



PRISM CEMENT LIMITED

"Rahejas", Main Avenue, V.P. Road,
Santacruz (W), Mumbai - 400 054.
Tel.: +91-22-6675 4142 / 43 Fax : 2600 1304
website : www.prismcement.com



Ref : ASK/UD/848/2016-17

May 25, 2016

| | |
|--|--|
| The National Stock Exchange (India) Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. | The Bombay Stock Exchange, Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai - 400 023. |
| Code : PRISMCEM | Code : 500338 |

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the Investor Update for the quarter and year ended March 31, 2016 and Investor Presentation May 2016.

Thanking you,

Yours faithfully,
for **PRISM CEMENT LIMITED**

RAJNISH SACHETI
GROUP PRESIDENT - LEGAL & INDIRECT TAXES

Encl. : As above



Investor Update

May 25, 2016

Prism Cement Limited today announced audited standalone financial results for the year ended March 31, 2016

Financial Overview (Audited for the Year ended March 31, 2016)

(Figures in ₹ Crores unless mentioned otherwise)

| Particulars | Stand-alone | | Consolidated | |
|--|-------------|---------|--------------|---------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Net Sales | 5,521 | 5,572 | 5,565 | 5604 |
| Profit / (Loss) before Other Income, finance cost, tax, depreciation, and exceptional items | 303 | 286 | 384 | 354 |
| Profit / (Loss) before Other Income, finance cost, tax, and exceptional items | 151 | 150 | 206 | 189 |
| Profit / (Loss) before tax | (21) | (11) | (6) | (7) |
| Net Profit / (Loss) after tax | 8 | 15 | 6 | 5 |
| Share of minority interest | - | - | (2) | (2) |
| Net Profit / (Loss) after tax, minority interest, and share of profit / (loss) of associates | 8 | 15 | 3 | 3 |
| EPS (Rs.) | 0.17 | 0.29 | 0.07 | 0.05 |

Segmental Results

(Figures in ₹ Crores unless mentioned otherwise)

| Particulars | Stand-alone | | Consolidated | |
|------------------------|-------------|---------|--------------|---------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Segment Revenue | | | | |
| a) Cement | 2,027 | 2,201 | 2,027 | 2,201 |
| b) TBK | 2,279 | 2,206 | 2,309 | 2,227 |
| c) RMC | 1,260 | 1,204 | 1,260 | 1,204 |
| d) Insurance | - | - | 42 | 40 |

| Segment Results | | | | |
|-------------------------|------------|--------------|--------------|--------------|
| a) Cement | 153 | 167 | 153 | 167 |
| b) TBK | (31) | (2) | 10 | 20 |
| c) RMC | 26 | 2 | 26 | 2 |
| d) Insurance | - | - | 11 | 14 |
| Capital employed | | | | |
| a) Cement | 1,748 | 1,683 | 1,748 | 1,683 |
| b) TBK | 740 | 842 | 1,077 | 1,215 |
| c) RMC | 177 | 198 | 177 | 198 |
| d) Insurance | - | - | 115 | 161 |
| 3) Unallocated | (1,676) | (1,707) | (2,101) | (2,202) |
| TOTAL | 988 | 1,015 | 1,016 | 1,054 |

Performance Review and key developments

The quarter ended March 2016 saw 36% improvement in Cement EBIDTA / ton to ₹594/ton as compared to ₹436/ton in the corresponding quarter in FY15, despite lower realizations. This reflects the benefits of cost rationalization measures taken in the recent past.

For the quarter ended March 31, 2016, the Company sold 13.61 lac tons of cement and clinker as against 15.02 lac tons for the quarter ended March 31, 2015. While the cement volumes grew by 2.2% YoY, clinker volumes were down 60% YoY. Cement sales were impacted by sand mining ban in Bihar. During the quarter the company launched a new brand "Champion Plus" in all the three markets where it sells cement. The brand was well accepted and in short period it contributed ~1% of annual volume.

During FY16, the Cement division reported EBITDA / ton of ₹477/ton as compared to ₹410/ton in FY15. For the year as a whole, the Company sold 52.9 lac tons of cement and clinker as against 56 lac tons in FY15. While Cement volumes declined by ~2%, the clinker volumes declined by ~36%.

H & R Johnson (India) (HRJ) Division operates in the TBK (Tile Bath Kitchen) Segment. The Division's standalone sales revenues during the quarter ended March 31, 2016 were ₹611 Cr as compared to ₹661 Cr in the corresponding quarter of last year. During the quarter the division focused on working capital optimization. The Capital employed came down to ₹740 Cr for the quarter ended March 2016 as compared to ₹842 Cr in the corresponding quarter of last year. The Division continued to scale-up its marketing activities through various initiatives like strengthening of distribution network, merchandising and also taken various initiatives to optimize the costs.

During FY16 HRJ division reported standalone revenues of ₹2279 Cr as compared to ₹2206 Cr in FY15, growth of ~3%. It reported EBITDA of ₹1 Cr as compared to ₹27 Cr. On a consolidated basis revenues were at ₹2309 Cr as compared to ₹2227 Cr, growth of ~4%. It reported EBITDA of ₹67 Cr as compared to ₹77 Cr in FY15.

The RMC Readymix (India) (RMC) Division's sales turnover increased by 9% as compared to the corresponding Quarter of last year. Turnover increased by 12% compared to the trailing Quarter. Profitability of the Division improved both on YoY and QoQ basis. The division reported EBIT of ₹13 Cr in the current quarter against ₹6.6 Cr in the corresponding quarter of last year.

During FY16, the RMC division has reported 150bps improvement in EBITDA margins to 4%. EBITDA was at ₹50 Cr as compared to ₹30 Cr in the previous year. Turnover increased by ~5% as compared to FY15.

During the year, after obtaining requisite approvals, the company has transferred 23% stake in one of its subsidiary, Raheja QBE General Insurance Company Ltd (RQBE) to JV partner, QBE Asia Pacific Holdings Ltd and recognized profit of ₹62.4 Cr. Presently, the company holds 51% stake of the equity of RQBE.

Industry Scenario / Future Outlook

The several initiatives taken by the government would bolster the construction industry leading to increased demand for cement and ready mix concrete. The passage of Real Estate Bill and renewed focus on affordable housing segment would provide ample growth opportunity in all business segments of the Company. The Company has taken measures which going forward would help to improve operational efficiency and productivity. The above initiatives is likely to help demand rebound for Cement, TBK and RMC. The weather forecasting agencies have predicted above normal monsoons for the country, which augurs well for the cement demand. However below normal monsoons could be a concern.

Central India, which is the main region where the cement division of the company operates, has witnessed some traction on infrastructure segment especially the road construction segment, eastern corridor DFC, Metro rails amongst others. In the short run the division is likely to benefit from the recent reduction in fuel prices, although fuel prices seem to be bottoming out.

The Ready-mixed Concrete Industry in India is over 20 years old and was growing at a healthy rate till four years back. The industry has witnessed volume growth in the recent quarters, which had been under pressure due to paucity of new construction projects taking off. The markets in many of the metros are expected to see a turnaround in the near term as economy picks up and construction activities resume. With the Mega Projects Vertical, RMC Division is focusing to cater the infrastructure segment, which is showing signs of revival. The markets in tier 2 & tier 3 cities have also been showing maturity which will help industry's growth.

Having resolved the power and fuel issues, the TBK segment is focusing on increasing the utilization levels and product mix improvement. The division continues to focus on marketing and strengthening channel distribution. The division intends to further improve the display of value added products. The recent events of gas price reduction and anti-dumping duty on vitrified tiles from China should augur well for the division.

Overall Prism Cement as a company is well placed with cost initiatives and operating efficiencies to leverage the growing opportunities.

About Prism Cement Limited

Prism Cement Limited is one of India's leading integrated Building Materials' Company, with a wide range of products from cement, ready-mixed concrete, tiles, bath products to kitchens. The Company has three Divisions, viz. Prism Cement, H & R Johnson (India), and RMC Readymix (India). Prism Cement Limited also has a 51% stake in Raheja QBE General Insurance Company Limited, a JV with QBE Group of Australia.

The equity shares of the Company are listed on the Bombay and National Stock Exchanges.

Prism Cement

Prism Cement commenced production at its Unit I in August, 1997 and scaled up capacity with Unit II in December, 2010. It manufactures Portland Pozzolana Cement (PPC) with the brand name 'Champion' & 'Champion Plus' and premium quality grade of cement under 'HI-TECH' and 'DURATECH' brand. Prism Cement has the highest quality standards due to efficient plant operations with modern state of the art automated controls. It caters mainly to markets of Eastern UP, MP and Bihar, with an average lead distance of 405 kms for cement from its plant at Satna, MP. It has a wide marketing network with about 3,790 dealers serviced from ~155 stock points.

H & R Johnson (India)

Established in 1958, H & R Johnson (India) is the pioneer of ceramic tiles in India. For over five decades, HRJ has added various product categories to offer complete solutions to its customers. Today, HRJ enjoys the reputation of being the only entity in India to offer end-to-end solutions of Tiles, Sanitaryware, Bath Fittings, Kitchens, and Engineered Marble & Quartz. All the products are sold under 4 strong brands, viz. Johnson, Johnson Marbonite, Johnson Porselano and Johnson Endura and. In ceramic / vitrified tiles, HRJ along with its Joint Ventures and subsidiaries has a capacity of over 58 million m² per annum spread across 10 manufacturing plants across the country which is one of the largest in India.

RMC Readymix (India)

RMC Readymix (India) is one of India's leading ready-mixed concrete manufacturers, set-up in 1996. RMC currently operates 81 ready-mixed concrete plants in 38 cities/towns across the Country. Further, the Division has been able to secure new positions in its existing markets which will help it to maintain its growth. RMC has also ventured into the Aggregates business and operates large Quarries and Crushers. At present, RMC has 7 Quarries across the country. RMC has been at the forefront in setting high standards for plant and machinery, production and quality systems and product services in the ready-mixed concrete industry.

Investor Relations

Prism Cement Limited is committed to creating long-term sustainable shareholder value through successful implementation of its growth plans. The company's investor relations mission is to maintain an ongoing awareness of its performance among shareholders and financial community.

For additional information, please contact:

Mr. Munzal Shah

Prism Cement Limited

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Email: investorrelations@prismcement.com

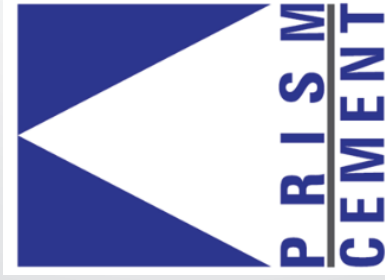
Website: www.prismcement.com

Address:

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Safe Harbor

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.



Mix with the Best



AMONGST INDIA'S LEADING INTEGRATED BUILDING MATERIALS COMPANY

Prism Cement Limited

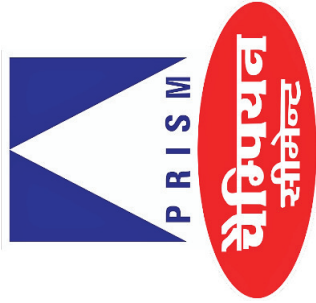
Investor Presentation

Our Brands



Mix with the Best

JOHNSON
REDEFINING LIFESTYLES, WORLDWIDE.



JOHNSON TILES
REDEFINING LIFESTYLES, WORLDWIDE.

JOHNSON ENDURA
INDUSTRIAL TILING SOLUTIONS

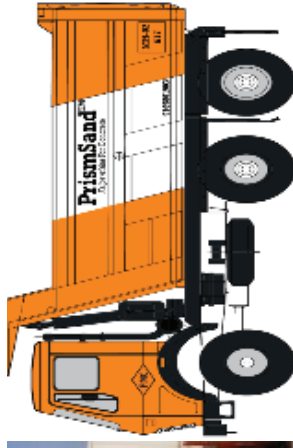
JOHNSON KITCHENS
KITCHENS TAKE CENTRESTAGE

JOHNSON BATHROOMS
FIND CLARITY

JOHNSON MARBLE & QUARTZ
NATURE, REINVENTED

JOHNSON PORSELANO
BEAUTIFUL IMPRESSIONS. FOREVER.

JOHNSON MARBONITE
PREFERRED OVER ITALIAN MARBLE



Integrated Building Materials Company



Prism Cement

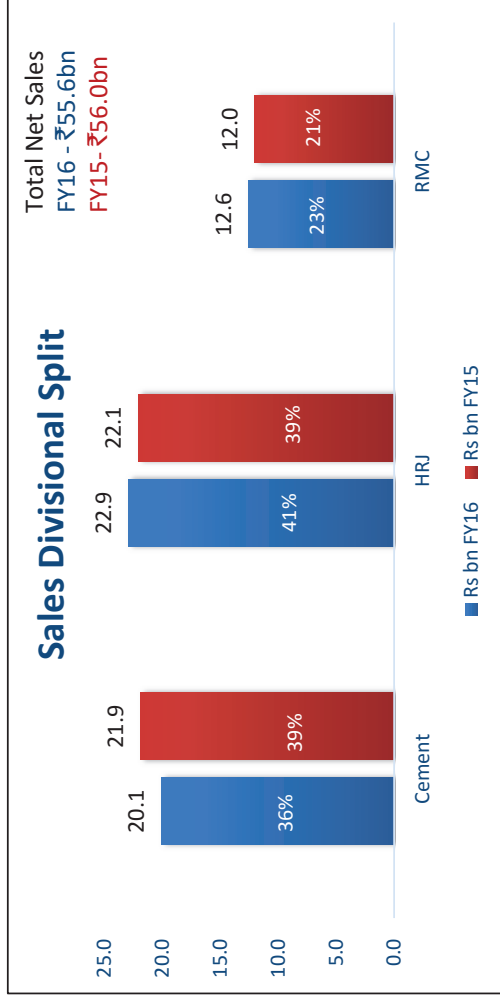
- PPC
 - Champion
 - Champion Plus
 - Hi-tech / Duratech
- OPC

RMC Readymix

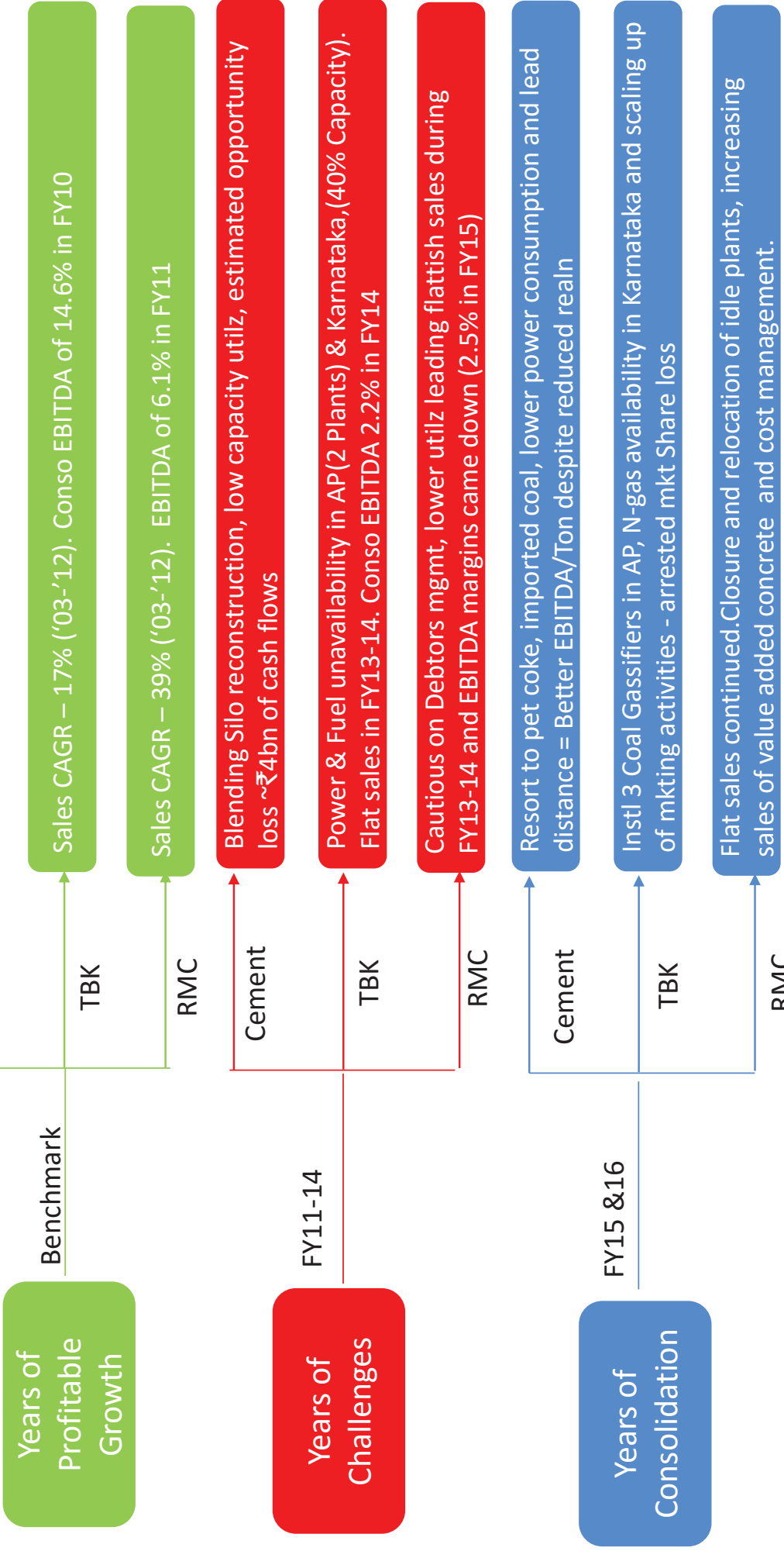
- Ready-mixed concrete
- Aggregates
- Manufactured Sand

H&R Johnson (India)

- Tiles (Ceramic, Vitrified, Industrial)
- Sanitaryware & Faucets (Bath Fittings)
- Modular Kitchens
- Construction Chemicals
- Engg. Marbles & Quartz



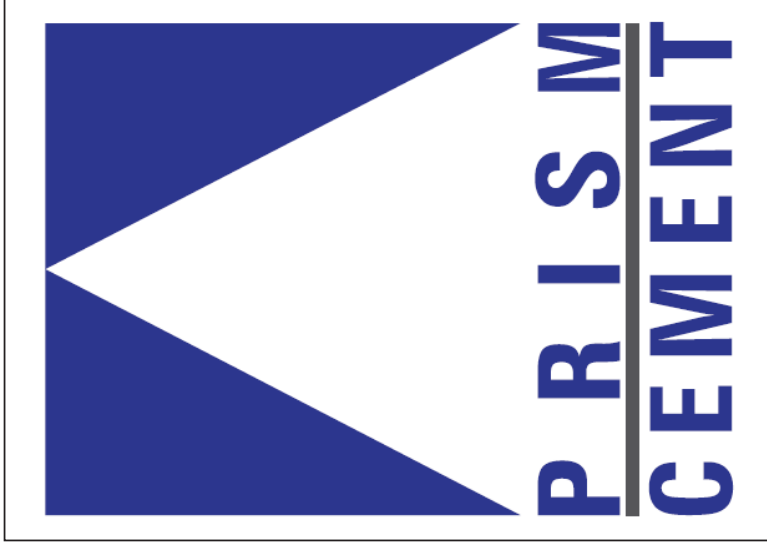
Prism Cement- Efforts towards re-creating history



Business Environment – expect better demand environment



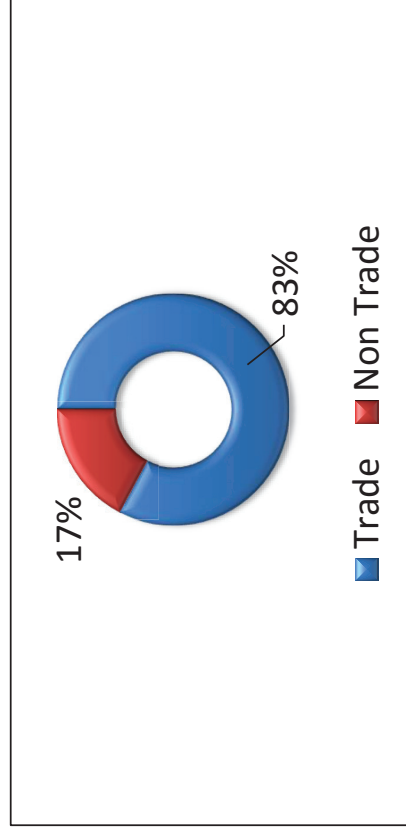
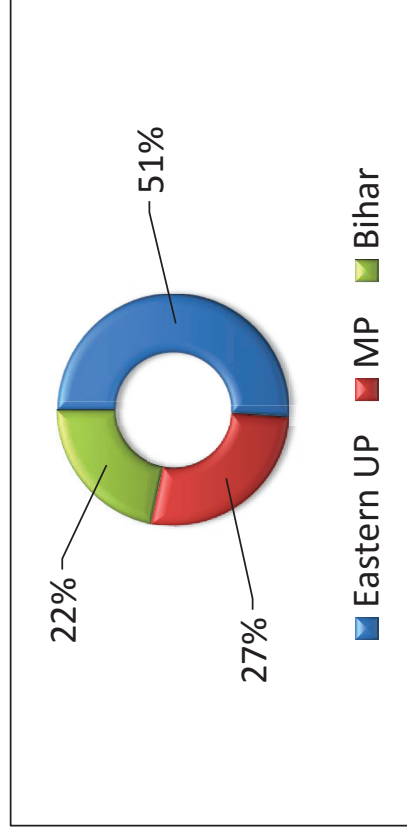
- ▶ Infrastructure activities likely to pick up – especially road construction (concretization), railways incl dedicated freight corridors, ports and power
- ▶ Focus on Housing for all Program. Rural housing likely to see demand growth subject to normal monsoons
- ▶ Passage of Real Estate Bill might lead to better demand over longer period
- ▶ Government initiatives on Smart Cities, Swacch Bharat Abhiyan and Make in India
- ▶ Softening interest rate and benign commodity / fuel prices, although fuel prices seem to be bottoming out
- ▶ GST likely to benefit overall economy, especially sectors with significant unorganized presence, e.g Tiles and Ready mixed concrete.



Cement Overview



- ▶ 2 Modern Plants in Satna, MP(Central India) with effective capacity of 7mn ton
- ▶ Superior Capital Employed < ~US\$ 38mn/ton
- ▶ No significant capacities planned in Cluster. Consolidation happening in the cluster
- ▶ Wide network of ~3790 dealers and ~ 155 stocking points
- ▶ Launched Premium Cement Duratech and Champion Plus in UP, MP & Bihar
- ▶ Superior Product Mix – Hi-tech, Duratech and Champion Plus contributed ~6% of total volume in FY16 v/s 3% in FY15
- ▶ Growth plans – Greenfield expansion in Kurnool District, AP. ~3000 acres of land in possession, limestone reserves secured and environment clearance in place

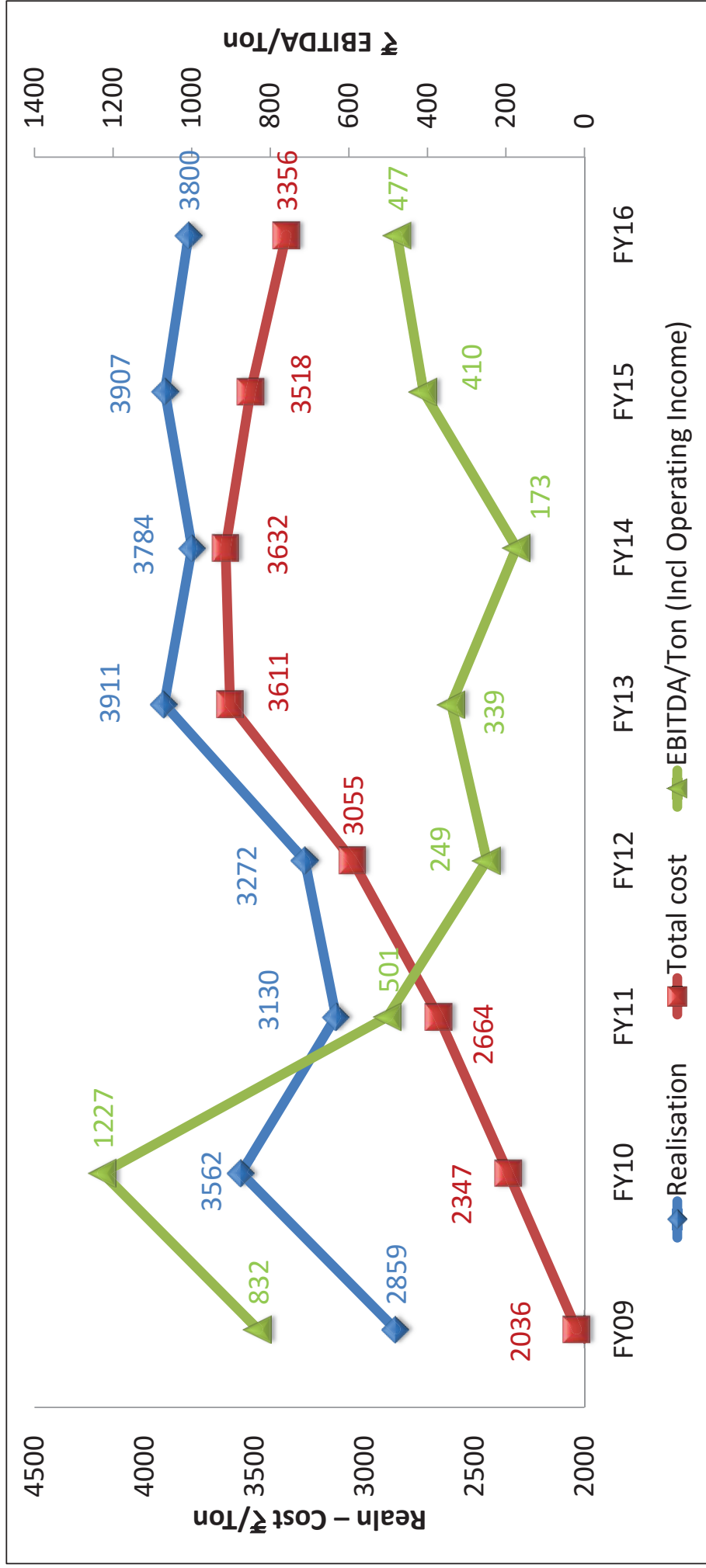


Cement – Financial & Operational Highlights



| Particulars | Unit | FY16 | FY15 | FY10 |
|--------------------------------------|----------|------|------|------|
| Cement & clinker sales volume | Mn Ton | 5.29 | 5.60 | 2.86 |
| Net Sales | Rs in bn | 20.1 | 21.9 | 10.2 |
| Net realization incl clinker | Rs/Ton | 3800 | 3907 | 3562 |
| Total cost | Rs in bn | 17.7 | 19.7 | 6.7 |
| Total cost | Rs/Ton | 3356 | 3518 | 2347 |
| EBITDA incl operating income | Rs/Ton | 477 | 410 | 1229 |
| Freight & forwarding | | | | |
| Lead Distance | Kms | 405 | 399 | 377 |
| Mode Mix | % | 63 | 64 | 73 |
| Railway | % | 37 | 36 | 27 |
| Road | | | | |
| Power and fuel | | | | |
| Power consumption per ton of cement | Kwh | 71 | 73 | 72 |
| Fuel Mix | % | 59 | 61 | 0 |
| Pet-Coke | % | 41 | 38 | 100 |
| Coal | % | 0 | 2 | 0 |
| AFR | | | | |
| Note: Fuel Mix is on Calorific Value | | | | |

Cement – Realization and Cost Trend



Cement EBITDA/Ton



- New Blending Silo
- Pet Coke
- Despite reduced realin
- Q4FY16 EBITDA / ton at ₹594



ROCE: 63%

Subdued Markets

Blending Silo Re-construction

Low Capacity Utilization (Capacity increased from 3 MTPA to 7 MTPA)

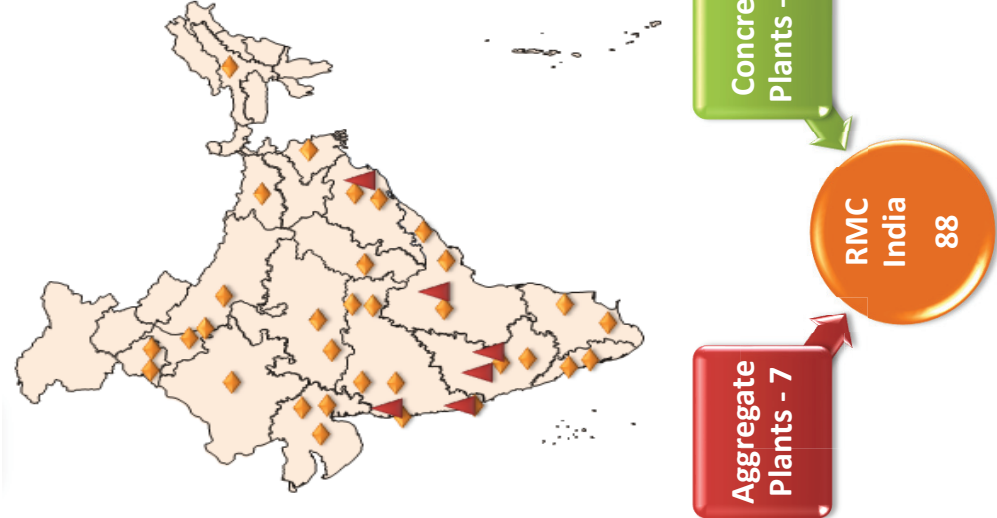


Mix with the Best

RMC Overview



- Ready mixed concrete is concrete in ready to use form. It is one of the most versatile building material used in construction.
- Started in mid-90s : ~10% of total cement used for concrete in India is through RMC route (Metros / Tier1 ~35% & Tier2 ~20%) v/s 50-70% in developed economies
- Industry Structure
 - Barriers to entry : Location and permission in cities
 - ~60% unorganized. GST implementation would shift market towards organized players
- RMC to gain further on account of Real Estate Bill being cleared. Benefits such as consistent quality, saving of site space, reduced labour, safety etc
- Excise benefit extended to captive site plants in FY16 Budget



RMC Readymix (India)

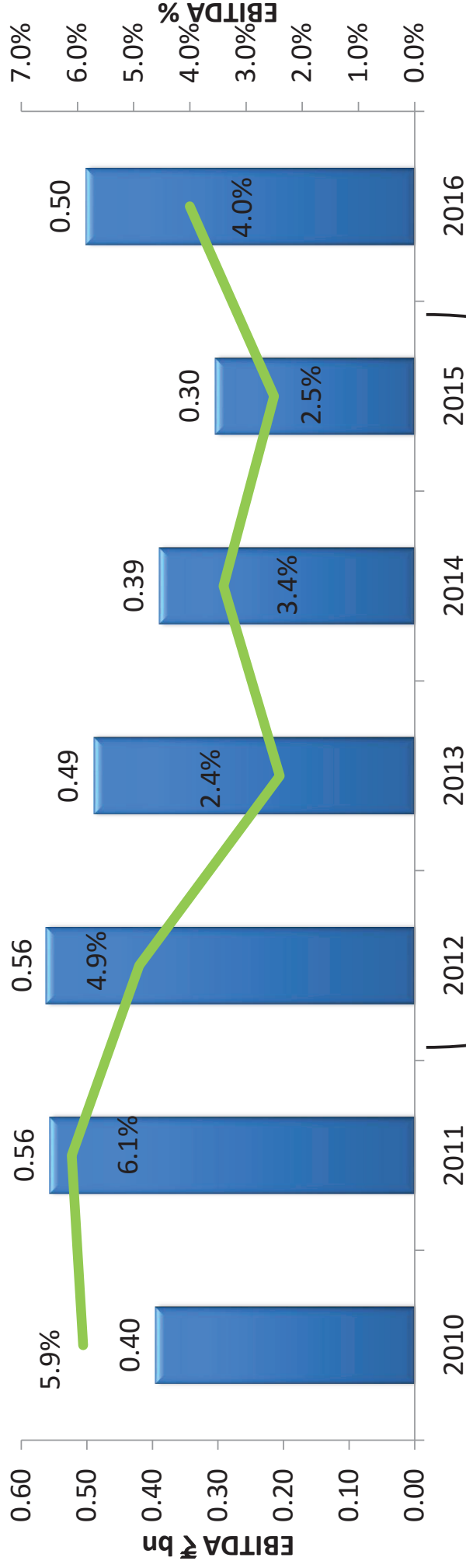


- ▶ 2nd largest player : pan India presence with 81 Plants in 38 Cities/towns
- ▶ Backward integration: 7 plants of aggregates & manufactured sand
- ▶ NABL Accredited Labs
- ▶ '03-'12 Sales CAGR of 39%. After nearly flattish growth for 4 years, double digit growth expected in the medium term
 - ▶ Demand drivers – Urbanization & Infrastructure, affordable housing offers growth opportunity
- ▶ EBITDA margins bottoming out (4% in FY16). Levers for margin improvement
 - ▶ Improvement in capacity utilization (~40% in FY16)
 - ▶ Increase in sales of Value Added products and focus on IHB
 - ▶ Cost management program in place
- ▶ ROCE to improve (~15% in FY16)
 - ▶ EBITDA margin: 3-7%
 - ▶ Asset turnover: >7x (Capital Employed – ~Rs1.8bn and Sales ~Rs12.6bn)

RMC EBITDA – Performance



Q4FY16 EBITDA @ 5.7%



Subdued Economy

Extra Cautious on Debtors Management

Capacity Utilization dropped to 40%



Enviroprotectcrete™
It is a High Performance and Sustainable concrete. Used in mass foundations, underground structures etc



Thermocrete® is temperature controlled concrete used for mitigating thermal tensile cracks



RMC Specials

Value-added Concrete

Dyecrete™ comprises an eye catching array of concrete that are colourful & textured.



Perviouscrete™ is “Rain water harvesting” concrete.

FRCcrete™ is fibre reinforced concrete. Fibres include steel, glass or synthetic fibres. Used in terrace slabs, warehouses, container yards, railway platforms etc.





TBK Overview



- Set up in 1958, offering wide range of tiles, sanitary ware, bath fittings, modular kitchens and construction chemical
- 10 Manufacturing plants(Own & JVs) with capacity of ~58mn m2 pa. Asset light business model through six manufacturing JVs contributing 70% of capacity with 4 JVs in Gujarat & 2 JVs in AP
- Large national trade network of ~1000 dealers
- 26 “House of Johnson” chain of retail outlets across India contributing ~9% of Division’s total sales
- Complimentary businesses to leverage Brand and Distributions



Construction Chemicals

- 50% Stake in Ardex Endura—JV with Ardex, Germany
- R&D Driven
- Pioneer in tile fixing adhesives
- Added industrial flooring and waterproofing
- Plants in Bengaluru and Vadodara; Pan India presence



Bathrooms

- Sanitaryware , Taps, Bath Fittings, wellness products
- Healthy industry structure; Brand and after sales service play key role
- 2 Manufacturing plants for Fittings— Baddi, HP & Samba, J&K



Modular Kitchens

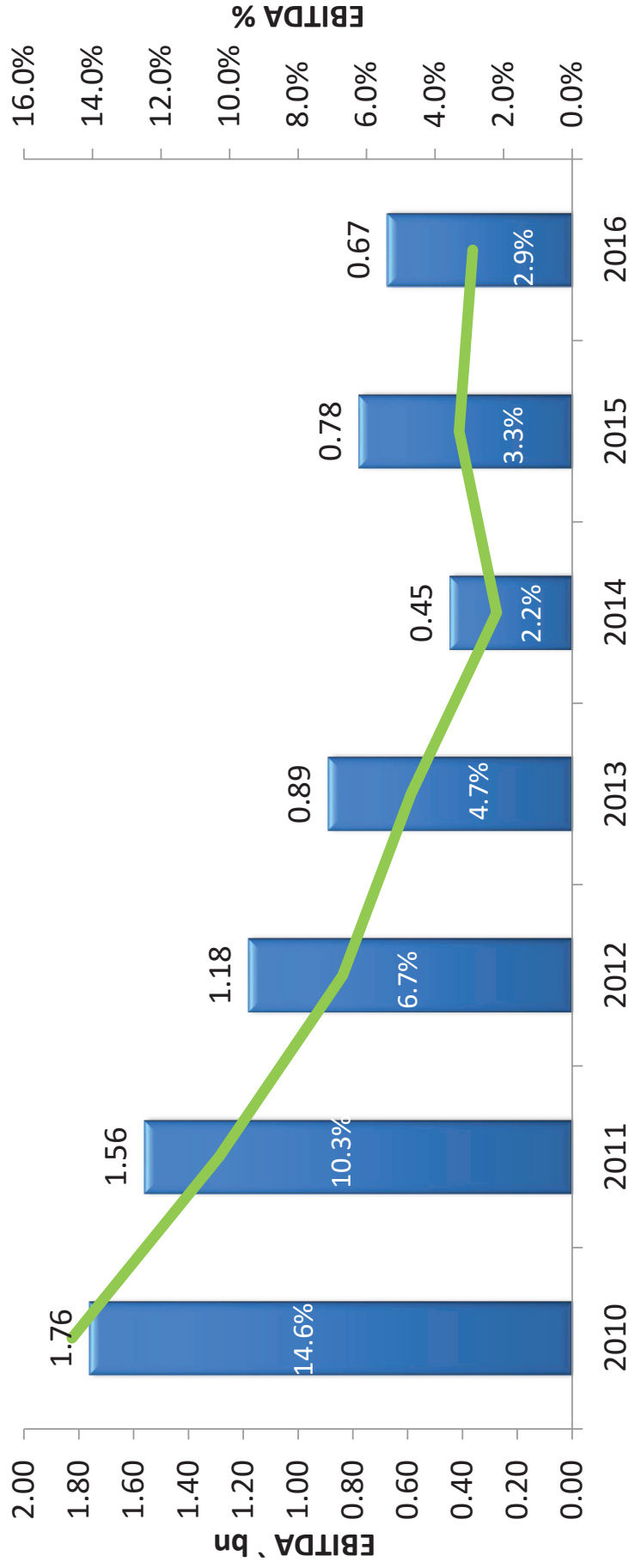
- Sunrise industry
- High growth potential
- Offers complete range of products including installation
- Tie-up with a German company for sourcing

On recovery path...



- ▶ Enjoyed leadership position with '03 -'12 (Sales CAGR 17%)
- ▶ FY10 consolidated EBITDA margins of 14.6%
- ▶ FY11-14, Challenging years as 40% of total capacity in AP and Karnataka suffered on account of power and fuel availability
- ▶ Addressed Power and fuel issues in South by
 - ▶ Installing 3 coal gassifiers in AP plants and winning bids for onshore micro gas wells
 - ▶ Natural gas pipeline connectivity completed for Karnataka plant
- ▶ Scaled up marketing activities, distribution channels amongst other
- ▶ As a result gained market share since Q4 FY14 for ~18 months
- ▶ Margin / Market share recovery expected going forward
 - ▶ Gas price reduction
 - ▶ Antidumping duty on vitrified tiles
 - ▶ Product mix improvement
 - ▶ Sales team to generate demand for dealers through strong influencer connect
 - ▶ Operating leverage as capacity utilization levels go up

TBK EBITDA - Performance



Strategic Investment – Raheja QBE General Insurance



- ▶ JV with QBE Group of Australia
- ▶ Focus on speciality products like liability insurance, marine liability and trade credit
- ▶ Strategic sale of 23% stake to existing partner for AUS\$ 21.6mn
- ▶ Prism's investment : 51% stake at book value of ₹1.05bn
- ▶ FY16 financials:
 - ▶ Gross written premium : ₹0.37bn
 - ▶ Profit before tax: ₹0.15bn

Management Profile



Mr. Vijay Aggarwal, Managing Director

- ▶ B. Tech (Elec.) from IIT, Delhi and PGDM from IIM, Ahmedabad
- ▶ Tenure in Company: 22 years
- ▶ Past experience includes SBI Capital Markets
- ▶ On the Board of various companies including Exide Industries, Exide Life Insurance Co, Aptech, Asianet Satellite Communications, Ardex Endura (India), Raheja QBE General Insurance Co

Management Profile



Mr. Joydeep Mukherjee, Executive Director & CEO - HRJ

- ▶ PGDM in Marketing Management, IGNOU, Kolkata and EMIB - International Business and Marketing from IIFT, New Delhi.
- ▶ Tenure in Company: 6 months
- ▶ Past experience includes ACC and Hindalco



Mr. Venugopal M Panicker, Executive Director & CEO – RMC

- ▶ Chartered Accountant, Company Secretary and a Member of the Institute of Company Secretaries & Administrators, UK (AICSA-UK)
- ▶ Tenure in Company: 19 years
- ▶ Past experience includes Walchandnagar and Tatas



Mr. Vivek K. Agnihotri, Executive Director & CEO - Cement

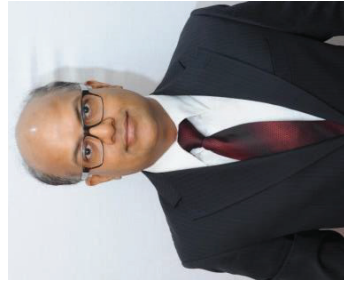
- ▶ M.B.A. from F.M.S., University of Delhi
- ▶ Tenure in Company: 10 months
- ▶ Past experience includes Ambuja Cements and ACC

Management Profile



Mrs. Aneeta Kulkarni – Company Secretary

- ▶ Company Secretary, LLB, PGDAM (NMIMS) and FIII (Fellow of Insurance Institute of India)
- ▶ Tenure in Company: 21 years
- ▶ Past experience includes New India Assurance, Thirumalai Chemicals and Vijayshree Chemicals



Mr. Pramod Akhramka , CFO

- ▶ Cost and Works Accountant, Chartered Accountant, Company Secretary and Executive Management courses
- ▶ Tenure in Company: 2 Years
- ▶ Past experience includes Ashok Piramal Group and Vaibhav Global Group



Mr. Rajnish Sacheti, Group President Legal & Indirect Taxes

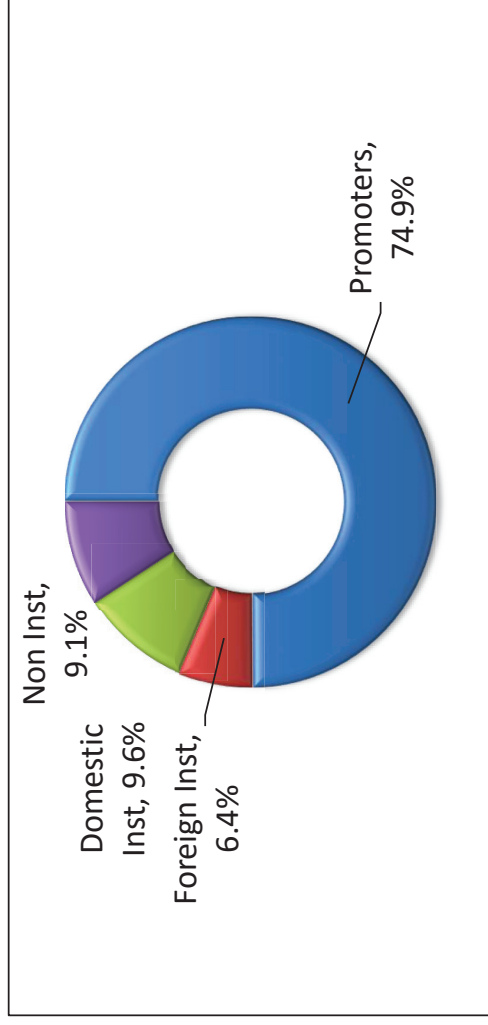
- ▶ Company Secretary
- ▶ Tenure in Company: 18 years
- ▶ Past experience includes Grasim Industries

Focus on de-leveraging



- ▶ Borrowings as on 31st March'16
 - ▶ Net consolidated ₹20.7bn, down by ~₹0.9bn
 - ▶ Net standalone ₹17.5bn, down by ~₹0.7bn
- ▶ Average cost of Standalone debt: 10.75%

Shareholding Pattern as on 31st Mar'16



Public category holding over 1% of total shares

| Shareholder | % |
|--|-----|
| HDFC Trustee Company Ltd - HDFC Equity Fund | 3.5 |
| Morgan Stanley Asia (Singapore) PTE | 2.1 |
| National Westminster Bank Plc as Trustee of the Jupiter India Fund | 1.3 |
| Goldman Sachs India Fund | 1.2 |
| ICICI Prudential Value Discovery Fund | 1.0 |

THANK YOU

For further information, please contact:

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Disclaimer

Cautionary statement regarding forward – looking statements

This presentation may contain certain forward – looking statements relating to the future business, development and economic performance.

Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressures; (2) legislative and regulatory developments; (3) global, macroeconomic and political trends; (4) fluctuations in currency exchange rates and general financial market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigations; (8) adverse publicity and news coverage, which could cause actual development and results to differ materially from the statements made in this presentation. Prism Cement Limited assumes no obligation to update or alter forward – looking statements whether as a result of new information, future events or otherwise.