



Current Price: ₹177.95

STOCK DATA

BSE Code	500425
NSE Symbol	AMBUJACEM
Reuters	ABUJ.BO
Bloomberg	ACEM IN

VALUE PARAMETERS

Price (₹)	177.95
52 W H/L(₹)	182.00 / 112.00
Mkt. Cap.(₹Cr)	27303.76
Latest Equity(Subscribed)	306.87
Latest Reserve	7730.45
Latest EPS -Unit Curr.	8.12
Latest P/E Ratio	21.92
Latest Bookvalue -Unit Curr.	52.38
Latest P/BV	3.40
Dividend Yield -%	1.45
Face Value	2.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/12/2011
Foreign	28.42
Institutions	13.62
Non Promoter Corp. Hold.	0.50
Promoters	50.30
Public & Others	7.18

Financial Results

Particulars	Qtr Ending		In Cr.
	Dec 11	Dec 10	Var. (%)
Sales	2357.68	1827.36	29
OPM (%)	19.10	19.30	
OP	449.62	353.52	27
Other income	65.11	37.85	72
PBIDT	514.73	391.37	32
Interest	9.86	20.87	-53
PBDT	504.87	370.50	36
Depreciation	123.80	108.60	14
PBT before EO	381.07	261.90	46
EO	-24.25	6.45	PL
PBT after EO	356.82	268.35	33
Tax	54.42	10.23	432
PAT	302.40	258.12	17
EPS (₹)	2.00	1.69	

Quarterly Performance

Holchim group company, Ambuja Cement posted 17% growth in net profits to Rs 302.4 crore on 29% growth in revenues to ₹2357.68 crore during the quarter ended December 2011.

OPM however declined by 20 basis points to 19.1% which led to 27% rise in operating profits to ₹449.62 crore. PBT before EO was up by 46% to ₹381.07 crore due to significant increase in other income, decline in interest costs and comparatively lower increase in depreciation charges. There was an EO expense of Rs 24.25 crore on account of onetime charge arising out of change in method of valuation of ESOP cost against gain of ₹6.45 crore on account of provision consequent to change in policy of recognizing provision for slow moving inventories of spares based on the age of inventory and effective tax jumped by 1100 basis points from 4% to 15% leading to 17% growth in PAT to ₹302.4 crore.

The revenue for the quarter also included ₹4.92 crore of sales of power. The revenue under the same head during the corresponding period of the previous year was ₹0.13 crore.

Projects update

- During the year, company commissioned two cement mills at the Bhatapara Plant (CG) and the Maratha Cement Works (MH). Following these additions and minor rationalisation at two of the other plants, the Company's total grinding capacity increased to 27.35 million tonnes.
- Commissioned five wind turbine generators having total capacity of 7.5 MW at Kutch in the state of Gujarat.
- ACL acquired 85% shareholding in Nepal based Dang Cement/Industries Pvt Ltd, for a consideration of ₹19.13 crore. Dang Cement has got mining lease in Nepal to support a large cement plant.
- ACL acquired 50% shareholding in Counto Microfine Products Private Ltd., a Goa based Joint Venture company, engaged in manufacture of Microfine Cementitious Materials for a consideration of ₹10 crore.
- ACL acquired 60% shareholding in Dirk India Pvt, Ltd., Maharashtra, a fly ash processing company for a consideration of ₹16.51 crore.
- To strengthen its cost effective coastal transportation, the Company added two more ships to its existing fleet of eight ships.

Outlook

Infrastructure investment for the 12th Five-Year Plan is projected to double to around USD 1 trillion (9.5 % of GDP). This along with expected policy reforms, lower inflation and interest rates ought to boost cement demand in 2012.

Cost pressures on account of rising cost of energy, logistics and raw materials may continue to impact margins. ACL as a Company is focused on improving operational efficiency and productivity to mitigate cost pressures. Prices are expected to remain volatile in the short-term due to demand supply imbalances.

Dividend

The Board has recommended a final dividend of ₹1.80 per share (90 %). Together with the interim dividend of ₹1.40 per share (70%), the total dividend for the year will be ₹3.20 per share (160%).

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