

March 20, 2025

Ramco Industries Limited: Change in limits

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Term loans	20.00	20.00	[ICRA]AA-(Stable); Outstanding
Short-term – Fund-based/ Non-fund based facilities	165.00	315.00	[ICRA]A1+; Outstanding
Short-term – Unallocated	315.00	165.00	[ICRA]A1+; Outstanding
Non-convertible debenture	160.00	160.00	[ICRA]AA-(Stable); Outstanding
Total	660.00	660.00	

*Instrument details are provided in Annexure I;

Rationale

This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, the liquidity position, rating sensitivities and environmental and social risks: [click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Textiles - Spinning
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of Ramco Industries Limited (refer Annexure II)

About the company

Ramco Industries Limited (RIL), part of the Chennai-based Ramco Group, primarily manufactures asbestos-based fibre cement (FC) sheets, which find major application as a roofing material. Apart from FC sheets, RIL is engaged in spinning of cotton yarn and manufacturing calcium silicate boards. RIL has a 100% subsidiary incorporated in Sri Lanka – Sri Ramco Lanka (Private) Limited – involved in the manufacturing and marketing of FC sheets in the country. The Ramco Group of Companies has interests in cement, FC sheets, textiles and information technology.

Key financial indicators (audited)

Consolidated	FY2023	FY2024	9M FY2025*
Operating income	1457.5	1501.3	1240.0
PAT	107.6	73.0	65.0
OPBDIT/OI	11.4%	10.4%	10.9%
PAT/OI	7.4%	4.9%	5.2%
Total outside liabilities/Tangible net worth (times)	0.2	0.1	-
Total debt/OPBDIT (times)	1.9	1.6	-
Interest coverage (times)	7.9	6.2	11.7

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amounts in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; * Provisional

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2025)					Chronology of rating history for the past 3 years					
	FY2025					FY2024		FY2023		FY2022	
	Type	Amount Rated (Rs Crore)	Mar 20, 2025	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based/ Non fund based	Short Term	315.00	[ICRA]A1+	17-May-2024	[ICRA]A1+	12-Apr-2023	[ICRA]A1+	-	-	17-Mar-2022	[ICRA]A1+
				06-Dec-2024	[ICRA]A1+	-	-	-	-	-	-
Term loans	Long Term	20.00	[ICRA]AA-(Stable)	17-May-2024	[ICRA]AA-(Stable)	12-Apr-2023	[ICRA]AA-(Stable)	-	-	17-Mar-2022	[ICRA]AA-(Stable)
				06-Dec-2024	[ICRA]AA-(Stable)	-	-	-	-	-	-
Unallocated terms	Short Term	165.00	[ICRA]A1+	17-May-2024	[ICRA]A1+	12-Apr-2023	[ICRA]A1+	-	-	17-Mar-2022	[ICRA]A1+
				06-Dec-2024	[ICRA]A1+	-	-	-	-	-	-
NCD	Long Term	160.00	[ICRA]AA-(Stable)	06-Dec-2024	[ICRA]AA-(Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – NCD	Simple
Long-term – Fund-based – Term loans	Simple
Short-term – Fund-based/Non-fund based	Very Simple
Short-term – Unallocated	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
INE614A07033	NCD	Feb 07, 2025	7.6%	Feb 07, 2028	100.0	[ICRA]AA-(Stable)
-	NCD*	-	-	-	60.0	[ICRA]AA-(Stable)
-	Term loan	FY2019-FY2023	NA	FY2025-FY2028	20.0	[ICRA]AA-(Stable)
-	Short-term – Fund-based/ Non-fund based	-	-	-	315.0	[ICRA]A1+
-	Short-term – Unallocated	-	-	-	165.0	[ICRA]A1+

Source: Company; *yet to be placed

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Sudharsanam Investments Ltd	100%	Full consolidation
Sri Ramco Lanka Private Ltd	99.99%	Full consolidation
Sri Ramco Roofings Lanka Private Ltd*	1.27%	Full consolidation
Sri Ramco Lanka (Private) Ltd holding in Sri Ramco Roofings (Private) Ltd	98.73%	Full consolidation
The Ramco Cements Ltd	23.09%	Equity Method
Rajapalayam Mills Limited	1.73%	Equity Method
Ramco Systems Limited	20.07%	Equity Method
Ramco Industries and Technology Services Limited	1.05%	Equity Method
Madurai Trans Carrier Limited	17.17%	Equity Method

Source: Company; ICRA research; *step-down subsidiary

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