



## **THE RAMCO CEMENTS LIMITED**

**Corporate Office:**

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Website: [www.ramcocements.in](http://www.ramcocements.in)

Corporate Identity Number: L26941TN1957PLC003566

3 February 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: Press Release

We enclose a copy of the Press Release on the performance of the Company for the quarter and nine months ended 31.12.2020, being shared at the Investors' Meets.

Thanking you,

Yours faithfully,

For **THE RAMCO CEMENTS LIMITED,**

*K Selvanayagam*

**K.SELVANAYAGAM  
SECRETARY**

Encl : As above

*GIA*

**THE RAMCO CEMENTS LIMITED**

**PRESS RELEASE**

**PERFORMANCE FOR THE QUARTER / NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2020**

**SALES**

Particulars	(In Lac Tonnes)			
	For the quarter ended		For the nine month ended	
	31-12-2020	31-12-2019	31-12-2020	31-12-2019
Cement sale volume	26.14	28.44	67.64	82.71

**HIGHLIGHTS OF UN-AUDITED FINANCIAL RESULTS**

Particulars	Standalone (Rs. in Crores)			
	Un-audited		Un-audited	
	For the quarter ended		For the nine month ended	
	31-12-2020	31-12-2019	31-12-2020	31-12-2019
Revenue, net of GST	1,345.42	1,286.43	3,662.63	4,004.37
Operating Profit (EBITDA)	403.34	211.32	1,123.71	883.23
Less: Finance Costs	15.99	21.50	72.44	49.75
Less: Depreciation	89.62	79.68	259.50	232.01
Profit before tax	297.73	110.14	791.77	601.47
Less: Tax Expenses	96.38	15.34	245.05	146.55
Profit for the period	201.35	94.80	546.72	454.92
Total Comprehensive Income	202.86	95.57	548.47	455.43

Particulars	Consolidated (Rs. in Crores)			
	Un-audited		Un-audited	
	For the quarter ended		For the nine month ended	
	31-12-2020	31-12-2019	31-12-2020	31-12-2019
Revenue, net of GST	1,349.58	1,290.00	3,679.84	4,018.90
Operating Profit (EBITDA)	403.84	212.55	1,130.91	890.61
Less: Finance Costs	15.99	21.64	72.44	50.53
Less: Depreciation	89.95	80.02	260.45	233.05
Profit before tax	297.90	110.89	798.02	607.03
Less: Tax Expenses	96.43	15.49	246.71	148.31
Less: Other adjustments (*)	(-) 5.24	0.80	(-) 16.17	(-) 2.34
Profit for the period	206.71	94.60	567.48	461.06
Total Comprehensive Income	209.25	95.87	568.96	463.00

(\*) include share of profit of associates / non-controlling interest (NCI).

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## **CEMENT**

During the quarter year ended 31-12-2020, the sale of cement for the company is 2.61 million tons, compared to 2.84 million tons in the corresponding period of the previous year with a de-growth of 8%. The sale volume in the current quarter is impacted due to extended and above normal monsoon in Tamilnadu, Kerala, Karnataka, AP and Telangana. The company has registered good growth in its eastern markets. The cement prices were constantly under pressure across all its markets during the current quarter.

## **WIND POWER**

During the quarter ended 31-12-2020, our windfarms have generated 3.50 crore units as against 1.49 crore units in the previous corresponding period. The income for the quarter ended 31-12-2020 from the wind power business is Rs.8.50 crores as against Rs.1.80 crores in the previous corresponding period. The operating expenses for the quarter ended 31-12-2020 is Rs.5.64 crores as against Rs.5.28 crores during the previous corresponding period. During the quarter, the company has received Rs.65.30 crores from TNEB as against the outstanding of Rs.147.88 crores as at 30-9-2020.

## **STANDALONE PROFITABILITY**

EBIDTA for the quarter ended 31-12-2020 is Rs.403.34 crores as against Rs.211.32 crores during the previous corresponding period with an increase of 91% due to improved margins. Blended EBIDTA per ton for the quarter ended 31-12-2020 is Rs.1,543/- as against Rs.743/- during the previous corresponding period.

The power and fuel cost for the current quarter has reduced mainly due to higher inventory base, procured at lower cost in earlier quarters. This has benefited the company to keep a check on overall cost, while the market prices of pet coke and coal have witnessed sharp increase during this quarter. Besides, the operations of 9 MW WHRS in Jayanthipuram have also helped to manage the power cost under control during the quarter. Another unit of 9 MW WHRS in Jayanthipuram is under trial run and is expected to be in operation during Feb 2021. The balance 9 MW WHRS is getting ready for commissioning along with new clinkering line. The full benefit of WHRS will be available in the Q1 of 2021-22. The procurement cost of HDPE bags cost have witnessed sharp increase in the current quarter due to supply chain bottlenecks and sharp hike in polymer prices.

During the current quarter, the company has expensed Rs.3.27 crores towards Employees stock option expenses on pro-rata basis for the options granted to its employees under ESOS, 2018.



The lower sales volume during the current quarter has resulted in under-absorption of overheads; however, the company has taken various sustainable austerity measures to reduce overhead.

## **INCOME TAX**

For the quarter ended 31-12-2020, the company has made current tax provision of Rs.52 crores under MAT as against Rs.19.18 crores under MAT in the corresponding period of previous year. The company has written back excess tax provision amounting to Rs.1.61 crores during the current quarter.

MAT credit was reversed during the quarter ended 31-12-2020 amounting to Rs.17.85 crores due to change in estimates as against MAT credit recognition of Rs.49.24 crores in the previous corresponding period.

The deferred tax for the quarter ended 31-12-2020 is Rs.28.14 crores as against Rs.41.05 crores in the previous corresponding period. The deferred tax adjustments relating to earlier years for the quarter ended 31-12-2020 is Nil as against Rs.4.35 crores in the previous corresponding period.

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. The Company has not exercised this option for the financial year 2020-21 in view of the benefits available under the existing tax regime.

## **SUBSIDIARY COMPANIES**

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

For the quarter ended 31-12-2020, the generation of power is 0.59 crore units as against 0.33 crore units in the previous corresponding period. The revenue from operations and EBIDTA is Rs.2.41 crores and Rs.0.99 crores as against Rs.1.31 crores and Rs.0.07 crores respectively in the previous corresponding period.

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

For the quarter ended 31-12-2020, the revenue from operations and EDIDTA is Rs.9.59 crores and Rs.0.20 crores as against Rs.12.64 crores and Rs. 1.76 crores respectively in previous corresponding period.



## **LEGAL**

The Competition Commission of India (CCI) vide its order dated 31-8-2016 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.

## **CAPEX**

The company expects to commission the clinkering unit of 1.5 MTPA along with 9 MW WHRS in Jayanthipuram and 2.25 MTPA clinkering unit in Kurnool during Q-1 of FY 2021-22 albeit difficulties/challenges experienced during the pandemic caused by COVID-19. The 1 MTPA cement grinding facility, 12 MW of WHRS and 18MW of TPP in Kurnool are expected to be commissioned during FY 2021-22.

During the nine months period up to 31-12-2020, the company has incurred Rs.1,166 crores towards capex, including for the above-mentioned ongoing capacity expansion programme. The balance capex to be incurred as on 31-12-2020 is Rs.537 crores for its ongoing capacity expansion.

## **BORROWINGS**

The company's gross debt as on 31-12-2020 is Rs.3,106 crores, out of which Rs.234 crores are soft/interest-free debt. During the current quarter, the average cost of interest bearing borrowings is reduced to 6.14% from 7.24% compared to previous corresponding period.

Place : Chennai  
Date : 3-2-2021

