



THE INDIA CEMENTS LIMITED

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CIN : L26942TN1946PLC000931

SH/NSE

07.08.2019

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E)
MUMBAI 400 051.

Dear Sirs,

Sub.: Press release on unaudited financial results for the quarter ended
30.06.2019

In continuation to our letter dated 07.08.2019 forwarding a copy of the unaudited financial results for the quarter ended 30.06.2019, we enclose a copy of the 'Press Release' issued today in this regard.

Thanking you,

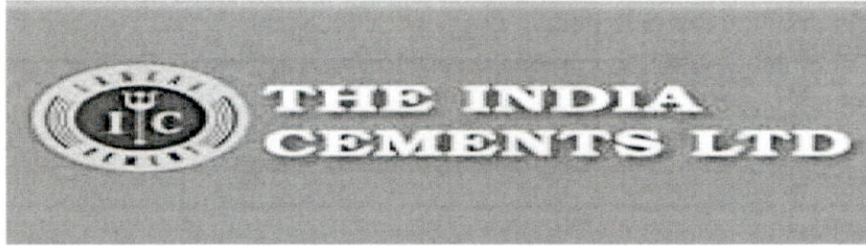
Yours faithfully,
for THE INDIA CEMENTS LIMITED

COMPANY SECRETARY

Encl.: As above

Any





7th August 2019

Press Release

THE INDIA CEMENTS LIMITED

UNAUDITED RESULTS FOR THE I QUARTER

ENDED 30TH JUNE 2019

India Cements Ltd has reported a significant improvement in its operating performance for the quarter ended 30th June'19 on the back of improved selling prices and sustained efforts of cost reduction. The EBITDA of the company increased by more than 50% when compared with the same quarter of the previous year.

The elections during the months of April and May'19 had its impact on economic growth. The 8 core industries reported a marginal growth of 3.5% during the current quarter. The cement industry which witnessed a substantial growth of over 13% in the first quarter of the previous fiscal had to be content with a marginal growth of only 1.2% during the quarter ended 30th June 2019 as per the statistics furnished by DIPP. The growth in cement demand in the south is estimated at 3% during the first quarter of the current fiscal. We expect demand to revive post monsoon and once the new Governments in Andhra Pradesh and Centre finalise their action plans. The cement prices which started improving from the month of February'19 stabilised at reasonable levels

during the next three months and has witnessed some aberration which is likely to get corrected post monsoon.

The company had also taken pro-active steps to contain the cost of production and the variable cost has come down by nearly 4% on a sequential quarter basis and was only marginally up when compared to the same quarter of the previous year. This was also aided by the softening of the fuel prices from the beginning of the year.

Company Performance:

- The capacity utilisation of the company during the quarter was 77%.
- The overall cement sales including clinker was at 30.42 Lakh Tons for the quarter as compared to 30.75 lakh tons in the same quarter of the previous year.
- With the improved selling price of cement, the net plant realisation went up by 11% during the quarter over that of previous year.
- The variable cost of production was kept under tight leash despite the higher fuel and diesel price as compared to the same quarter of the previous year and it was up by only 1%. The resultant EBITDA was significantly higher at Rs.245 crores as compared to Rs.162 crores in the same quarter of the previous year.
- The interest and other charges were up at Rs.80 crores (Rs.73 crores) while depreciation was lower at Rs.60 crores (Rs.62 crores) and the net profit before tax was significantly higher at Rs.106 crores against Rs.27 crores. The provision for taxation was at Rs.33 crores for the current quarter against Rs.6 crores in the previous year and the profit after tax stood at Rs.72 crores against Rs.21 crores in the previous year.

These results have been taken on record by the Board of directors at their meeting held on 7th August 2019.

OUTLOOK:

Global headwinds and the projected lower growth appear to have cast a shadow on Indian economy with reports of slow down and decline in consumption in some sectors. IMF has also cut its GDP growth forecast for India to 7 % for 2019-20 from 7.3% projected earlier.

However, there are hopes of economy regaining growth momentum with the Union Budget attempting to address the stress in the economy apart from giving push to infrastructure and housing with substantial outlays and tax breaks.

The forecast of normal rainfall during the second half of south west monsoon season is expected to better the prospects of the rural economy.

These developments augur well for pick up in construction activity and increased demand for cement in the coming quarters.