Investment Idea

January 20, 2012

INDIA CEMENTS LTD BUY

India Cements Ltd (ICL), with a cement manufacturing capacity of 16mn tonnes, is the largest player in South India. The company's plants are well spread with three in Tamil Nadu and four in Andhra Pradesh, which cater to all major markets in South India and Maharashtra.

- ICL is a market leader in South India with capacity and sales volume market share of 13% and 28% respectively. The company is planning to become a pan India player instead of dominating in one region and had set up a 1mn tonne grinding unit in Maharashtra and 1.5mn tonnes cement capacity in Rajasthan. The company is also looking for new mining lease in order to get benefited from the growth and development across the regions.
- Cost pressure with respect to raw materials are expected to ease as the company is expected to commission 50MW of power capacity in Tamil Nadu by Q4FY12 and another 50MW of power capacity in Andhra Pradesh by FY14.
- ICL's key market, South India is facing decline in cement demand from Q3FY11. Total cement sales declined 26% Y-o-Y in Q3FY11. It is expected that the sales volume is expected to improve due to lower base effect. Moreover, as Jan-June period is the better period for cement industry, we expect stable sales volume going forward.
- The stock has corrected around 30% over the last one year as a result of which the enterprise value (EV) has declined to Rs. 39bn, translating to EV per tonne of Rs. 4,000. Compared to benchmark replacement cost, it is trading at nearly 50% discount to the average replacement cost of Rs. 6,000 - 6,250 per tonne.

Based on DCF valuation method, the fair value for the company works out to Rs. 94

Financial Snapshot

Projections (Rs Mn)	FY09A	FY10A	FY11A	FY12E	FY13E	FY14E
Net Operating Income	34,290	37,453	35,387	38,247	44,501	51,034
Y-o-Y Growth %	12%	9%	-6%	8%	16%	15%
Operating Expenditure	25,870	29,704	31,860	29,868	34,752	39,854
EBIDTA	8,419	7,749	3,528	8,379	9,749	11,180
Y-o-Y Growth %	-18%	-8%	-54%	138%	16%	15%
Adjusted PAT	4,224	3,518	653	3,570	4,735	5,703
Y-o-Y Growth %	(0)	-17%	-81%	447%	33%	20%
EPS Rs	14	11	2	12	15	19
BVPS Rs	115	132	130	135	148	164
EBIDTA %	25%	21%	10%	22%	22%	22%
NPM %	12%	9%	2%	9%	11%	11%
ROE %	12%	9%	2%	9%	10%	11%
PER x				6.0	4.5	3.8
P/B Ratio				0.5	0.5	0.4

Recommendations	<= 1 year	1 - 2 yrs	2 - 5 yrs
Strong Buy			
Buy			
Hold			
Reduce			
Sell			

***Strong Buy –** Expected Returns > 20% p.a.*
***Buy –** Expected Returns from 10 to 20% p.a.*
***Hold –** Expected Returns from 0 % to 10% p.a.*
***Reduce –** Expected Returns from 0 % to 10% p.a. with possible downside risk*
***Sell –** Returns < 0 %*

THE INDIA CEMENTS LTD

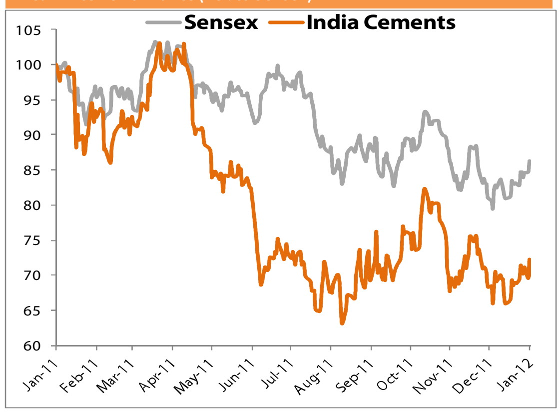
STOCK DATA	
BSE / NSE Code	530005/ INDIACEM
Bloomberg Code	ICEM IN Equity
No. of Shares (Mn)	307
Sensex / Nifty	16,451/ 4,956

PRICE DATA	
CMP Rs (18th Jan' 12)	70
Beta	1.1
Market Cap (Rs mn)	21,472
52 Week High-low	105/ 62
Average Daily Volume	125,712

STOCK RETURN (%)	30D	3M	6M	1Y
India Cements Ltd	2%	-5%	-3%	-30%
Sensex	6%	-2%	-11%	-14%
Nifty	7%	-2%	-11%	-13%

SHARE HOLDING PATTERN (%)	
Promoter	26
Institutional	44
Non Institutional	25
Custodians (Against Depository Receipts	5
Total	100

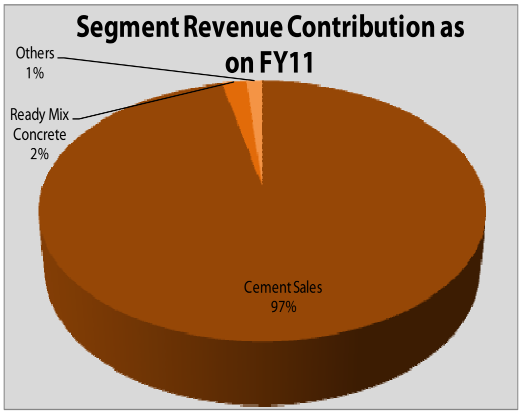
1 Year Price Performance (Rel. to Sensex)

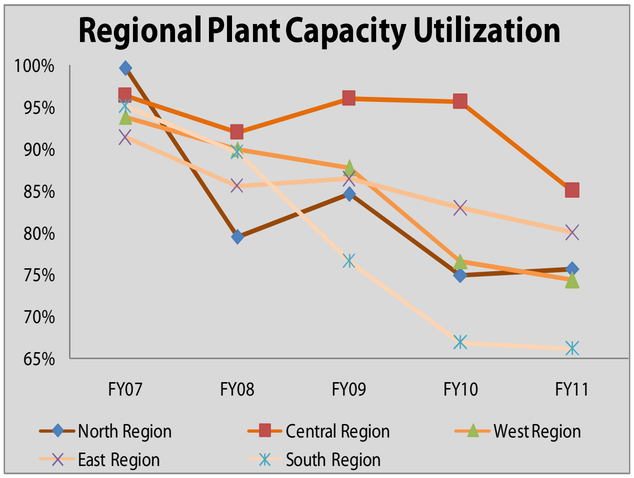


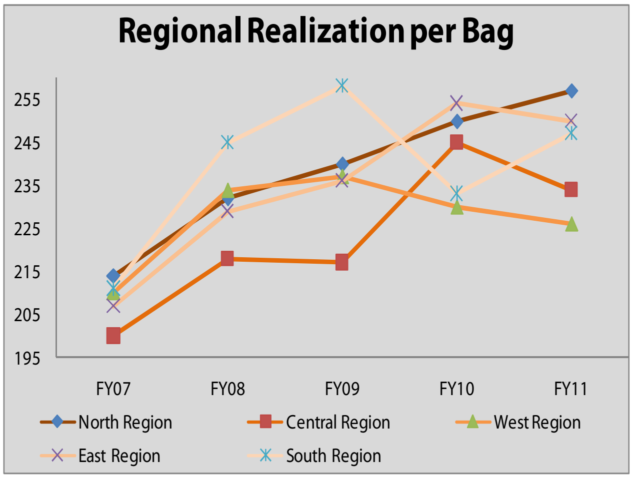
BUSINESS PROFILE

ICL was established in 1946 and the first plant was setup at Sankar Nagar in Tamil Nadu in 1949. Since then it has grown in stature to seven plants, spread over Tamil Nadu and Andhra Pradesh. The cement manufacturing capacity as on 31st March, 2011, was 16mn tonnes per annum. The company is the largest producer of cement in South India with sale volume market share of 28%. ICL has access to huge limestone resources and plans to expand capacity by de-bottlenecking and optimization of existing plants as well as by acquisitions. The company has well established brands like - Sankar Super Power, Coromandel Super Power and Raasi Super Power. In FY11, cement business contributed 97% to the consolidated gross revenue and the rest was contributed by the Ready Mix Concrete business.

Cement Business: The company has cement installed capacity of 16mn tonnes and grinding capacity of 2.2mn tonnes per annum. In order to get benefited from huge demand – supply gap in the southern region, the company in the past five years has added 8mn tonnes of cement operating capacity. Total cement capacity addition in the South India during last four years was more than 50mn tonnes. Sudden burst in capacity expansion coupled with low demand growth led to fierce competition for market share which resulted in prices dropping to unremunerative levels. Consequently the capacity utilization of the industry also fell to 76% in FY11 from 85% in FY10. In H1FY12, due to production discipline among the producers in South India, the company was able to arrest the further fall in cement realization. For H1FY12, capacity utilization in the South was only 61% against the average capacity utilization of 78% in the other regions, with the industry finishing with a utilization of 71% on an all India basis.







ICL has a cement manufacturing capacity of 13mtpa

Supply over-stripping demand resulted to lower plant capacity utilization and competitive pricing per bag

Ready Mix Concrete Business (RMC): In FY11, the company has an RMC capacity of 1mn cubic meter, with capacity utilization of 30%. This segment contributed 2% to the consolidated gross revenue. Going forward, contribution from this segment is expected to increase as there is revival in the demand of infrastructure, housing and commercial real estate projects.

South India average capacity utilization declined to 61% as against 71% on an all India basis

Fullerton Securities

Investment Idea

January 20, 2012

INVESTMENT RATIONALE

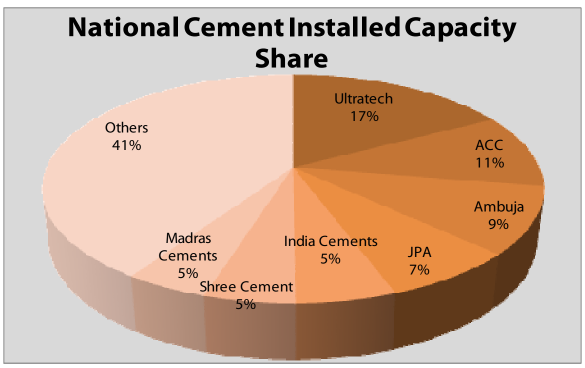
- ICL is a market leader in South India with capacity and sales volume market share of 13% and 28% respectively. More than 90% of the cement produced is used to cater the demand in South India and rest is exported to other deficit region like Western India.
- ICL is expected to report better H2FY12 sales volume, due to double digit decline in its key market South India in the same period last year. It is expected that the sales volume is expected to improve due to lower base effect. Moreover, as Jan-June period is the better period for the cement industry we expect the stable sales volume going forward.
- The company imports 60% of the fuel requirement from international market and 50% of the power requirement from state electricity boards, thus putting pressure on the profitability. Going forward the cost pressure is expected to ease as the company is expected to commission 50MW of power capacity in Tamil Nadu by Q4FY12 and another 50MW of power capacity in Andhra Pradesh by FY14. The company is also implementing coal mining in Indonesia, which is expected to start mining operations in Q1FY13.
- Due to excessive capacity addition of 45mn tonnes in South India in the past 3 years, the demand-supply dynamics has totally changed, leading to lower plant utilization and sales realization. But due to production discipline among the cement manufacturers in the region the companies are successful in arresting the further decline in sales realization. Going forward the same is expected to be seen as another capacity of 14mn tonnes are expected to be added in the region by other players in FY12-14.

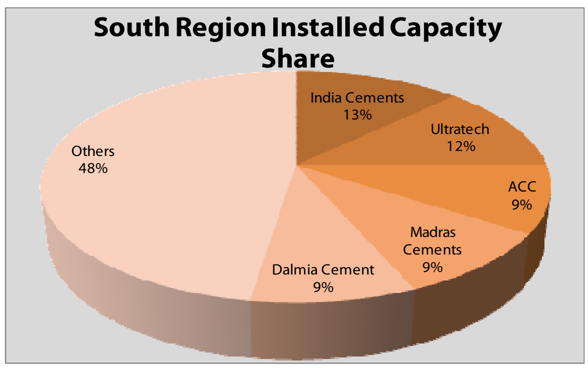
ICL has capacity and sales volume share of 13% and 28% respectively in South India

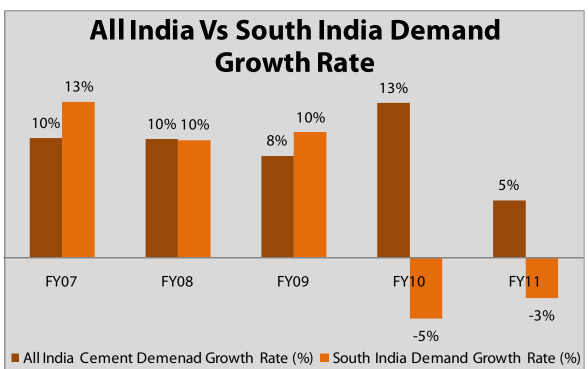
The company is expected to post better sales volume in coming quarters due to double digit decline in same quarters last year

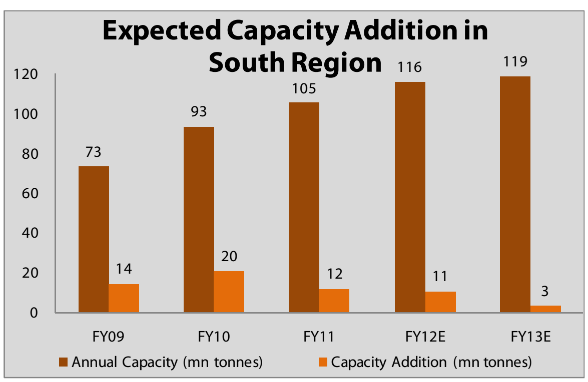
ICL is expected to commission 50MW of power capacity in Q4FY12 and start coal mining in Indonesia from Q1FY13

14mn tonnes of cement capacity are expected to be added over FY12-14 in South









INVESTMENT RATIONALE (Contd…)

- The company is planning to become a pan India player instead of dominating in one region. The company had set up a 1mn tonne grinding unit in Maharashtra. The company has also forayed into northern region through its subsidiary Trinetra, where in FY11, it commissioned 1.5mn tonnes cement capacity in Rajasthan. The company is also looking for new mining lease in order to benefit from the growth and development across the regions.
- By the end of Q2FY12, the company has total debt of Rs. 27bn, out of which foreign loan was about USD 80mn. Out of the USD 80mn, USD 20mn has been swapped fully and thus will not have any impact of rupee depreciation. Remaining USD 60mn was availed recently and this is a reasonably long-term loan repayable within three to nine years. It is expected that by the time the repayment commences, rupee will stabilize and probably could also improve once the global situation stabilizes.
- The stock has corrected around 30% over the last one year as a result of which the enterprise value (EV) has declined to Rs. 39bn, translating to EV per tonne of Rs. 4,000. Compared to benchmark replacement cost, it is trading at nearly 50% discount to the average replacement cost of Rs. 6,000 - 6,250 per tonne. The replacement cost is the cost to set up cement plants and it is measured on per tonne basis. Lower the EV per tonne compared to replacement cost, there is higher probability for takeover.
- The growth driver for the sector is the housing segment, infrastructure segment and commercial real estate segment. Going forward all the segments are expected to grow due to higher demand of housing units and office space. Moreover, the government has an outlay of USD 1tn for the 12th five year plan for infrastructure development.
- Key concern for the company would be the delay in commissioning of expansion projects, higher fuel import cost and interest payment due to rupee depreciation against USD, domestic fuel price hike and implementation of new mineral & mining act.

In FY11, the company has commissioned 1.5mn tonnes cement capacity in Rajasthan

The company is trading at nearly 50% discount to the replacement cost

The government has an outlay of USD 1tn for infrastructure projects in 12th five year plan

FINANCIAL PERFORMANCE

ICL has registered net profit of Rs. 697mn against loss of Rs. 336mn during the Q2FY12 on 30% growth in sales to Rs. 10,916mn. The growth was backed by a smart recovery in the selling prices and sustained efforts on cost reduction through better blending and reduction of power and fuel consumption. The turnaround show at the bottom-line was led by sharp improvement in operating performance since EBITDA margin jumped from 4% to 23% due to steep fall in almost all expense heads led by power & fuel, transportation and raw material costs with EBITDA subsequently up by 740% to Rs. 2,545mn. Other income was lower by 44% to Rs. 4mn and interest costs more than doubled to Rs. 652mn on account of replacement of FCCB through debt and higher utilization of working capital limits. PBT stood at Rs. 1,270mn, against loss of Rs. 615mn. Tax provisioning was Rs. 330mn against credit of Rs. 131mn.

During the quarter, cement production was lower by 9% at 2.4mn tonnes. Cement sale accordingly was at 2.4mn tonnes as compared to 2.7mn tonnes in Q2FY11.

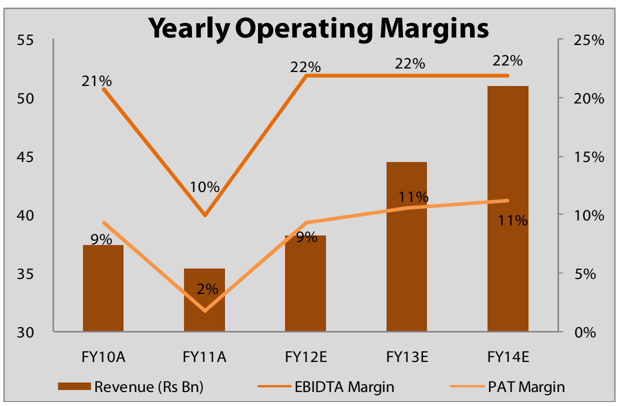
For Q2FY12, total operating income increased by 30% Y-o-Y and net profit came positive at Rs. 697mn as compared to loss in Q2FY11

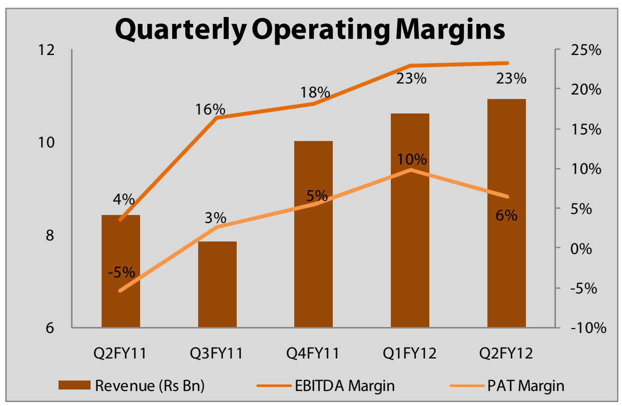
EBITDA margin improved to 23% due to 45% increase in cement realization

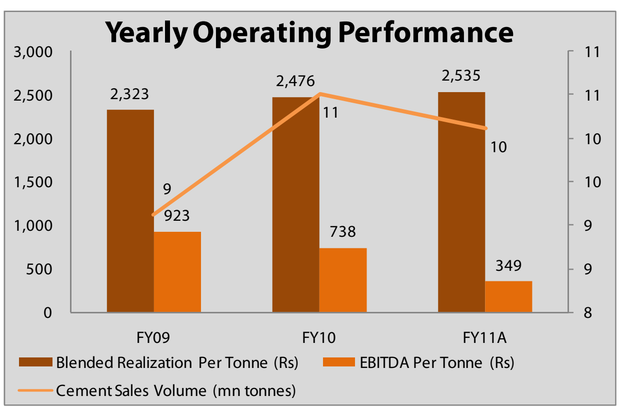
During the quarter, the company replaced USD 20mn of debt

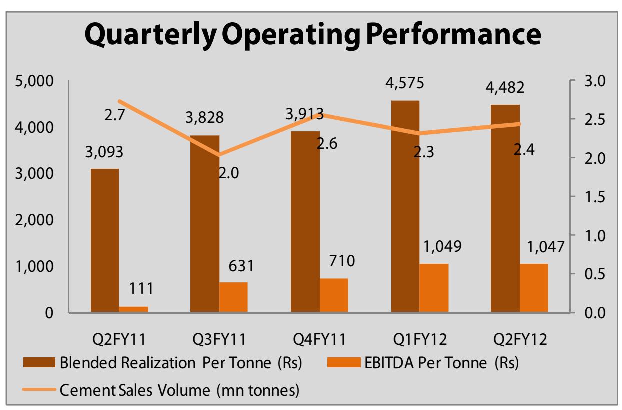
Consolidated debt stood at Rs. 28bn in Q2FY12 as compared to Rs. 25bn in Q2FY11

The cement demand growth in South India declined by 8%, partially due to Telengana agitation in Andhra Pradesh









RISK & CONCERN

- **Delay in project execution:** The company is expected to commission two 50MW of power capacity in Q4FY12 and FY14. Moreover, the company is developing infrastructure for coal mining in Indonesia and is expected to start mining by Q1FY13. Any delay in executing the projects will be negative for the company as it imports 60% of the fuel and 50% of the power requirement from state electricity boards.
- **Depreciating Rupee Vs USD:** The rupee has depreciated around 15% against USD in the last three months resulting into higher landed cost of imported coal and higher interest expenses. During Q2FY12, due to rupee depreciation, the interest expenses increased (redemption of FCCBs) by 54% and 220% on Q-o-Q and Y-o-Y basis, respectively.
- **Domestic fuel price hike:** Recently Coal India Ltd has shifted its coal pricing methodology from useful heat value to gross calorific value (GCV), resulting in hike of 20-25% in most of the categories of coal. As ICL procures 40% of the coal requirement from CIL and its subsidiaries, it might have a negative impact on the profitability margins of the company.
- **Implementation of MMDR bill 2011:** As proposed by the new "The Mining and Minerals Development and Regulation Bill, 2011", all the mining companies except coal mining are expected to make a payment of equal amount of royalty to the state government for the development of the people affected from the mining. The bill is waiting for the approval from the government and if implemented will increase the cost of key raw material i.e. limestone and will affect ICL's performance.

Delay in commissioning of power and coal mining projects will affect the profitability of the company

Inability of the company in passing on the increased fuel cost will affect the profitability margins

PEER COMPARISION

Peer Group Comparison

Companies	Revenue (Rs. mn)	EBIDTA Margin (%)	PAT Margin (%)	Debt Equity Ratio	ROE %	P/E (x)	P/B (x)	CMP (Rs.)	FV (Rs.)
India Cements Ltd *	35,387	10%	2%	0.7	2%	32.9	0.5	70	10
Madras Cements Ltd **	26,360	25%	8%	1.6	11%	12.1	1.5	107	1
Chettinad Cement Corp Ltd **	15,408	30%	5%	0.9	8%	28.5	2.4	570	10

** FY11 Consolidated figures, ** FY11 Standalone figures*

Peer Comparison: Peer companies are selected based on the cement installed capacity and geographical area of business. Both the peers i.e. Madras Cements Ltd (MCL) and Chettinad Cement Corporation Ltd (CCCL) have a cement operating capacity of 13 and 11mn tonnes per annum and their area of business is South India. MCL is trading at lower P/E multiple mainly due to high leveraged position and higher dependence on imported fuel. CCCL is also trading at lower multiple due to non integrated operation and highly leveraged balance sheet. ICL is better placed as compared to its peers and is trading at higher P/E multiple due to the future growth outlook resulting from backward integration initiative, healthy balance sheet and its presence in Western and Northern part of India.

ICL is better placed as compared to its peers due to its healthy balance sheet and future growth outlook

VALUATION

Management has guided cement production of 11mn tonnes in FY12. However, taking into consideration the demand growth outlook, we have assumed a negative growth of 4% annually to get a production level of 9.5mn tonnes. Moreover, the management has guided a CAPEX of Rs. 6bn over FY12-13 for the power projects and coal mine in Indonesia.

Below are the following conservative assumptions which we have taken for forecasting performance. Based on this, we estimate that ICL's total operating revenues to grow at 13% CAGR over FY11-14 to Rs. 51bn from Rs. 35bn in FY11. We further estimate that PAT to grow at a CAGR of 106% over FY11-14 to Rs. 6bn in FY14.

We estimate ICL's revenue and net profit to grow at a CAGR of 13% and 106% respectively over FY11-14

Based on a DCF valuation, the fair value per share for the company works out to Rs. 94. Thus we recommend a **'BUY'** rating on the stock. Positive trigger for the stock would be higher demand growth in South India, fast commissioning of power and coal projects and lower cost of raw materials.

Key Financial Assumptions

	FY12E	FY13E	FY14E
Installed Capacity (mn tonnes)	16	16	16
Capacity Utilization (%)	70%	70%	68%
Cement Sales Growth Rate	-4%	5%	5%
Cement Saleable Volume (mn tonnes)	9.5	10.0	10.6
Blended Realization (Rs per tonne)	4,447	4,924	5,353
Excise Duty (%)	12%	12%	12%
Tax Rate (%)	30%	30%	30%

FINANCIAL STATEMENTS AND RATIOS

Consolidated Profit & Loss Statement

Particulars (Rs Mn)	FY09A	FY10A	FY11A	FY12E	FY13E	FY14E
Net Operating Income	34,290	37,453	35,387	38,247	44,501	51,034
Operating Expenditure	25,870	29,704	31,860	29,868	34,752	39,854
Depreciation	2,045	2,345	2,510	2,187	2,524	2,897
EBIT	6,374	5,404	1,018	6,192	7,224	8,283
EBIT Margin (%)	19%	14%	3%	16%	16%	16%
Interest Expenses	1,123	1,428	1,506	2,178	1,567	1,488
Other Income	1,228	1,262	1,285	1,092	1,116	1,363
Profit Before Tax	6,480	5,238	796	5,106	6,773	8,158
Less: Tax	2,174	1,777	227	1,537	2,038	2,455
Adjusted PAT	4,224	3,518	653	3,570	4,735	5,703
PAT Margin (%)	12%	9%	2%	9%	11%	11%
ROE (%)	12%	9%	2%	9%	10%	11%
EPS (Rs)	14	11	2	12	15	19
BVPS (Rs)	115	132	130	135	148	164

Valuation Ratios (x)	FY12E	FY13E	FY14E
PER x	6.0	4.5	3.8
P/B Ratio	0.5	0.5	0.4

Financial Ratios And Valauation Multiples

Particulars (Rs Mn)	FY09A	FY10A	FY11A	FY12E	FY13E	FY14E
Financial Ratios						
Current Ratio	1.3	1.3	1.3	0.7	0.8	0.8
Cash Ratio	0.1	0.0	0.0	0.0	0.0	0.0
Interest Coverage Ratio	0.2	0.3	1.5	0.4	0.2	0.2
Debt Equity Ratio	0.6	0.6	0.7	0.4	0.4	0.3
ROCE	6%	4%	1%	6%	6%	7%
ROIC	8%	6%	1%	8%	9%	9%
Valuation Multiples						
PER x				6.0	4.5	3.8
P/B Ratio				0.5	0.5	0.4
Debt Equity Ratio	0.6	0.6	0.7	0.4	0.4	0.3
EV/ Sales x	1.4	1.6	1.6	1.0	0.8	0.7
EV/ EBITDA x				4.6	3.8	3.1
EV/ Tonne (Rs)				4,048	3,689	3,318

Consolidated Cash Flow Statement

Particulars (Rs Mn)	FY12E	FY13E	FY14E
Adjusted PAT	3,570	4,735	5,703
Depreciation	2,187	2,524	2,897
Minority Interest	0	0	0
Change in Working Capital	163	1,215	1,269
Cash Flow from Operations	**5,920**	**8,474**	**9,870**
Capital Expenditures	(3,825)	(4,450)	(5,103)
Change in Investments	1,169	(1,257)	(1,553)
Change in Loans and Advances	8,981	(1,257)	(1,553)
Cash Flow from Investment	**6,325**	**(6,963)**	**(8,209)**
LT debt raised	0	0	0
LT debt repaid	(689)	(689)	(689)
FCCB Redemption	(3,345)	0	0
FCCB Redemption Premium	(1,596)	0	0
ST debt repaid	(5,905)	0	0
Dividends Paid	(535)	(710)	(856)
Cash Flow from Financing	**(12,070)**	**(1,399)**	**(1,544)**
Net Cash Flows	**175**	**112**	**117**
Op bal of cash	509	684	796
Transferred to B/S	**684**	**796**	**913**

FINANCIAL STATEMENTS AND RATIOS (Contd…)

Consolidated Balance Sheet

Particulars (Rs Mn)	FY09A	FY10A	FY11A	FY12E	FY13E	FY14E
Application of Funds						
Fixed Asset (Net)	38,239	39,388	43,730	48,298	53,236	58,569
CWIP	9,040	14,291	15,542	12,613	9,601	6,474
Investments	3,556	5,148	3,372	2,203	3,460	5,012
Deferred Tax Asset	185	206	184	136	159	182
Inventories	3,731	4,502	5,325	5,055	5,881	6,745
Real Estate - Projects in Progress	204	204	204	204	204	204
Sundry Debtors	3,694	5,003	2,633	3,541	4,119	4,724
Cash & Bank Balance	880	768	509	684	796	913
Loans & Advances	10,034	10,789	11,184	2,203	3,460	5,012
Miscellaneous Expenditure not W/O	158	0	0	0	0	0
Total	**69,721**	**80,299**	**82,683**	**74,937**	**80,915**	**87,835**
Sources of Funds						
Share Capital	2,824	3,072	3,072	3,072	3,072	3,072
Equity Share Entitlement Warrants	0	0	0	0	0	0
Share Application Money	0	0	0	0	0	0
Funds Pending Allotment of Shares	1	1	1	1	1	1
Reserves & Surplus	32,518	37,381	36,844	38,283	42,308	47,156
Minority Interest	31	15	0	0	0	0
Debentures	229	213	162	162	162	162
Long Term Debt	7,798	9,625	11,709	11,020	10,331	9,642
FCCBs	3,804	3,368	3,345	0	0	0
Interest Free Sales Tax Deferral Loans	5,597	6,062	6,237	6,237	6,237	6,237
Short Term Debt	2,460	3,739	5,905	0	0	0
Deferred Tax Liabilities	2,744	2,903	2,928	2,642	3,074	3,526
Sundry Creditors	7,620	8,328	8,568	9,333	10,859	12,454
Other Current Liabilities	3,242	4,494	3,152	3,367	3,917	4,492
Provisions	854	1,099	761	820	954	1,094
Total	**69,721**	**80,299**	**82,683**	**74,937**	**80,915**	**87,835**

VALUATION AND SCENERIO ANALYSIS

DCF Valuation of India Cements Ltd (Consolidated)					
	FY10	**FY11**	**FY12E**	**FY13E**	**FY14E**
EBIT	5,404	1,018	6,192	7,224	8,283
Adjusted Tax	(1,835)	(304)	(1,917)	(2,196)	(2,498)
NOPLAT	**3,569**	**713**	**4,276**	**5,028**	**5,784**
Add: Depreciation	2,345	2,510	2,187	2,524	2,897
Less: CAPEX	(10,305)	(8,639)	(3,825)	(4,450)	(5,103)
Change in Working Capital	421	154	163	1,215	1,269
FCF	**(3,971)**	**(5,262)**	**2,801**	**4,317**	**4,847**
Net Invested Capital	58,327	63,903	56,572	58,651	61,257
ROIC	6%	1%	8%	9%	9%
Growth Rate of NOPLAT & FCF	3%				
WACC	12%				
PV of Explicit Period	9,480				
PV of Continuing Value	42,313				
Value of Operation	**51,792**				
Add: Investments	3,372				
Add: Loans & Advances	11,184				
Enterprise Value	**66,348**				
Less: ST & LT Debt	(27,357)				
Less: Deferred Tax Liabilities	(2,928)				
Less: Minority Interest	(0)				
Less: Contingent Liabilities	(7,134)				
Equity Value	**28,929**				
Outstanding Shares (in mn)	307				
Value per Share	**94**				

		WACC				
	94	10%	11%	12%	13%	14%
Terminal Growth Rate	1%	100	81	66	53	42
	2%	121	97	78	63	51
	3%	148	117	94	76	61
	4%	184	144	114	91	73
	5%	237	180	140	111	88

BOARD OF DIRECTORS

Board Of Directors		
Director Name	**Current Position**	**Description**
N. Srinivasan	Executive Vice Chairman of the Board, Managing Director	Sri. N. Srinivasan is an Executive Vice Chairman of the Board, Managing Director of the India Cements Limited. A Corporate entity in the South, with a turnover of around Rs. 3,500 Crores - whose activities span Cement, Sugar, Shipping, Power,Trading and Finance. Shri N.Srinivasan was the Sheriff of Madras for two terms (1989-91). Over the last decade and a half, he has been the President of the Cement Manufacturers' Association for five terms (1991-94) & (2004-06) and Chairman of the Board of Governors of the National Council for Cement and Building Materials (NCBM) for four terms (1991-93) & (2004-06). He was also the Chairman of Development Council for Cement Industry (DCCI) constituted by the Government of India for two terms (1992-96). Shri N.Srinivasan was also the President of The Madras Chamber of Commerce and Industry for two terms (1996-98). During the year 2000-2001, Shri N.Srinivasan was President of the All India Organisation of Employers. He was also an active Member of the Prime Minister's High Profile Council of Trade and Industry (1996-2001). Shri N.Srinivasan is a post graduate in Chemical Engineering from the Illinois Institute of Technology, U.S.A. Mr. Srinivasan is Chairman of the QIP Committee of the Board of Directors
Rupa Gurunath	Wholetime Director	Ms. Rupa Gurunath is Wholetime Director of The India Cements Ltd., since March 5, 2010. She previously served as Non-Executive Director. Ms. Gurunath holds a Post Graduate Diploma in Computer Applications and further holds Board positions at Coromandel Electric Company Limited and Coromandel Travels Limited.
Chitra Srinivasan	Non-Executive Director	Ms. Chitra Srinivasan is serving as Non Executive Director in the board.
B. Adityan	Independent Non-Executive Director	Dr. B. S. Adityan is an Independent Non-Executive Director of The India Cements Ltd. He holds a Bachelor of Arts. Mr. Adityan is Director of Sun Paper Mill Limited and MIOT Hospitals Limited. He is Director and Chairman of Audit Committee of India Cements Capital Limited. Mr. Adityan is Chairman of the Remuneration Committee, the Audit Committee and the Shareholders' / Investors' Grievance Committee, as well as Member of the Share Transfer Committee, the Compensation Committee and the QIP Committee of the Board of Directors.
R. Das	Independent Non-Executive Director	Sri. R. K. Das is an Independent Non-Executive Director of The India Cements Ltd. He holds B.E (Mech.) M.I.E. He is Director of Coromandel Sugars Limited, ICL Financial Services Limited, ICL International Limited and ICL Securities Limited. Mr. Das is Member of the Audit Committee.
Arun Datta	Independent Non-Executive Director	Sri. Arun Datta is an Independent Non-Executive Director at The India Cements Ltd. Mr. Datta studied Mechanical Engineering and holds a post graduate diploma in Marketing Management. Mr. Datta is Member of the Audit Committee and further serves as Member of the Board of Directors at Indo Zinc Limited.
N. Krishnan	Independent Non-Executive Director	Sri. N. R. Krishnan is an Independent Non-Executive Director of The India Cements Ltd., since September 24, 2007. Mr. Krishnan further holds Board Memberships at Ponni Sugars (Erode) Limited, Tamil Nadu Petroproducts Limited, Tamil Nadu Road Development Company Limited and Indo Zinc Limited.
V. Manickam	Independent Non-Executive Director - Nominee of Life Insurance Corporation of India	Sri. V. Manickam is nominee from LIC of India and is serving as Independent Non Executive Director in the board.
K. Nair	Non-Executive Independent Director - Nominee IDBI Bank Limited	Sri. K. Nair is nominee from IDBI Bank Ltd and is serving as Independent Non Executive Director in the board.
A. Sankarakrishnan	Independent Non-Executive Director	Sri. A. Sankarakrishnan is an Independent Non-Executive Director of The India Cements Ltd., since September 24, 2007. Mr. Sankarakrishnan is Member of the QIP Committee of the Board of Directors.
N. Srinivasan	Independent Non-Executive Director	Sri. N. Srinivasan is an Independent Non-Executive Director of The India Cements Ltd. He holds B.Com., F.C.A. He is Director of Ador Fontech Limited, Best & Crompton Engg. Limited, Mcdowell Holdings Limited, Redington (India) Limited, The United Nilgiri Tea Estates Co. Limited. He is Director and Member of Audit Committee of Amco Batteries Limited, Essar Shipping Ports & Logistics Limited, India Cements Capital Limited and The Andhra Pradesh Paper Mills Limited. He is Director and Chairman of Audit Committee of GATI Limited, TAPE Motors & Tractors Limited, Tractors & Farm Equipments Limited, UB Engineering Limited and United Breweries (Holdings) Limited. Mr. Srinivasan is Chairman of the Share Transfer Committee and the Compensation Committee, as well as Member of the Shareholders' / Investors' Grievance Committee and the QIP Committee.