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AMBUJA CEMENTS LIMITED

Registered office : Ambujanagar P.O.,Taluka - Kodinar, District-Junagadh, Gujarat - 362 715

Audited Financial Results

Particulars	Consolidated Financial Results		Standalone Financial Results				
	Year Ended		Quarter Ended			Year Ended	
	31.12.2011 (Audited)	31.12.2010 (Audited)	**31.12.2011 (Unaudited)**	30.09.2011 (Unaudited)	31.12.2010 (Unaudited)	**31.12.2011 (Audited)**	31.12.2010 (Audited)
							Rs. in Lakhs
1) a) Net Sales / Income from Operations	**853,123**	739,021	**232,911**	180,510	178,847	**851,452**	739,021
b) Other Operating Income (Refer Note 2)	**8,841**	12,734	**2,857**	2,857	3,889	**8,837**	12,734
Total Income	**861,964**	751,755	**235,768**	183,367	182,736	**860,289**	751,755
2) Expenditure :							
a) (Increase) / decrease in stock in trade and work in progress	**5,702**	(5,428)	**18,321**	1,045	1,769	**5,700**	(5,428)
b) Consumption of raw materials :							
- Clinker Purchased	**882**	12,370	**416**	157	2,456	**882**	12,370
- Others	**57,068**	47,258	**14,830**	13,214	12,307	**56,856**	47,258
	57,950	59,628	**15,246**	13,371	14,763	**57,738**	59,628
c) Employee Cost	**43,585**	34,367	**12,545**	10,321	7,747	**43,320**	34,366
d) Power and Fuel	**200,743**	169,734	**47,141**	49,000	44,610	**200,634**	169,734
e) Freight and Forwarding :							
- On Finished Products	**145,989**	125,807	**40,248**	32,102	31,526	**145,465**	125,807
- On internal material transfer	**47,545**	35,201	**10,496**	9,511	9,266	**47,545**	35,201
	193,534	161,008	**50,744**	41,613	40,792	**193,010**	161,008
f) Depreciation and Amortisation	**44,617**	38,721	**12,380**	10,787	10,860	**44,515**	38,719
g) Other Expenditure	**160,967**	137,409	**46,809**	36,077	37,703	**160,442**	137,351
Total Expenditure	**707,098**	595,439	**203,186**	162,214	158,244	**705,359**	595,378
3) Profit from Operations before Other Income, Interest and Exceptional Items	**154,866**	156,316	**32,582**	21,153	24,492	**154,930**	156,377
4) Other Income :							
a) Interest Income	**17,115**	8,574	**4,565**	4,311	2,834	**17,129**	8,577
b) Others	**5,916**	3,449	**1,946**	1,399	951	**5,916**	3,449
	23,031	12,023	**6,511**	5,710	3,785	**23,045**	12,026
5) Profit before Interest and Exceptional Items	**177,897**	168,339	**39,093**	26,863	28,277	**177,975**	168,403
6) Interest	**5,348**	4,869	**986**	1,379	2,087	**5,263**	4,869
7) Profit after Interest but before Exceptional Items	**172,549**	163,470	**38,107**	25,484	26,190	**172,712**	163,534
8) Exceptional Items (Refer Note 4 & 5)	**(2,425)**	2,653	**(2,425)**	-	645	**(2,425)**	2,653
9) Profit before tax	**170,124**	166,123	**35,682**	25,484	26,835	**170,287**	166,187
10) Tax expense (Refer Note 6)	**47,375**	39,826	**5,442**	8,336	1,023	**47,401**	39,826
11) Profit after tax but before minority interest	**122,749**	126,297	**30,240**	17,148	25,812	**122,886**	126,361
12) Minority Interest	**(25)**	-	**-**	-	-	**-**	-
13) Net profit for the period	**122,774**	126,297	**30,240**	17,148	25,812	**122,886**	126,361

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Particulars	Consolidated Financial Results – Year Ended 31.12.2011 (Audited)	Consolidated – Year Ended 31.12.2010 (Audited)	Standalone Financial Results – Quarter Ended 31.12.2011 (Unaudited)	Standalone – Quarter Ended 30.09.2011 (Unaudited)	Standalone – Quarter Ended 31.12.2010 (Unaudited)	Standalone – Year Ended 31.12.2011 (Audited)	Standalone – Year Ended 31.12.2010 (Audited)
14) Paid-up Equity Share Capital (Face value Rs. 2/- each)	**30,687**	30,597	**30,687**	30,653	30,597	**30,687**	30,597
15) Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	**772,569**	701,915				**773,045**	702,279
16) Earning per share (EPS - in Rs.) :							
a) Basic	**8.02**	8.28	**1.97**	1.12	1.69	**8.02**	8.28
b) Diluted	**7.99**	8.26	**1.97**	1.12	1.69	**8.00**	8.26
17) Public Shareholding							
- No. of Shares (in Lakhs)	**7,269**	8,050	**7,269**	7,281	8,050	**7,269**	8,050
- Percentage of shareholding	**47%**	53%	**47%**	48%	53%	**47%**	53%
18) Promoters and promoter group Shareholding :							
a) Pledged / Encumbered							
- Number of shares (in Lakhs)	-	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	-
b) Non-encumbered							
- Number of shares (in Lakhs)	**7,717**	7,075	**7,717**	7,717	7,075	**7,717**	7,075
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	**100%**	100%	**100%**	100%	100%	**100%**	100%
- Percentage of shares (as a % of the total share capital of the Company)	**50%**	46%	**50%**	50%	46%	**50%**	46%

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Notes:

1 Disclosure of Balance Sheet items as per clause 41(V) (h) of the listing agreement (Rs. in lakhs):

Particular	Consolidated Financial Results		Standalone Financial Results	
	As at 31.12.2011 (Audited)	As at 31.12.2010 (Audited)	**As at 31.12.2011 (Audited)**	As at 31.12.2010 (Audited)
Shareholders' Funds:				
(a) Capital	**30,687**	30,597	**30,687**	30,597
(b) Share Application Money	**1**	9	**1**	-
(c) Employee Stock Option Outstanding (Refer Note 4)	**3,211**	134	**3,211**	134
(d) Reserves and Surplus	**772,569**	701,915	**773,045**	702,279
Minority Interest	**246**	-		
Loan Funds	**6,956**	6,503	**4,936**	6,503
Deferred Tax Liability (net)	**64,451**	53,088	**64,360**	53,088
TOTAL	**878,121**	**792,246**	**876,240**	**792,601**
Fixed Assets				
(a) Fixed assets (net)	**626,575**	563,193	**618,646**	562,775
(b) Capital work in progress (including advances for capital expenditure)	**57,955**	93,073	**57,728**	93,070
Deferred Tax Assets (net)	**70**	-		
Investments	**80,604**	62,111	**86,431**	62,595
Current Assets, Loans and Advances				
(a) Inventories	**92,776**	90,186	**92,497**	90,186
(b) Sundry Debtors	**24,776**	12,818	**24,085**	12,818
(c) Cash and Bank balances	**207,537**	164,839	**207,123**	164,817
(d) Other current assets	**2,446**	1,657	**2,366**	1,657
(e) Loans and Advances	**56,355**	44,032	**56,761**	44,055
Less: Current Liabilities and Provisions				
(a) Liabilities	**160,315**	130,052	**158,813**	129,761
(b) Provisions	**110,685**	109,657	**110,611**	109,657
Miscellaneous Expenditure (to the extent not written off or adjusted)	**27**	46	**27**	46
TOTAL	**878,121**	**792,246**	**876,240**	**792,601**

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2 Other operating income includes sale of power for the quarter ended 31st December, 2011 Rs. 492 lakhs (31st December, 2010 Rs. 13 lakhs), for the quarter ended 30th September, 2011 Rs. 412 lakhs and for the year ended 31st December, 2011 Rs. 1309 lakhs (31.12.2010 Rs. 2917 lakhs).

3 Other expenditure includes prior period expenses amounting to Rs. Nil for the quarter ended 31st December 2011, Rs. 2063 lakhs for the quarter ended 30th September 2011, and Rs. 1159 lakhs for the year ended 31st December 2011.

4 During the quarter, the Company has retrospectively changed its method of measurement of compensation cost relating to employee stock options from intrinsic value method to fair value method for all outstanding unvested employee stock options at the beginning of the year. Accordingly, the Company has recognized an additional expense of Rs. 3321 lakhs. Amount relating to earlier period Rs. 2425 lakhs has been disclosed as exceptional item.

Had the Company continued to use the earlier method of measurement, the profit after taxation for the current quarter and year ended 31st December, 2011 would have been higher by Rs. 3321 lakhs, Employee Cost for the current quarter and year ended 31st December, 2011 would have been lower by Rs. 896 lakhs and exceptional expenses for the current quarter and year ended 31st December, 2011 would have been lower by Rs. 2425 lakhs.

5 Exceptional items for the previous quarter / year includes :

i) Profit on sale of investment in ING Vysya Life Insurance Company Limited Rs. 7263 lakhs for the year ended 31st December 2010.

ii) Provision of Rs. (645) lakhs for the quarter ended 31st December, 2010, and Rs. 4610 lakhs for the year ended 31st December, 2010, consequent to change in policy of recognizing provision for slow moving inventories of spares based on the age of inventory.

6 Tax expenses is stated at net of credit relating to earlier years Rs. 6728 lakhs (31.12.2010 Rs. 3711 lakhs).

7 The Company has only one business segment "Cementitious Materials".

8 At the beginning of the quarter and year ended 31st December, 2011, no investor complaint was pending. During the quarter and year ended 31st December 2011, 7 & 43 complaints were received respectively, and all complaints were resolved. No complaint was pending disposal as on 31st December, 2011.

9 The Board of Directors has recommended the final dividend on equity shares @ Rs. 1.80 per Equity Share. The Company has paid interim dividend of Rs. 1.40 per Equity Share. The dividend paid in the previous year was Rs. 2.60 per Equity Share.

10 The figures of quarters ended 31st December, 2010 and 31st December, 2011 are the balancing figures between audited figures of the full financial year ended, 31st December, 2010 and 31st December, 2011 and the published year to date figures upto the third quarter of the respective financial year.

11 The figures for the previous year / quarter have been regrouped wherever necessary to conform to the current year presentation.

12 The consolidated financial results as stated above have been drawn in accordance with applicable Accounting Standards.

13 The above results have been approved and taken on record by the Board of Directors at its meeting held on 9th February, 2012.

By the Order of the Board

Onne van der Weijde
Managing Director

Mumbai
9th February, 2012

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Media Release

1. Standalone Audited Annual Results - 2011

Ambuja Cements Ltd (ACL) today announced its audited financial results for the year ended 31st December 2011.

Particulars	Values	Year 2011	Year 2010	Growth (%)
Sales Volume – Cement	Million tonnes	20.91	20.00	4.5%
Net Sales	Rs. In Crore	8,515	7,390	15.2%
EBITDA	Rs. In Crore	1,994	1,951	2.2%
Profit Before Tax and Exceptional Items	Rs. In Crore	1,727	1,635	5.6%
Net Profit	Rs. In Crore	1,229	1,264	-2.8%

Some Highlights:

- Cement production increased by 4.2% compared to the previous year – to 20.97 million tonnes.
- Cement sales, by volume, increased by 4.5% to 20.91 million tonnes.
- Net sales rose by 15.2% to Rs.8,515 crore – backed by higher volumes and improved prices.
- EBITDA increased by 2.2% to Rs.1,994 crore.
- Lower rate of growth of EBITDA compared to net sales was substantially on account of major increases in the costs of raw material other than purchased clinker (up 20% YoY), power and fuel (up 18% YoY) as well as freight and forwarding expenses (up 20% YoY).
- Profit before tax and exceptional items increased by 5.6% to Rs.1,727 crore.
- Profit after tax stood at Rs.1,229 crore, marginally lower by 2.8% YoY mainly on account of onetime charge arising out of change in method of valuation of ESOP cost and due to increased tax charge.

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Ambuja Cement

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2. Dividend

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

3. 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 Rs.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 Rs.10 crore.
- ACL acquired 60% shareholding in Dirk India Pvt. Ltd., Maharashtra, a fly ash processing company for a consideration of Rs.16.51 crore.
- To strengthen its cost effective coastal transportation, the Company added two more ships to its existing fleet of eight ships.

4. 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.

Onne van der Weijde
Managing Director

Mumbai
February 9, 2012

Ambuja Cement