

## **Madras Cements Ltd**

### **The Hindu Business Line**

**13 February 2013**

“Sustained focus on containing costs” and improving efficiency, according to Madras Cements’ CEO, A.V. Dharmakrishnan, have contributed to the company reporting a nine per cent jump in net profit for the third quarter of the current year compared with the corresponding quarter previously.

For the quarter ended December 31, the company reported a net profit of Rs 83.60 crore (Rs 76.84 crore) on a total income of Rs 904.95 crore (Rs 744.07 crore).

Normally, the third quarter is a slow period for cement companies due to monsoons and drop in contribution from captive wind mills, which contribute to revenues in the first two quarters. But the continued focus on containing costs is beginning to pay off, he said.

On the increased finance costs of Rs 42.85 crore (Rs 37.40 crore), he said the company’s thermal power projects and the grinding unit at Ariyalur have gone on stream. Also, previously the company had availed of loans at a fixed interest rates which are now being reset closer to base rates.

Madras Cements has finalised plans to set up a 0.95-million-tonne grinding unit in Andhra Pradesh with an investment of Rs 350 crore. The work on the project will start once the statutory clearances are in place.

The company has announced a second interim dividend of Rs 1 a share for the 2012-13.

On the NSE, the company’s shares closed at Rs 242.65 against the previous close of Rs 234.90.