

**PRESS RELEASE**

**Shree Cement delivers steady performance on the back of operational efficiencies, product premiumisation and sustainability initiatives**

**Gurugram, November 11, 2024** – Shree Cement, India’s third largest cement group by capacity, today announced its financial results for the quarter and half year ended on 30 September, 2024. The Company reported ₹3,727 crore of revenue and ₹593 crore of EBITDA. Despite the challenging demand conditions on account of prolonged monsoon and softer prices faced by the industry, the Company’s focus on maintaining brand equity, product premiumization and improving geo-mix helped maintain its realisation on QoQ basis. This coupled with cost optimization and operational efficiency measures drove EBITDA during the quarter.

**Financial Highlights (Standalone)**

₹ in crore

Particulars	Quarter ended			% Change	
	30 <sup>th</sup> September, 2024	30 <sup>th</sup> September, 2023	30 <sup>th</sup> June, 2024	YoY	QoQ
Net Revenue from Operations	3,727	4,560	4,835	-18%	-23%
Operating Profit (EBITDA)	593	870	916	-32%	-35%
Profit after Tax	93	491	318	-81%	-71%
Cash Profit	709	830	938	-15%	-24%

**Operational highlights (YoY, Standalone)**

- Total sale volumes down by 7% from 8.20 million tonnes to 7.60 million tonnes on YoY basis
- Power & fuel cost optimized by 27% from ₹ 1,371 crore to ₹1,001 crore due to softer fuel prices
- EBITDA stood at ₹593 crore against ₹ 870 crore in the corresponding quarter of the previous year
- Led by cost optimization and efficiency measures, total expenditure (excluding depreciation and interest) came down from ₹4,503/ tonne to ₹4,122/ tonne on YoY basis
- DJSI CSA score 2024 improved to 73 from 62 in year 2023
- Sale of premium products stood at 15% of total trade sale volume

**Mr. Neeraj Akhoury, Managing Director, Shree Cement Ltd. said,** “Despite strong headwinds on account of extended monsoon and softer pricing environment across the industry, Shree Cement has delivered a steady performance on the back of accelerated operational efficiency measures, focused cost optimisation drive and product premiumisation initiatives.”

He added, “The company expects gradual improvement in demand driven by increased government spending in the second half of the financial year and improved demand from urban and rural segments owing to good monsoon. Shree Cement remains focused on its long-term growth and sustainability, with ongoing investments in capacity expansion and the adoption of greener technologies.”

**Capex Plans**

The Company’s ongoing expansion projects in Jaitaran, Rajasthan (6.0 MTPA), Kodla, Karnataka (3.00 MTPA), Baloda Bazar, Chhattisgarh (3.40 MTPA), and Etah, Uttar Pradesh (3.00 MTPA) are progressing satisfactorily. The Company expects to commission all these projects by the first quarter of FY25-26. The Company is continuously working to identify suitable opportunities to achieve its goal of achieving > 80 MTPA capacity by 2028.

## Sustainability initiatives

Q2 FY'25 witnessed Shree Cement delivering a strong performance with regard to its commitment to operational excellence and sustainable growth. We continue to invest in sustainable initiatives, ensuring that our operations contribute positively to environmental goals and align with our long-term vision for a cleaner, greener future.

- The Company has achieved a total score of 73 in the Dow Jones Sustainability Index (DJSI), Corporate Sustainability Assessment (CSA) (Environment Social & Governance) – 2024, ranking best within the construction material sector in India. This marks a significant improvement in the total score of 62 of last year. The improved performance of the Company underscores its commitment to driving sustainability across the value chain of its operations.
- The Company's share of green electricity in total electricity consumption stood at 54.8% in Q2'FY25 which is one of the highest in the Indian cement industry. The Company is committed to further enhancing this proportion in line with its commitment to reach 100% RE by 2050.
- The Company is also steadily making investments to increase its usage of alternative fuels. Notably, the company used 0.17 lakh tonnes of agro waste in Q2'FY25 thereby conserving fossil fuel equivalent to producing 50 billion kCal and saving 0.20 lakh tonnes of CO<sub>2</sub>. As part of this agro waste consumption, the Company procured 7,589 tonnes of stubble during the quarter within the NCR region. The Company also consumed 0.53 lakh tonnes of hazardous waste during Q2'FY25, replacing the fossil fuel-based heat by 22.86 billion kCal.
- All the Company's manufacturing locations are Zero Liquid Discharge, treating, recycling, and reusing 100% of wastewater generated from our operations. In FY23-24, the Company achieved water positivity level of >7 times. With a good monsoon this year, the Company aims to improve its water positivity level compared to the previous year.
- During the quarter, the Company joined Climate Group's 24/7 Carbon-Free Coalition (CFC) pilot as one of the Founding Partners along-with companies like Google, AstraZeneca, Iron Mountain Data Centers, AirTrunk and Vodafone UK, with an aim to transform the energy system and move towards a more sustainable future.
- The Quality Control lab of Ras plant of the Company received prestigious certification from the National Accreditation Board for Testing and Calibration Laboratories (NABL), a branch of the Quality Council of India. As NABL is a member of the Asia Pacific Accreditation Cooperation (APAC) and the International Laboratory Accreditation Cooperation (ILAC), test results from the Company's lab shall be globally recognized, boosting its international reputation.

## Cement market outlook

Intense and prolonged monsoon conditions during Q2FY25 have impacted construction activities across the sectors leading to subdued cement demand. In the second half of FY24-25, an uptick in demand is expected on account of the release of budgetary allocations and on-ground execution of the infra projects. Further, higher rural demand is expected on the back of good kharif crop and improved farm prices. Spending under additional houses in PMAY scheme (rural and urban) and increase in industrial & commercial capex is also expected to drive cement demand in the near future.

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### About Shree Cement Limited

One of the leading cement groups in India, Shree Cement Limited ('SCL') (BSE: 500387/ NSE: SHREECEM) is known for its industry leading green credentials, cutting edge innovative practices and cost leadership. It follows 'highest standards of Corporate Governance and has a long history of enjoying stakeholders' trust. Shree Cement is known for its high-quality products which are manufactured at advance manufacturing facilities across India and UAE. It is determined to deliver the most sustainable building material solutions to its consumers. The company is relentlessly pursuing its goal of having more than 80 million tonnes of production capacity in the coming years.