

INDIA CEMENTS LIMITED

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CEMENT

MISCELLANEOUS

Chairman: N. Sankar

SEC: G. Balakrishnan (Sr. V. P.)

AUD: Brahmayya & Co.

Yr of Inc	B. Code	BL. Code	F.V.	Price	% ch 1-m	% ch 12-m	P/E	P/CF	Yield	Mkt cap	Vol.	ISIN
1946	530005	ICEM.IN	10	225.3	2.3	126.1	100.7	35.3	0.0	42,980.5	1,154.4	INE383A01012

SHAREHOLDING

		FX Transaction (FY06)	
Indian Promoters	: 31.1%	Exports (fob)	Rs m 648
Foreign collaborators	: 0.0%	Imports (cif)	Rs m 59
Indian inst/Mut Fund	: 17.0%	Fx inflow	Rs m 648
FII's/GDR	: 33.2%	Fx outflow	Rs m 69
Free float	: 18.7%	Net fx	Rs m 579
Shareholders	: 48,256		

No. of months	12	12	12
Year ending	31/03/04	31/03/05	31/03/06

EQUITY SHARE DATA

High	Rs	52	72	172
Low	Rs	13	26	61
Sales per share	Rs	73.1	83.5	80.8
Earnings per share	Rs	nm	0.0	2.2
Cash flow per share	Rs	-2.9	1.1	5.9
Dividends per share	Rs	0.00	0.00	0.00
Dividend yield (eoy)	%	0.0	0.0	0.0
Book value per share	Rs	81.2	75.6	78.6
Shares outstanding (eoy)	m	139.55	139.55	190.77
Bonus/Rights/Conversions		-	-	GDS
Price / Sales ratio	x	0.4	0.6	1.4
Avg P/E ratio	x	nm	nm	52.0
P/CF ratio (eoy)	x	nm	8.7	18.3
Price / Book Value ratio	x	0.4	0.6	1.5
Dividend payout	%	0.0	0.0	0.0
Avg Mkt Cap	Rs m	4,535	6,838	22,225
No. of employees	'000	4	4	3
Total wages/salary	Rs m	846	792	816
Avg. sales/employee	Rs Th	2,675.0	3,314.1	5,126.7
Avg. wages/employee	Rs Th	221.8	225.1	271.3
Avg. net profit/employee	Rs Th	nm	nm	142.0

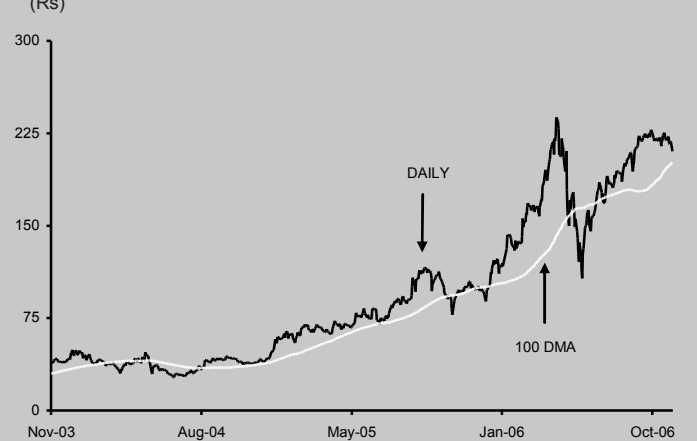
INCOME DATA

Net Sales	Rs m	10,205	11,659	15,421
Other income	Rs m	43	181	89
Total revenues	Rs m	10,248	11,840	15,510
Gross profit	Rs m	937	1,233	2,496
Depreciation	Rs m	818	790	790
Interest	Rs m	1,555	1,262	1,417
Profit before tax	Rs m	-1,393	-638	378
Minority Interest	Rs m	0	0	0
Prior Period Items	Rs m	3	0	0
Extraordinary Inc (Exp)	Rs m	257	634	96
Tax	Rs m	-168	0	47
Profit after tax	Rs m	-965	-4	427
Gross profit margin	%	9.2	10.6	16.2
Effective tax rate	%	12.1	0.0	12.4
Net profit margin	%	nm	nm	2.8

BALANCE SHEET DATA

Current assets	Rs m	10,670	10,671	12,092
Current liabilities	Rs m	2,449	3,085	3,744
Net working cap to sales	%	80.6	65.1	54.1
Current ratio	x	4.4	3.5	3.2
Inventory Turnover	Days	49	57	46
Debtors Turnover	Days	52	58	57
Net fixed assets	Rs m	23,644	22,930	22,032
Share capital	Rs m	1,395	1,395	1,908
"Free" reserves	Rs m	3,354	3,326	7,614
Net worth	Rs m	11,333	10,556	15,001
Long term debt	Rs m	11,445	9,259	12,237
Total assets	Rs m	34,964	34,218	34,734
Interest coverage	x	0.1	0.5	1.3
Debt to equity ratio	x	1.0	0.9	0.8
Sales to assets ratio	x	0.3	0.3	0.4
Return on assets	%	nm	0.0	1.2
Return on equity	%	nm	0.0	2.8
Return on capital	%	2.6	6.3	6.8
Exports to sales	%	4.4	9.1	4.2
Imports to sales	%	1.4	0.3	0.4

ADJUSTED DAILY SHARE PRICE DATA



No. of months	12	12	12
Year ending	31/03/04	31/03/05	31/03/06

CASH FLOW

From Operations	Rs m	909	2,128	1,597
From Investments	Rs m	98	-945	-239
From Financial Activity	Rs m	-1,030	-1,193	-945
Net Cashflow	Rs m	-23	-10	413

INTERIM RESULTS

		3QFY06	4QFY06	1QFY07	2QFY07
Net sales	Rs m	3,466	4,228	4,852	5,164
Gross profit	Rs m	534	763	1,656	1,726
Gross profit margin	%	15.4	18.0	34.1	33.4
Net profit	Rs m	72	241	1,126	1,173
Net profit margin	%	2.1	5.7	23.2	22.7

KEY DATA

Parameters	Unit	FY04	FY05	FY06
Cement capacity	MTPA	7.7	7.7	9.0
Capacity utilisation	%	70.0	71.0	94.0
Realisation per tonne	Rs m	2,286	2,557	2,518
Cost per tonne	Rs m	2,589	2,659	2,473
Market share (capacity)	%	5.2	5.0	5.6

NOTES

India Cements (ICL), South India's largest cement producer, has an installed capacity of 9 MT. The company is the market leader in the south, with a share of 28%. The Company has access to huge limestone resources and plans to expand capacity by de-bottlenecking and optimisation of existing plants as well as by acquisitions.

With the boom in infrastructure and housing sectors in the country, during FY06, the company witnessed 32% YoY growth in cement production, and sales increased by 17% YoY (including exports). With cement prices recovering during second half of FY06 and substantial increase in volumes, 75% YoY growth was seen in operating profits. Net margins expanded by 280 basis points to 2.8%, on account of better realizations and other income.

Riding on the back of rise in demand, improvement in realisations and reduction in interest outgo, the company has been able to improve its overall performance. With the improvement in the financial position, the company plans to increase its capacity by 2MTPA at an investment outlay of RS 3.5 bn, which will be financed out of the proceeds of the FCCBs issued in May 2006. On the demand front, we expect the southern region to grow in line with the industry. On the realisations front, due to its regional presence, the company's bargaining power is lower. In the long term, the company's performance will depend heavily on whether it is able to develop new markets in other regions of the country.