



THE RAMCO CEMENTS LIMITED

Corporate Office:

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Corporate Identity Number: L26941TN1957PLC003566

February 14, 2017

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 Sir/ Madam,

Sub: Buy Back of fully paid up equity shares of the face value of Rs.1/- each from open market through the stock exchanges by The Ramco Cements Limited ("Company")

In compliance with the Companies Act, 2013 and the Buy Back Regulations, we are enclosing herewith a copy of the Public Announcement.

The Company will provide relevant updates in relation to the Buyback as per applicable law in due course.

Thanking you,

Yours Sincerely,

For **THE RAMCO CEMENTS LIMITED**,

K Selvanayagam

K.SELVANAYAGAM
SECRETARY

Encl : As above

15.2. **Stock Exchange:** Shareholders holding physical shares would be required to present the completed set of documents referred to in Paragraph 14.12 above to DLF & Broacha Stock Broking Pvt. Ltd. within the time period prescribed under the Act.

15.3. **Extinguishment of Demat Shares:** The Demat Shares bought back by the Company shall be extinguished and destroyed in the manner specified in the Securities and Exchange Board of India (Depository and Participants) Regulations, 1996, as amended and its by-laws, in the manner specified in the Buy Back Regulations and the Act. The Equity Shares lying in credit in the Demat Account will be extinguished within 15 (fifteen) days of acceptance of the Demat Shares, provided that the Company undertakes to ensure that all Demat Shares bought back by the Company are extinguished within 7 (seven) days from the last date of completion of the Buy Back.

15.4. **Extinguishment of Physical Shares:** Physical shares bought back by the Company during a month shall be extinguished and physically destroyed by the Company in the presence of IFC Bank Limited ("Managing the Buy Back") and the Statutory Auditor of the Company by the 15th day of the succeeding month provided that the Company undertakes to ensure that all physical shares bought back are extinguished within 7 (seven) days from the last date of completion of the Buy Back, in compliance with the Buy Back Regulations.

15.5. **Consideration for the Equity Shares bought back by the Company shall be paid only by way of cash (i.e. by way of Demand Draft/Order /NET/RTGS / Cheque) to the Company's Broker.** They shall transfer the said amount to the clearing and settlement agencies of the Stock Exchanges under the normal method of secondary market process and obligations of the Stock Exchanges.

16. **Brief Information about the Company**
 The Ramco Cements Limited is a Public Limited Company forming part of Ramco group. The Company was incorporated on July 3, 1957. The Company is engaged in the manufacture of Cement. The Company's cement is sold under the Brand Name "RAMCO".
 From a single factory with a production capacity of 0.07 million tonnes per annum (TPA) in Ramaswamy Raja Nagar in Tamil Nadu in 1962, the Company has now expanded to have nine manufacturing facilities, including five integrated plants and four grinding units, with captive thermal power generation spread across the country.
 As on December 31, 2016, the capacity of integrated cement plants is at 12.49 million tonnes per annum (MTPA) and of satellite grinding units is at 4.00 million tonnes per annum (MTPA).
Others
 In addition to the above, the Company has a Paving plant at Muddanahalli, Hoogeroli, Tamil Nadu, Ready mix concrete plant at Hosur, Chennai and a Dry Mortar plant at Sivurambandi, Chennai.
Wind Farm
 The installed capacity of the wind farm of the company is 125.95 MW as on December 31, 2016 comprising of 108 Wind Electricity Generators.
Subsidiaries
 As on December 31, 2016, Ramco Windmills Limited is the subsidiary of The Ramco Cements Limited. The Ramco Cements Limited is holding 71.50% of the paid up capital of Ramco Windmills Limited. The installed capacity of Ramco Windmills Limited is 39,825 MW, comprising of 127 Nos. of Wind Electricity Generators.

17. **Financial Information**
 17.1. Financial information on the basis of audited standalone financial statements of the Company for the last three financial years ended March 31, 2016, March 31, 2015 and March 31, 2014 and the unaudited, limited reviewed standalone financial statements for the six months period ended September 30, 2016 is provided herunder:

Particulars	Rs Lakhs, except ratios and per share data			
	For the six months ended Sep 30, 2016 (Unaudited)	For the six months ended March 31, 2016 Audited	For the six months ended March 31, 2015 Audited	For the six months ended March 31, 2014 Audited
Revenue				
Income from Operations	1,97,513	3,58,722	3,59,387	3,63,212
Sale of Products	---	853	5,102	5,139
Other operating revenue	---	---	---	---
Total revenue	1,97,513	3,59,575	3,64,489	3,68,351
Expenses				
Cost of Materials consumed	31,525	58,434	67,733	66,986
Purchase of Stock in Trade	1,170	---	---	---
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(148)	994	321	1,980
Employees benefits expense	14,009	25,923	22,868	22,183
Other expenditure	86,434	1,68,327	2,02,243	2,20,998
Depreciation and amortisation expense	13,299	26,704	24,968	30,629
Total expenses	1,46,839	2,80,382	3,18,153	3,42,676
Profit from operations before other income, finance costs and exceptional items	51,114	79,193	46,336	25,675
Other Income	2,048	9,134	8,688	8,572
Profit from other activities before finance costs and exceptional items	53,162	88,327	55,024	34,247
Finance Costs	5,730	18,073	19,381	18,613
Profit from ordinary activities after finance costs but before exceptional items	47,432	70,254	35,643	15,634
Exceptional Items	---	---	---	---
Profit from ordinary activities before tax	47,432	70,254	35,643	15,634
Net Profit from ordinary activities after tax	35,294	55,626	24,235	13,719
Extraordinary Items	---	---	---	---
Net Profit for the period	35,294	55,626	24,235	13,719
Other Comprehensive Income	65	---	---	---
Total Comprehensive Income	35,359	55,626	24,235	13,719
Payable Equity Share Capital				
(Face Value of ₹1/- per Equity Share)	2,281	2,281	2,281	2,280
Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	3,43,643	3,06,882	2,82,138	2,45,828
Long Term Debt (including current maturities)	1,81,216	1,50,393	2,15,828	2,20,518
Short Term Debt	65,238	70,159	53,351	72,365
Total Debt	1,81,514	1,50,595	2,19,179	2,92,883
Earnings per share - ₹				
- Basic	15*	23	10	6
- Diluted	15*	23	10	6
EPS for the 6 months ended 30 September 2016, is the actual for the period, while the EPS for the 3 previous years are on annual basis.				
Key Ratios Basic:				
Book Value per share - ₹	145	130	111	104
Dividend - Equity Ratio	0.53 : 1	0.71 : 1	1.03 : 1	1.18 : 1
Return on average net worth	22.16%	19.48%	9.45%	5.68%

Notes:
 i. The financials for the period six months ended on September 30, 2016 have been subjected to Limited Review by the joint statutory auditors of the Company and figures for the six months ended September 30, 2016 are Indian Accounting Standards compliant. For the financial years ended March 31, 2016, 2015 and 2014, the financials are audited and have been prepared under Indian GAAP.
 ii. Profit for the period is as considered for computation of EPS.
 iii. For 6 months ended September 30, 2016, return on average net worth is annualized.
 iv. Basic Earnings Per Share = Profit for the period / Weighted average no. of Equity Shares
 v. Diluted Earnings Per Share = Profit for the period / Weighted average no. of shares
 vi. Book Value per share = Net Worth (without rounding off) / No. of Equity Shares at the year-end (without rounding off)
 vii. Debt to Equity Ratio = Total Debt (Long Term Debt (including current maturities) + Short Term Debt) / (Equity share capital + Reserves)
 viii. Return on average net worth = Profit for the period / Average of the opening and closing Net Worth for the year.
 ix. Figures have been rounded off, as necessary. Any discrepancies between the figures listed above and the ones in annual report are due to rounding off.

18. **Details of Escrow Account**
 18.1. In accordance with Regulation 15B of the Buy Back Regulations and towards security for performance of its obligations under the Buy Back Regulations, the Company has entered into an escrow agreement dated February 7, 2017 with the Manager to the Buy Back and Escrow agent namely IFC Bank Limited ("Escrow Bank") pursuant to which the Company has opened an escrow account bearing number 10000001544 titled "Ramco Cements Buy Back 2017" (the "Escrow Account"). The Company has authorized the Manager to the Buy Back to operate the Escrow Account in compliance with the Buy Back Regulations and the Escrow Agreement. The Company has deposited in the Escrow Account cash aggregating to ₹4.50 crores (Rupees Four Crores and Fifty Lakhs only), being 2.5% of the Maximum Buy Back Size remaining in the Escrow Account bearing number 10000001544 titled "Ramco Cements Buy Back 2017" (the "Escrow Account"). The Company has authorized the Manager to the Buy Back to operate the Escrow Account in compliance with the Buy Back Regulations and the Escrow Agreement. The Company has deposited in the Escrow Account cash aggregating to ₹4.50 crores (Rupees Four Crores and Fifty Lakhs only), being 2.5% of the Maximum Buy Back Size remaining in the Escrow Account bearing number 10000001544 titled "Ramco Cements Buy Back 2017" (the "Escrow Account").
 18.2. In addition, the Escrow Bank has issued a bank guarantee dated February 10, 2017 in favour of the Manager to the Buy Back for an amount of ₹40.50 crores (Rupees Forty Crores and Fifty Lakhs only), being 22.5% of the Maximum Buy Back Size remaining in the Escrow Account bearing number 10000001544 titled "Ramco Cements Buy Back 2017" (the "Escrow Account").
 18.3. The Company has authorized the Manager to the Buy Back to operate the Escrow Account in compliance with the Buy Back Regulations.
 18.4. The funds in the Escrow Account may be released for making payment to the shareholders, subject to at least 2.5% of the Maximum Buy Back Size remaining in the escrow account at all points in time.
 18.5. If the Company is not able to complete Buy Back equivalent to Minimum Buy Back Size, the amount held in the Escrow Account up to a maximum of 2.5% of the Maximum Buy Back Size, shall be made for forfeiture in accordance with the Buy Back Regulations.
 18.6. The balance lying in the credit of the Escrow Account will be released to the Company on completion of all obligations and in accordance with Buy Back Regulations.

19. **Listing Details and Stock Market Data**
 19.1. The Equity Shares are listed on the BSE and NSE with nationwide terminals.
 19.2. The Company was listed on the The Calcutta Stock Exchange Limited ("CSE"). In 2004, the Company had applied to CSE for delisting of its Equity Shares. However, the delisting has not yet been done. The Company had regularly reiterated its request to CSE for delisting, as it is already listed on stock exchanges with nationwide terminals, pursuant to the order on delisting from regional stock exchanges for companies listed on stock exchanges with nationwide terminals. As per the website of the CSE accessed as on the date of this Public Announcement i.e. February 13, 2017 the listing status is shown as suspended for non-compliance, although the Company has not received any communication from CSE in relation to this suspension. There is no trading of the Company on the CSE hence trading data is not available.
 19.3. The high, low and average market prices of the Equity Shares for the preceding three years and the monthly high, low and average market prices of the Equity Shares for the six months preceding the date of this Public Announcement and their corresponding volumes on the BSE and the NSE are as follows:

Twelve Months Period Ended	High (₹)	Low (₹)	Date of High	Date of Low	No. of shares traded on that date	Volume Weighted Average Price (₹)	Total Volume of shares Traded in the period	Total Turnover (₹ in Lakhs)
CY 2014	380.00	97.14	07-Nov-14	04-Feb-14	65,548	150.55	10,548	1,05,00,174
CY 2015	405.50	31.00	01-Dec-15	27-Mar-15	81,327	270.00	14,492	335.87
CY 2016	685.25	14.00	16-Feb-16	30-May-16	1,13,384	354.55	31,446	95,57,890

Last Six Months	High (₹)	Low (₹)	Date of High	Date of Low	No. of shares traded on that date	Volume Weighted Average Price (₹)	Total Volume of shares Traded in the period	Total Turnover (₹ in Lakhs)
August 2015	560.80	31-Aug-16	17.191	530.25	04-Aug-16	18,179	554.77	4,06,970
September 2015	622.80	23-Sep-16	10,65,720	543.50	26-Sep-16	12,156	606.33	13,49,188
October 2015	685.58	14-Oct-16	1,11,394	593.00	03-Oct-16	11,398	639.56	4,72,476
November 2015	638.00	01-Nov-16	4,649	478.00	15-Nov-16	1,31,635	560.59	4,87,111
December 2015	619.16	01-Dec-16	7,549	500.00	26-Dec-16	12,544	522.71	14,89,557
January 2016	728.00	31-Jan-17	96,255	547.15	02-Jan-17	19,510	626.32	14,67,928
February 2016	723.00	02-Feb-17	50,449	672.00	08-Feb-17	58,206	695.50	2,86,324

Twelve Months Period Ended	High (₹)	Low (₹)	Date of High	Date of Low	No. of shares traded on that date	Volume Weighted Average Price (₹)	Total Volume of shares Traded in the period	Total Turnover (₹ in Lakhs)
CY 2014	390.00	97.14	07-Nov-14	04-Feb-14	48,288	159.20	8,484	8,48,349
CY 2015	405.50	31.00	01-Dec-15	27-Mar-15	10,223	277.00	1,53,825	39,82,500
CY 2016	685.00	14.00	16-Feb-16	30-May-16	41,734	352.62	12,948	36,16,961

Last Six Months	High (₹)	Low (₹)	Date of High	Date of Low	No. of shares traded on that date	Volume Weighted Average Price (₹)	Total Volume of shares Traded in the period	Total Turnover (₹ in Lakhs)
August 2015	581.00	31-Aug-16	1,43,913	531.00	04-Aug-16	2,20,905	555.25	28,86,123
September 2015	622.80	23-Sep-16	2,37,982	550.10	01-Sep-16	2,14,531	600.30	27,36,429
October 2015	685.00	14-Oct-16	41,754	592.00	02-Oct-16	9,510	626.32	18,16,677
November 2015	639.00	01-Nov-16	54,611	472.80	15-Nov-16	1,30,859	574.87	56,87,564
December 2015	619.23	01-Dec-16	6,72,475	501.00	26-Dec-16	94,669	541.10	44,36,598
January 2016	728.00	31-Jan-17	5,63,610	544.55	02-Jan-17	78,271	624.74	41,54,578
February 2016	724.00	02-Feb-17	1,23,534	672.00	07-Feb-17	8,42,410	694.50	28,36,444

Source: www.bseindia.com
 a. CV means Calendar Year
 b. In case of same high and low prices occurring on more than one date, then the date on which the quantity traded is more is considered.
 c. Intra day high and low prices have been considered.
 d. The period for the month of February 2017 has been considered from February 01, 2017 till the date of this Public Announcement i.e. February 13, 2017.
 19.4. There has been no change in the Equity Share capital of the Company including by way of bonus issue, rights issue or consolidation of Equity Shares during the period for which data has been disclosed in the table above, except as follows: The Company has issued bonus shares in the ratio 1:1 in the years 1992-1993, 1994-1995, 2008-2009 and 1,00,000 bonus shares which were kept in abeyance in accordance with the year April 1, 2014 to March 31, 2015. Total of 2,33,600 bonus shares remain unutilized pending completion of required formalities as on March 31, 2016. The share prices have become ex-bonus in the respective years in which the bonus issues were made, and hence there is no impact during the period as disclosed above.
 19.5. The Board resolution approving the Buy Back was passed on February 7, 2017. The closing market price immediately after the date of the resolution of the Board of Directors approving the Buy Back, i.e. February 8, 2017 was ₹675.90 on BSE and ₹680.60 on NSE.

20. **Present capital structure and shelving policy**
 20.1. The capital structure of the Company as on the date of the Public Announcement and the proposed capital structure of the Company post completion of the Buy Back will be, as follows:

Particulars	As on date of the public announcement	Post completion of the Buy Back
Authorized Share Capital 25,00,00,000 Equity Shares of ₹1 each	2,500.00	2,500.00
Issued, subscribed and paid up 23,80,76,780 Equity Shares of ₹1 each	2,380.77	2,355.77

*Assuming the Company buys back the Maximum Buy Back Shares.
 *The capital structure post completion of the Buy Back may differ depending on the actual number of Equity Shares bought back under the Buy Back.
 20.2. As on the date of this Public Announcement, there are no partly paid up Equity Shares, call-in-arrears and no outstanding instruments convertible into Equity Shares.
 20.3. Shareholding pattern of the Company, as on February 10, 2017, was as shown below:

Category	Pre-Buy Back	Post-Buy Back*
	No. of Equity Shares	% of Shares
A. Holding of the Promoter Group	79,98,340	3.36%
(i) Individual / HUF	79,98,340	3.40%
(ii) Bodies Corporate	9,27,07,220	38.94%
Total (A)	10,07,05,560	42.30%
B. Non-Promoters Holding	1,60,72,733	6.75%
(i) Institutional Investors	3,83,07,970	16.09%
(ii) Financial Institutions / Banks	61,18,098	2.57%
(iii) Foreign Portfolio Investors	3,47,51,867	14.69%
(iv) Foreign Institutional Investors	7,91,77,235	32.95%
C. Others	1,60,72,733	6.75%
(i) Bodies Corporate	1,60,72,733	6.75%
(ii) Individual	3,31,97,819	13.94%
(iii) Clearing Member	---	---
(iv) Non Resident Indian (Repatriation)	9,22,903	0.39%
(v) State Government	80,00,000	3.36%
(vi) Other Government	5,91,33,463	24.44%
Total (B+C)	1,60,72,733	6.75%
Total (A+B+C)	23,80,76,780	100.00%

*Assuming the Company buys back the Maximum Buy Back Shares. The shareholding, post completion of the Buy Back, may differ depending upon the actual number of Equity Shares bought back in the Buy Back.
 21. **Shareholding of the promoters**
 21.1. Details of aggregate shareholding in the Company of the promoters and the directors of the promoters where the promoter is a company, persons acting in concert and of persons in control of the Company, as on the date of this Public Announcement, are as below:

S. No.	Promoter/Persons who are in Control/ Directors of the Promoters, who are the Promoter is a Company	No. of Equity Shares	% of Total Equity Share Capital
1.	PROMOTER AND PERSONS IN CONTROL OF THE COMPANY	49,312,420	20.71%
2.	Ramco Industries	32,905,000	13.82%
3.	Sri Vishnu Shankar Mills Limited	3,883,200	1.63%

4.	The Ramonji Surreal Cotton Mills Ltd.	3,824,000	1.52%
5.	Southern Cement Limited	2,892,000	1.23%
6.	PR. Ramasubrahmanyam Rajha-HUF	2,036,000	0.85%
7.	P.R. Ramasubrahmanyam Rajha	1,755,840	0.74%
8.	Haina Ramakrishni	1,000,000	0.42%
9.	PK. Venkatesh Raju	1,000,000	0.42%
10.	Saibaba Deoga	1,000,000	0.42%
11.	Ramachandra Raja Chittammal	758,000	0.31%
12.	R. Sudarshan	340,500	0.14%
13.	S.A. Srirama Raju	120,000	0.05%
14.	R. Sankaranarayanan	15,000	0.01%
Total of Promoter and persons in control of the Company (A)		100,705,560	42.30%
DIRECTORS IN PROMOTER COMPANY'S			
1.	Sri Ramachandra K. T.	66,514	0.03%
2.	A.V. Dharmakrishnan	30,000	0.01%
3.	A.S. Ramachandra Raju	22,400	0.01%
4.	Sri Raju Raju P.	20,900	0.01%
5.	A.V. Dharmakrishnan-HUF	10,000	0.004%
6.	Ramaswamy Raju H.K.	8,800	0.004%
7.	R. Sankaranarayanan	8,000	0.003%
8.	Karthikmahanaraya	1,000	0.000%
Total of directors in promoter company (B)		167,514	0.67%
Total (A+B)		100,873,074	42.37%

21.2. None of the persons above have brought or sold Equity Shares in the market in the twelve months preceding the date of this Public Announcement to approve the Buy Back.
 21.3. The aggregate shareholding of the promoters and promoter group as on the date of this Public Announcement is 42.30% of the total Equity Share capital of the Company. While the promoters are not eligible to participate in the Buy Back, depending on the number of Equity Shares bought back by the Company, their effective shareholding percentage in the Company, will increase marginally. Assuming the Maximum Buy Back Shares are bought, the aggregate shareholding of the promoters and promoter group will increase to 42.75% of the Post-Buy-Back Equity Share Capital.
 21.4. Such an increase in the percentage holding rights of the promoters is not an active acquisition and is incidental to the Buy Back and falls within the limits prescribed under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

22. **Management Discussion and Analysis on the likely impact of the Buy Back on the Company**
 22.1. The Buy Back will not have any material impact on the earnings of the Company, except for the cost of financing the Buy Back since the funds will be utilized for Buy Back which otherwise would be available for reducing the borrowings of the Company.
 22.2. The Buy Back of Equity Shares will result in a reduction in Equity Share capital and consequently, it is expected to be P/E ratio increase. The Company believes that the Buy Back will contribute to the overall enhancement of shareholders' value going forward. The amount required by the Company for the Buy Back (including the cost of financing the Buy Back and the transaction costs) will be invested out of the internal accruals of the Company.
 22.3. Pursuant to Regulation 15(B) of the Buy Back Regulations, the promoters or person in control of the Company are not entitled to participate under the Buy Back. The Buy Back of Equity Shares will not result in a