



THE RAMCO CEMENTS LIMITED

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Corporate Identity Number : L26941TN1957PLC003566

8 February 2024

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

Symbol : RAMCOCEM

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

Scrip Code: 500260

Dear Sirs,

Sub: Press Release

Pursuant to Regulation 30, read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Press Release on Unaudited Results for Q3FY24.

Thanking you,

Yours faithfully,

For **THE RAMCO CEMENTS LIMITED,**

K.SELVANAYAGAM
SECRETARY

Encl : As above

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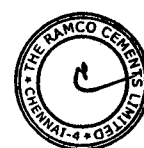
THE RAMCO CEMENTS LIMITED

PRESS RELEASE ON UN-AUDITED RESULTS FOR Q3FY24

During Q3FY24, the sale volume is 4 million tons, compared to 3.64 million tons in the Q3FY23 with a growth of 10%. The cement capacity utilisation for the Q3FY24 is at 74%. During the quarter, the extreme heavy rainfall and the subsequent flooding due to cyclone "Michaung" has affected the cement demand in Tamil nadu and AP. The cement prices are under pressure during the current period under review. The reduction in lead distance has resulted in marginal reduction of logistics cost.

Net revenue for the Q3FY24 is Rs.2,113 crores as against Rs.2,018 crores during Q3FY23 with a growth of 5%. The company continues to focus on the strategy of right products for right applications to make its brands stronger. EBIDTA for Q3FY24 is Rs.402 crores as against Rs.294 crores during Q3FY23 with growth of 37%. Blended EBIDTA per ton for the Q3FY24 is Rs.1,007/- as against Rs.808/- during Q3FY23. Operating ratio for Q3FY24 is 19% as against 15% in Q3FY23.

Cost of raw materials increased by 3% YoY from Rs.944/- to Rs.970/- per ton for the current quarter due to inflationary impact on procurement cost. During the Q3FY24, the blended fuel consumption per ton for cement is equivalent to \$ 138 (Cost per Kcal: Rs.1.64) as against \$ 191 (Cost per Kcal: Rs.2.43) during Q3FY23. The power & fuel cost per ton of cement for Q3FY24 has decreased to Rs.1,386/- compared to Rs.1,929/- in Q3FY23. The change in utility of sale of wind power to captive use has also helped to reduce the overall power cost. The overall green power usage has significantly improved from 20% in Q3FY23 to 36% in Q3FY24 in view of change in utility of wind power to captive purposes. The current spot CIF prices of pet coke and 3400 GAR coal from Indonesia has come to the level of \$ 118 and \$ 47 respectively. With the easing of current pet coke prices, the blended fuel consumption for Q4FY24 may come down by 5 \$ to 10 \$.



Interest cost for the Q3FY24 is Rs.102 crores as against Rs.61 crores during the Q3FY23. Depreciation for the Q3FY24 is Rs.166 crores as against Rs.136 crores during the Q3FY23. The increase of interest & depreciation is due to commissioning of Kolimigundla integrated unit, RR Nagar Line-3 and Dry Mortar Plants in RR Nagar and Salem. Profit before tax for Q3FY24 is Rs.135 crores as against Rs.97 crores in the corresponding previous year period.

GREEN ENERGY

With a view to augmenting of green energy sources and to reduce the reliance on fossil fuels and minimising the greenhouse gas emissions and to lower environmental footprint in the cement production, the company has been establishing Waste Heat Recovery System (WHRS) in its cement plants. Accordingly, the company propose to establish a WHRS of 10 MW capacity at its Ramasamy Raja Nagar plant, at a cost of Rs.153 Crores, which is to be commissioned by March 2025. The company is in the process of getting necessary statutory permissions. With the establishment of WHRS at Ramasamy Raja Nagar, the aggregate installed capacity of company's WHRS would increase from 43 MW to 53 MW by FY25.

Further, the Company's windfarms, including its subsidiary company, has an installed capacity of 166 MW. Given the average PLF of 25%, the generation of wind power for captive use is expected to be around 42 MW.

Resultantly the company's green energy utilities comprising of wind energy capacity and WHRS capacity, are capable of generating about 95 MW of green power. Based on the current production level, the share of green power is expected to reach 42% of the total energy consumption by end of FY25 and 48% by end of FY26.

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DE-BOTTLENECKING OF CAPACITY

During the quarter, the company had increased the clinker capacity by 0.65 MTPA at Kolimigundla and 0.35 MTPA at Ariyalur through pyro process optimisation. With this, the installed capacity of clinker stands at 16 MTPA. Our in-house team has carried out the de-bottlenecking activities that included design, engineering and execution. The Company has identified the opportunities for de-bottlenecking of cement capacity aggregating to 1 MTPA, which will be carried out in FY25.

NEW CAPACITY EXPANSION

The company propose to double the clinker capacity in Kolimigundla to 6.30 MTPA and double the cement capacity to 3 MTPA with 15 MW of WHRS at an estimated project cost of Rs.1,250 Crores. This expansion is scheduled to be commissioned in FY26. The aggregate installed capacity of company would reach 19 MTPA for Clinker and 26 MTPA for cement by FY26. The aggregate WHRS capacity would further increase to 68 MW by FY26.

ONGOING CAPEX

In Kolimigundla, TPP of 18 MW will be commissioned in Mar-24 and railway siding will be commissioned in Jun-24. Expansion of capacity of dry mix products in AP & Orissa will be commissioned during Mar-24. The expansion of grinding plant from 0.9 MTPA to 1.8 MTPA in Orissa will be commissioned in Mar-24. During Q3FY24, the company has incurred Rs.385 Crores towards ongoing capex including maintenance capex. The capex guidance for Q4FY24 will be around Rs.390 crores.

The capex for FY25 is estimated to be at Rs.1,700 crores including maintenance capex.

DEBT

The net debt as on 31-12-2023 is Rs.4,993 crores including working capital borrowings and the net debt to EBIDTA is at 3.22 times. The average cost of debt for 9MFY24 is at 7.82% as against 6.16% in 9MFY23 due to increase in market rates.

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