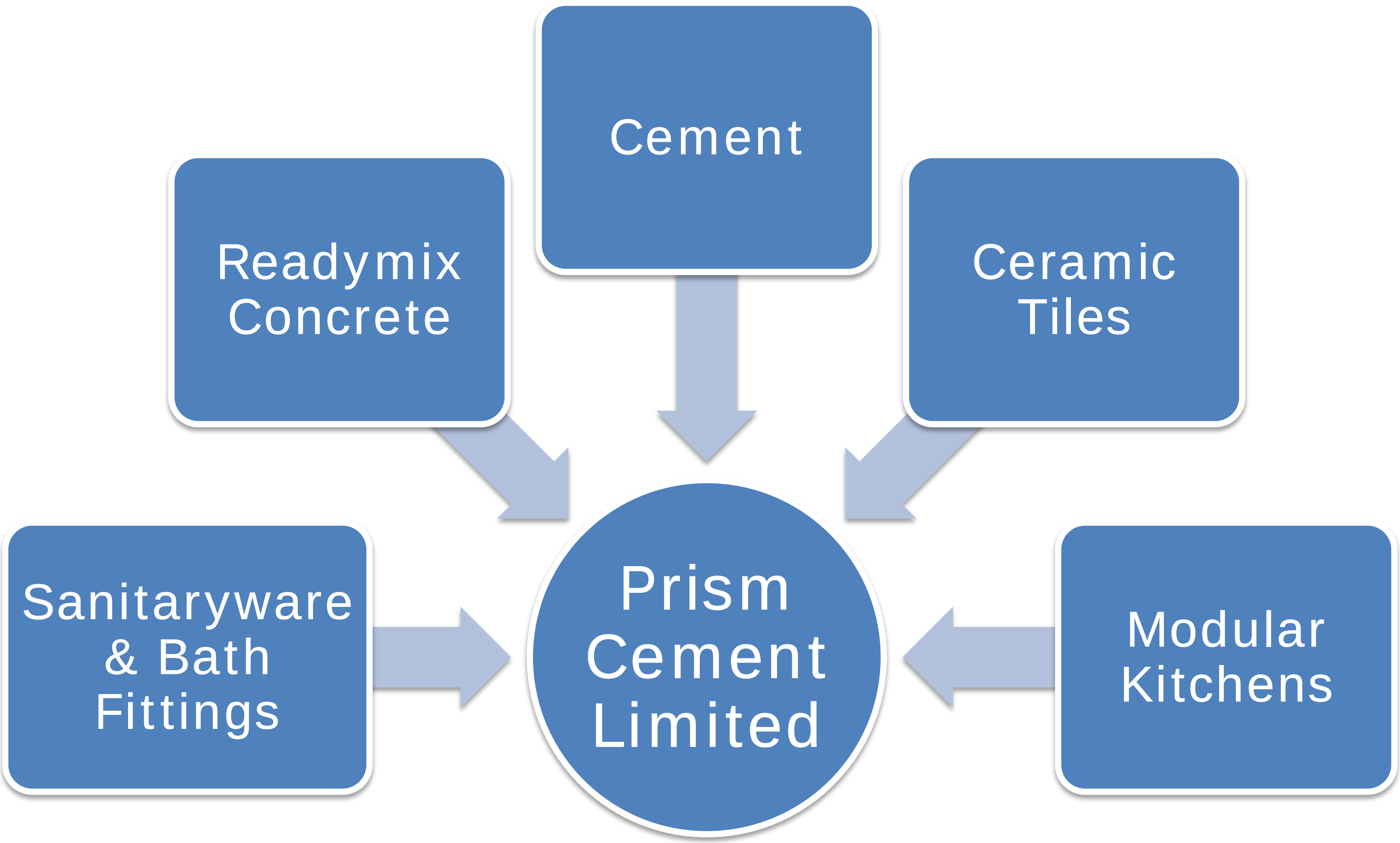
May, 2013

Integrated Building Materials Company



Robust Business Model

Backward Integration

- Coal Block
- Aggregates & Manufactured Sand
- Ceramic Inputs (Inks, Minerals, Clays)

Forward Integration

- Readymix Concrete
- Chain of “House of Johnson” Showrooms

Asset Light Business Model

- Own Manufacturing
- Joint Ventures & Outsourcing

Strong brand equity & Distribution

- Johnson, Marbonite, and Champion brands
- 3,600 Cement Dealers; Over 10,000 retail points for tiles; 88 RMC Plants

Resilient Demand Drivers

- Rural Housing
- Urban Housing
- Industrial Infrastructure
- Commercial Infrastructure
- Consumption

Strategic Framework

Operating Leverage

- Enhance Capacity utilization and achieve healthy growth across Divisions

Cost Reduction

- Implement all Cost Saving projects in a timely manner

Strategic Framework

Marketing

- Further strengthen Brands and Distribution reinforcing the competitive advantage

Cash Flows

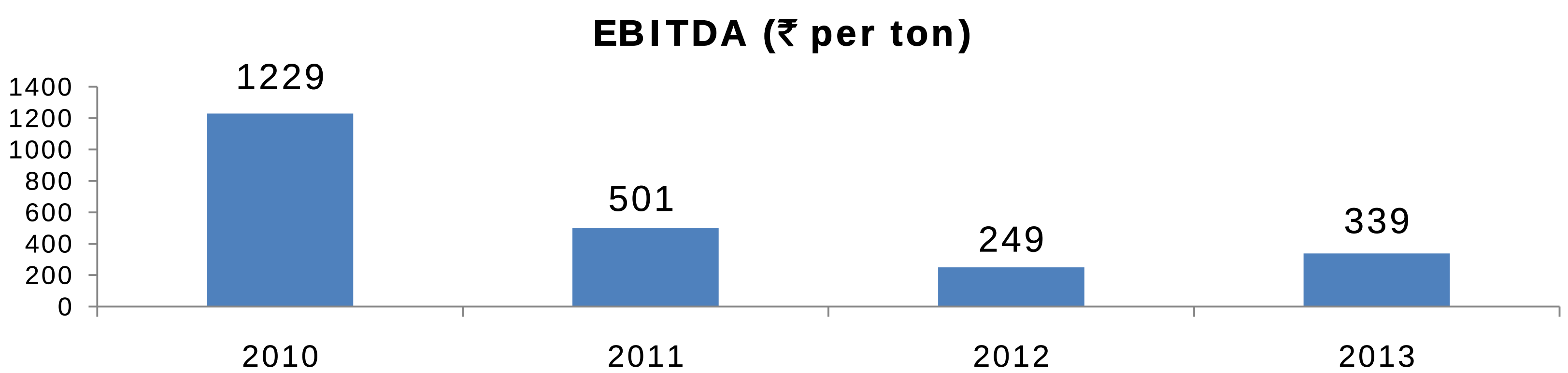
- Keep gearing at comfortable level
- Focus on ROCE and FCF

PRISM

CEMENT

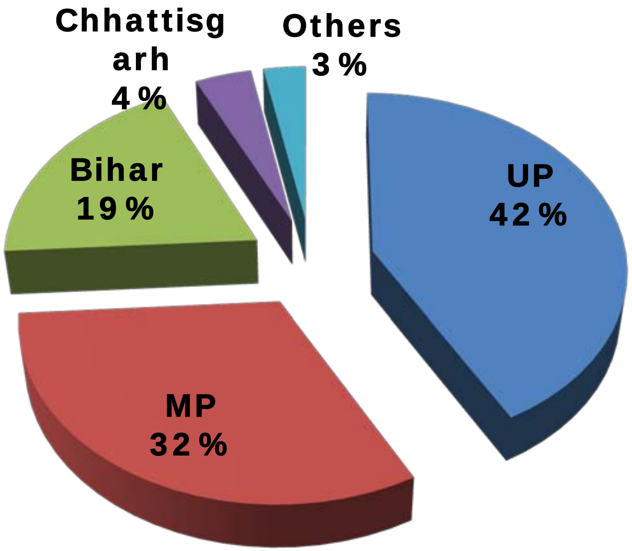
Cement - Overview

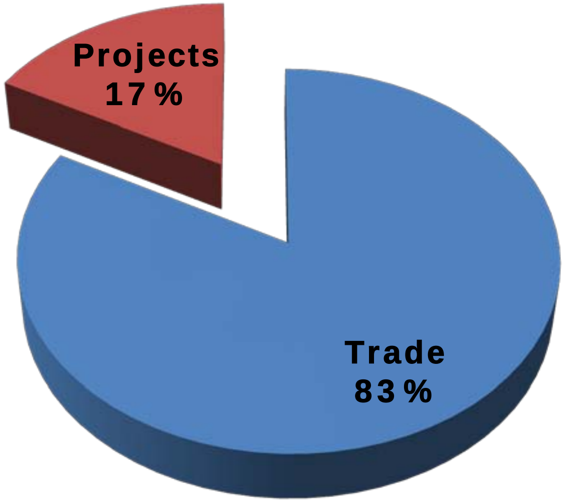
- 2 Modern Plants in Satna, Madhya Pradesh
  - 1 Packing Plant at Allahabad, Uttar Pradesh
- Clinker Capacity: 4.36 Million tons (Rated)
- Cement Capacity: 5.6 Million tons (Rated)
- Sales potential: 6.0 Million tons Cement
  0.6 Million tons Clinker
- FY 13 financials
  - Gross Sales: ₹ 2,161 Crores
  - Sales Volume: 4.8 mn tons



Cement - Sales

- ➢Intensive Distribution Network
  - ❖> 3,600 Dealers
  - ❖120 Depots
- ➢Superior Product mix
  - ❖ Over 95% Pozzolana Portland Cement (PPC)
- ➢Market break-up:





Cement - Fuel, Power, & Freight

Fuel

- Allotted a Coal Block at Chhindwara, MP:
  - 100% ownership
  - GR estimated reserves of 15 million tones
  - Planned to be operational in FY 2014
  - Estimated savings: ~ ₹ 90 crores per annum

Power

- Purchase from Grid
- Stable and good quality source of supply
- ₹ 5.8 / Unit in FY 2013
- Large Power Plants with a total capacity >20,000 MW coming up in nearby areas over the next few years

Freight

- Average lead distance: 406 KM
  - Rail: 65%
  - Road: 35%

Cement - Capacity Expansion

- Green-field plant to come up in Kurnool District, Andhra Pradesh:
  - Cement Capacity: 4.8 MTPA
  - Land possession completed ; Mine development activities in progress
  - Project activities to be taken up in due course

RMC

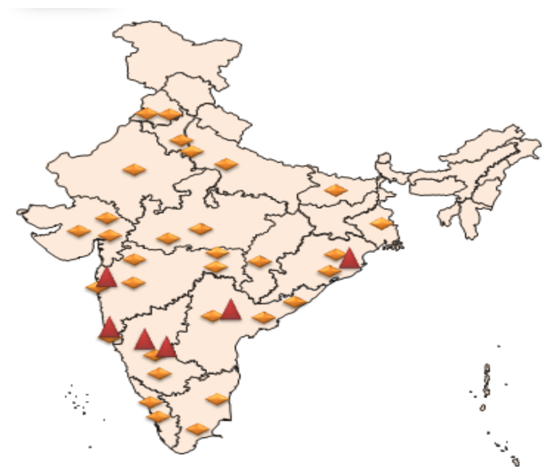
Readymix Concrete

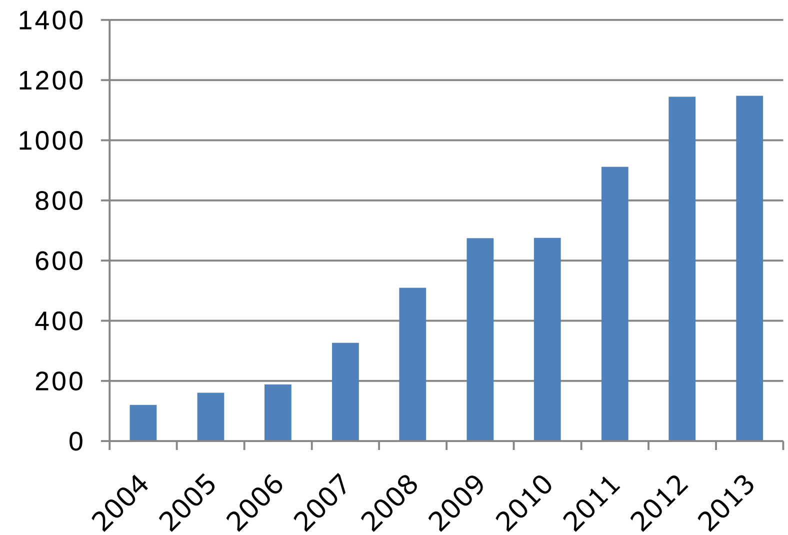
Readymix Concrete Industry

- ~10% of total cement used for concrete in India is sold through RMC channel (50% - 70% in developed countries)
- Several benefits such as assured quality, speed, saving of site space, reduced labor, reduced wastage etc
- Industry volume: > 35 million m^3 per annum
- Industry growth rate >20% per annum due to:
  - Growth of cement consumption in India
  - Conversion from site-mix to ready-mix

RMC Readymix (India)

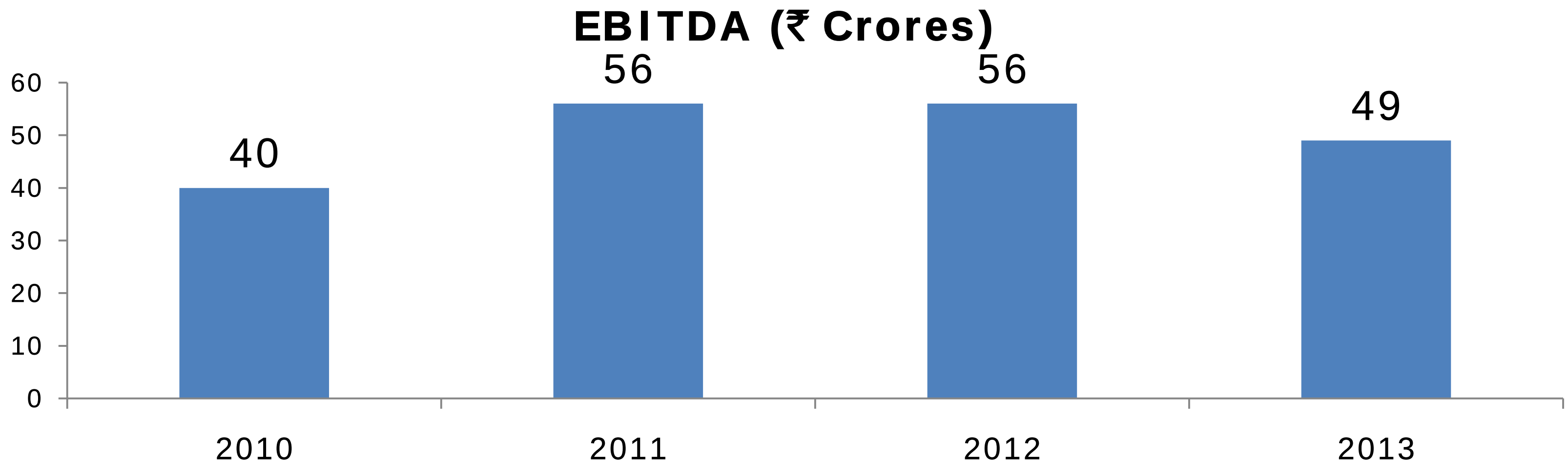
- Among Top 3 players in India with a national footprint
- 88 Plants in 37 cities / towns
- Backward integration: 8 Plants – Aggregates and Manufactured Sand
- Sales grown at 29% CAGR in last 10 years





Financial Snapshot: RMC Division

- FY 2013:
  - Gross Sales: ₹ 1148 crores



- Sales / Capital Employed > 4.5x
  - ROCE between 10% - 16%

RMC Readymix—Strategy

Capacity Utilization	• FY 13 Capacity utilization: 37% • Increase Capacity utilization and benefit from Operating Leverage
Backward Integration	• 8 Plants - Aggregates & Manufactured sand. Scale-up further • Supplies to some of own plants as well as 3rd parties
Mega Vertical	• Focus on large infrastructure projects. E.g. Power plants, Ports, Dams etc • Scale-up further

JOHNSON®

Not just tiles, Lifestyles.®

HRJ – Introduction

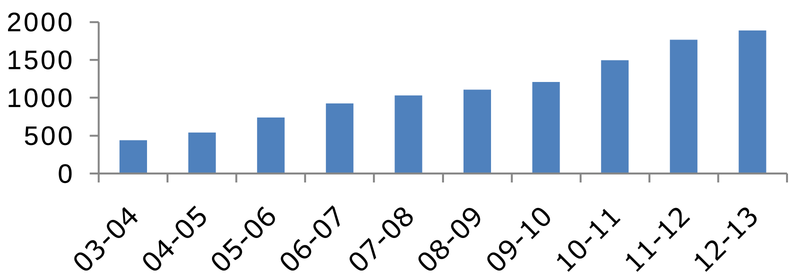
- Set-up in 1958; Pioneer of Ceramic Tiles in India
- Wide Product range: Tiles, Sanitaryware, Bath Fittings, Modular Kitchens, Engineered Marble & Quartz
- 11 Manufacturing Plants (Own & JVs) with a capacity of 54 million m^2 per annum—largest in India
- Strong Brands:
- Largest Pan-India distribution network: Over 1,000 dealers / 10,000 sub-dealers / 49 Branches / 22 *House of Johnson* Showrooms
- Trade Sales : Project Sales = 75% : 25%

HRJ – Joint Ventures

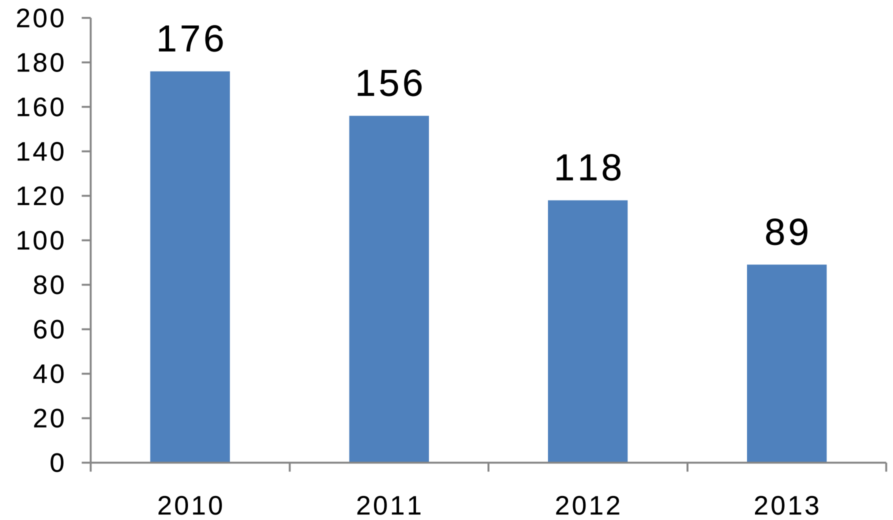
- 5 Manufacturing Joint Ventures:
  - 3 in Gujarat and 2 in Andhra Pradesh
  - Asset-Light business model
- 50% stake in Ardex Endura—JV with Ardex, Germany
  - Pioneer in India in tile fixing adhesives, grouts, industrial flooring, and waterproofing
  - Manufacturing Plants in Bangalore and Vadodara ; Pan India presence
  - FY 2012 - Sales: ₹ 95 crores / EBITDA: ₹ 11 crores

HRJ Financials

- FY 13 Consolidated Sales: ₹ 1,887 Crores
- Sales grown at 18% CAGR in last 10 years



- FY 13 Consolidated EBITDA: ₹ 89 Crores
- EBITDA Trend



- Low Capacity utilization (FY 13: 70%)
- Key Reasons: Power & Fuel unavailability in AP ; Product Development and Plant upgrade

HRJ—Strategy

Capacity Utilization	• FY 13 Capacity utilization: 70% • Increase Capacity utilization and benefit from Operating Leverage
Value-added Products	• Upgrade Sales mix • Enhance sales of Value-added products developed in the last one year
Power & Fuel	• Traded power in AP • Coal gassifiers in AP
Sales & Distribution	• Implementing Business Process Reengineering • Significantly improve customer service, S&D policies, and reduce operational costs

Strategic Investments

Strategic Investments

Raheja QBE General Insurance

- 74% stake. JV with QBE Group of Australia
- Focus on Speciality products like Liability insurance, Marine liability and Trade Credit
- Prism's investment: ₹ 153 crores
- FY 13 financials:
  - Gross written premium: ₹ 28 crores
  - Profit before tax: ₹ 8 crores

Norcros plc

- As on Mar 13, 29.8% stake in Norcros plc through WOS
- Listed on London Stock Exchange
- Showers, ceramic tiles, and adhesives
- UK, South Africa, Middle East, and Australia
- Prism's Investment: ₹ 134 crores.
  - M-T-M Value (Mar 13): ₹ 235 crores
- FY 12 financials (Not consolidated in Prism's financials):
  - Revenue: £ 200 million
  - EBITDA: £18 million

Treasury Stock

- 1.2 crore shares of Prism Cement Limited held through Prism Trust
- 2.45% of the Company's equity capital
- M-T-M Value (Mar 13): ₹ 52 crores

Management Profile

Management Profile

➢Mr. Manoj Chhabra, 61 years, Managing Director

❖ Chartered Accountant.

❖ Joined the Company in 1993

❖ Past experience includes senior positions at Larsen and Toubro. On the Board of Raheja QBE General Insurance Company Limited

➢Mr. Vijay Aggarwal, 44 years, Managing Director

❖ B. Tech (Elec.) from IIT, Delhi and PGDM from IIM, Ahmedabad.

❖ Joined Hathway Investments in 1993

❖ Past experience includes SBI Capital Markets. On the Board of various companies including Exide Industries, ING Vysya Life Insurance, Aptech, Asianet Satellite Communications, and Norcros plc.

➢Mr. Ganesh Kaskar, 54 years, Executive Director

❖ M. Tech (Civil) from IIT, Mumbai

❖ Joined erstwhile RMC Readymix (India) Pvt. Limited in 1996.

❖ Past experience includes ACC and Tata Consulting Engineers

Key Financials

Key Financials

Consolidated

	2010-11	2011-12	2012-13
P&L Key Figures (₹ Crores)			
Gross Sales	3,619	4,893	5,212
Net Sales	3,416	4,550	4,823
EBITDA	385	322	322
EBIT	259	160	142
PAT	105	-18	-62
Balance Sheet Key Figures (₹ Crores)			
Share Capital	503	503	503
Reserves & Surplus	747	707	645
Shareholders' Funds	1,250	1,210	1,148
Borrowings	1,363	1,595	1,978
Current Investments	113	120	106
Cash / Bank Balance	91	93	99
Fixed Assets	2,112	2,259	2,394

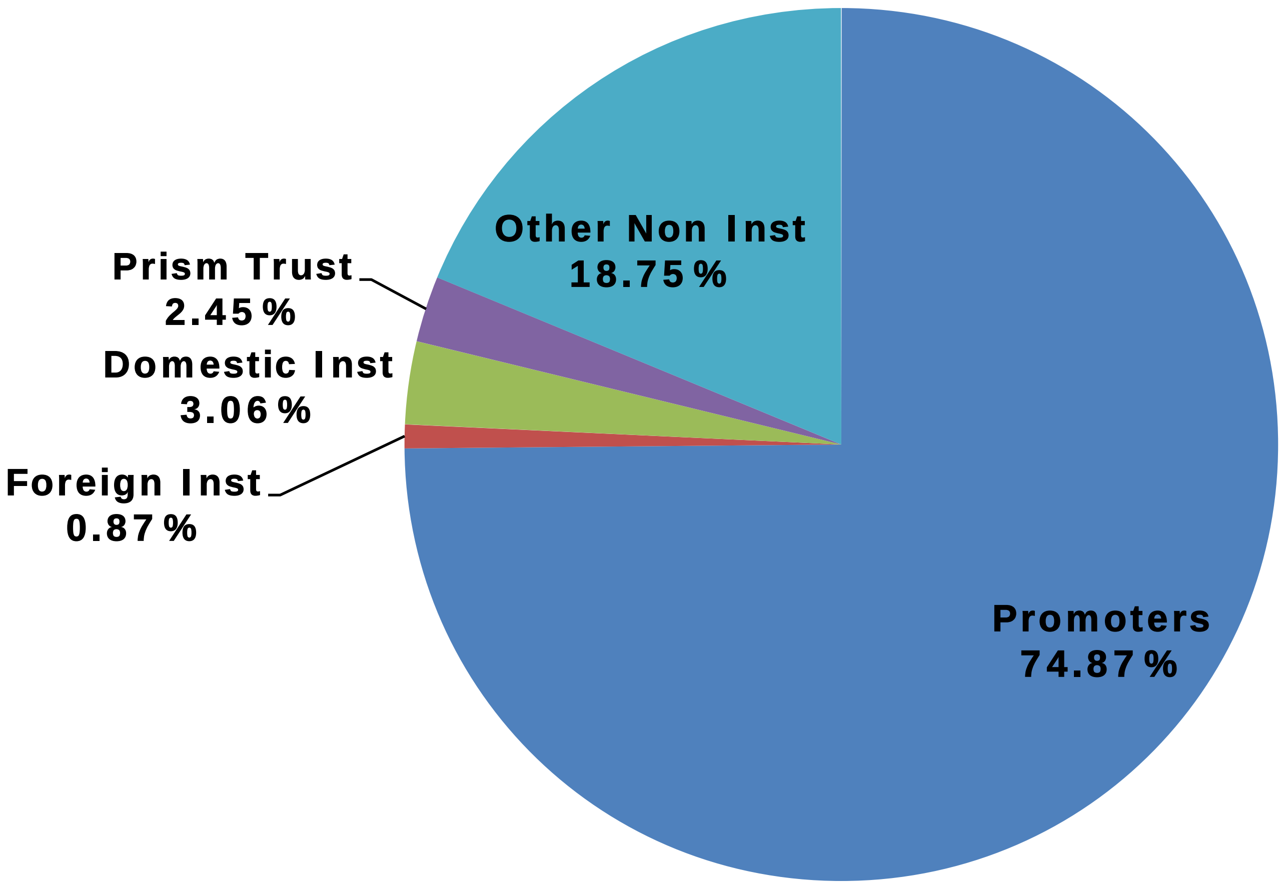
Key Financials

Consolidated

	2010-11	2011-12	2012-13
Segment-wise Sales (%)			
Cement	31%	37%	39%
TBK	42%	37%	37%
RMC	26%	25%	23%
Others	1%	1%	1%
Key Ratios			
EBITDA (%)	11.3%	7.1%	6.7%
Fixed Assets Turnover (No. of Times)	1.7	2.2	2.2
Net Debt / Equity (*)	0.9	1.1	1.5

* Net Debt is Debt net of Cash, Bank Balance, and Current Investments

Shareholding Pattern



As at March 31, 2013

THANK YOU