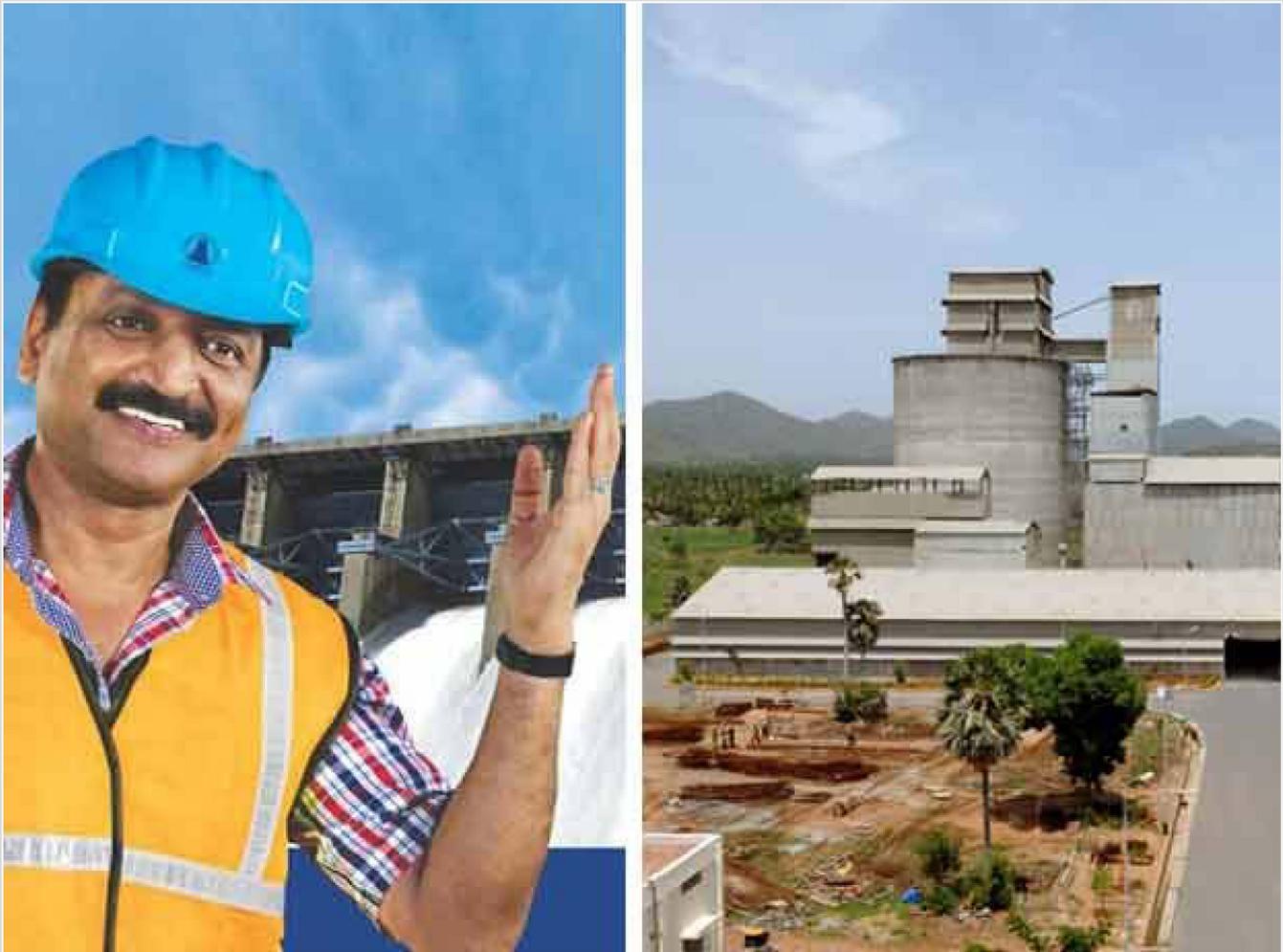


Ramco Cements reports Rs 118 crore Q3 profit

Cement sale in Tamil Nadu during the period was affected due to flood

BS Reporter | Chennai February 09, 2016 Last Updated at 13:42 IST



The Ramco Cements Ltd has posted a net profit of Rs 117.7 crore for the quarter ended December 31, 2015 as compared to Rs 22.9 crore in corresponding month last year. Total income has increased to Rs 822.7 crore from Rs 817.7 crore year-on-year.

Company's total domestic sale during the quarter was 15.91 lakh tonnes as against 16.74 lakh tonnes, while export sales stood at 0.35 lakh tonnes as against 0.44 lakh tonnes.

The sale of cement in Tamil Nadu was affected during the third quarter due to record rain and consequential inundation in many parts, said the company.

The company further said it continued to focus on cost reduction measures and reduced the operating cost and is confident of sustaining in the coming quarters.

However, the reduction in operating cost was partly offset due to increase in royalty of limestone from Rs 63 per tonne to Rs 83 per tonne from September 2014, Contribution to District Mineral Foundation as per Mines and Minerals (Development and Regulation) Amendment Act, 2015 has impacted on

cost of cement. The company also said the Rupee depreciation has made cost of imports dearer.

During January 2016, the company also received refund of Rs 31.98 crore including interest, deposited with CCI in view of the favourable decision by COMPAT.

The company has reduced the borrowings by around Rs 440 crore out of internal accruals and reduction in the current assets during the current year.

In addition the company also replaced the term loans from banks carrying interest rates ranging from 9.20 per cent per annum to 10 per cent per annum by raising debentures of rs 500 crore.

The efforts in repayment of borrowings and replacement of bank borrowings by debentures would help the company to reduce the interest cost substantially in the coming quarters, said the company.