

# RAMCO CEMENTS

## Single Largest Cement Brand of South India

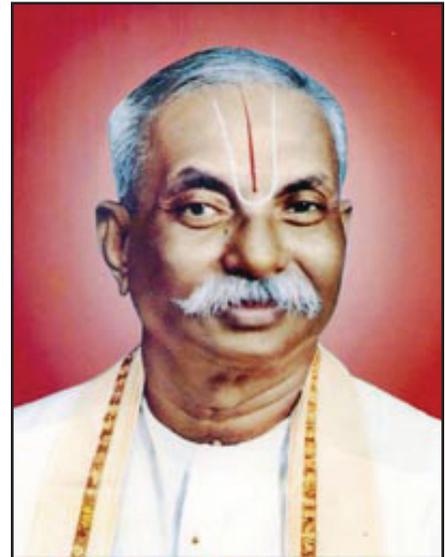
At present Ramco Cements (formerly Madras Cements) has an annual capacity of 16.49 million tonnes per annum (MTPA) and ranks 7th among the top 10 cement groups/companies in the country. Further, its brand name 'Ramco' is the largest single brand in the South India.

**Ramco Cements has a thermal captive power capacity of 157 MW and wind power capacity of 159.19 MW, which is the largest in Asia.**

In August 2013, the Madras Cements Limited's name was changed to Ramco Cements Limited. Though the name Madras Cements was well known for the last 55 years, still this name was changed to Ramco, which is the company's 'brand' under which its products are being sold since the

company's inception in 1962. The management of Ramco Cements hopes that aligning the brand with the company's name will strengthen its identity.

The Chennai based Ramco Cements Limited (formerly Madras Cements



*PAC Ramasamy Raja,  
Founder of Ramco Group*

Limited) is the flagship company of Ramco Group, a well-known business group of South India with revenues of Rs.6200 crores during 2013-14. Founded by PAC Ramasamy Raja, the Group's origin traces back to a small cotton mill set up in 1938 at Rajapalayam in Tamil Nadu. Under the leadership of its present Chairman & Managing Director – PR Ramasubrahmaneya Rajha, the Ramco Group has grown phenomenally.



Today the Ramco Group has 15 companies under its fold and they are engaged in producing of a wide range of products like cement, fibre cement sheets, cottons and synthetic yarn, software systems and wind energy. Its three companies, namely: Ramco Cements Limited, Ramco Industries Limited, and Ramco Systems Limited, are the market leaders in their respective fields of operations.

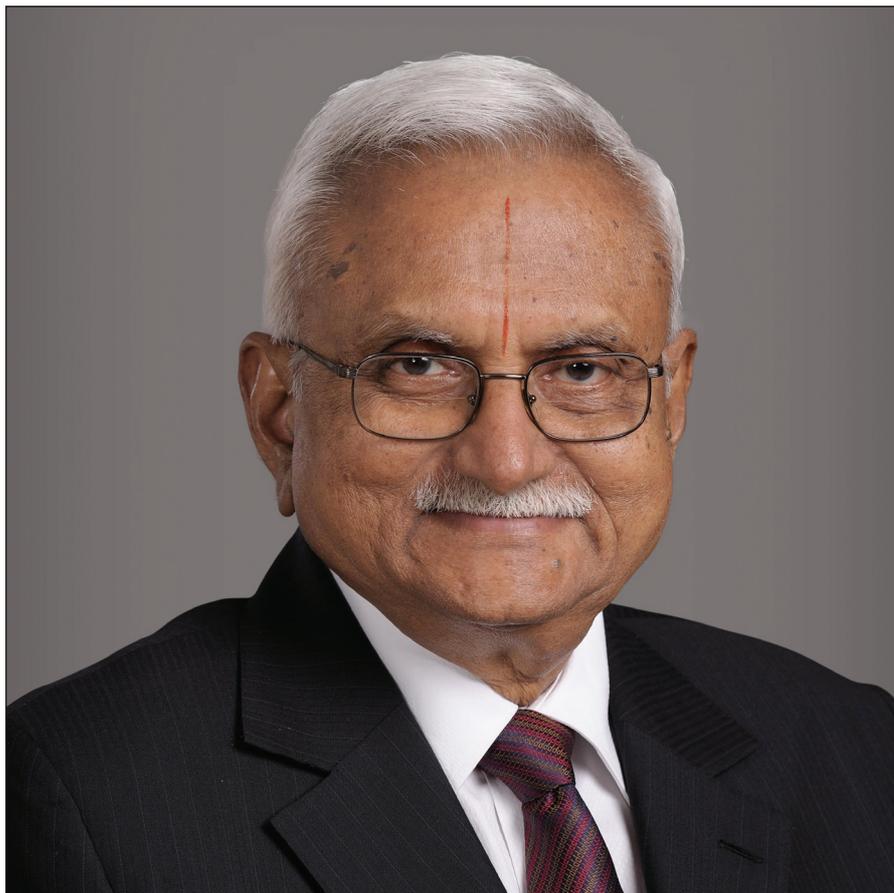
Over the years, the Ramco Cements has emerged as Group's largest, strongest and financially very sound and an investors' friendly company. The company had original paid up equity subscription of just Rs. 3 crores, which had increased to Rs 23.8 crores by way of bonus shares. The company issued bonus shares thrice in the ratio of 1:1 in 1992-93, 1994-95 and 2008-09. In the year 2013-14, it had a turnover of Rs 3769.23 crores and a net profit of Rs 137.70 crores.

### Ramco Cement's Origin

In 1950s, the investment in cement industry was not attractive due to price controls and the massive investments required. Only those entrepreneurs, who were not profit minded but cared for country's development, came forward to invest in cement industry.

In late 50s, when Manubhai Shah, the then Union Minister for Industries, came to Chennai (then Madras) to meet the industrialists, he called upon PAC Ramasamy Raja (PACR) and requested him to start a cement factory in Tamilnadu. This was readily accepted by PACR and this marked the birth of Ramco Cements (formerly Madras Cements) in 1957. The company had a modest beginning with a 200 TPD cement plant at Ramasamy Raja Nagar, named after its founder.

On the night of September 3, 1962, while PACR was seriously ill and was laid on bed in Madras General Hospital, he summoned his son Ramasubrahmaneya Rajha to his bed side and said: "You should take care of everything from now. My main



*PR Ramasubrahmaneya Rajha, Chairman & Managing Director*

concern is for Madras Cements. I have taken a lot of money as shares from well wishers. I have not paid them back any dividends as yet. This has to be taken care of immediately."

PACR's last wish was dutifully fulfilled by his son and the company's present Chairman PR Ramasubrahmaneya Rajha. It is evident from the company's track record of handsomely rewarding its investors with good dividends and bonus shares thrice in the ratio of one share for every one equity share, in 1992, 1994 and 2008. In the past 50 years, the company has never gone for any public issue and managed its massive expansion from internal accruals and loans.

### Cement Plants

At present, the Ramco Cements has nine cement plants, comprising five integrated cement plants and four grinding units, with an aggregate

capacity of 16.49 million tonnes per annum (MTPA). Its cement plants are located mainly in four States, namely: Andhra Pradesh, Karnataka, Tamil Nadu and West Bengal.

### RR Nagar - 1<sup>st</sup> Plant

Ramco Cements set up its first integrated cement plant at Ramasamy Raja Nagar (RR Nagar) in Virudhunagar district of Tamil Nadu. Commissioned in 1962, it was 200 TPD plant with a wet process technology. In 70's, the plant was switched over to more efficient dry process technology and became the first to do so. At the same time, a second kiln was also added, which increased its capacity to 1.3 MTPA. In 2009, this plant was modernized by replacing a 30 years old 1200 TPD kiln with a new dry process kiln of 1600 TPD. At present, the Ramasamy Raja Nagar plant has a capacity of 2 MTPA.