

# Ambuja Cement

ACL:SEC:

February 9, 2012

The Secretary  
Bombay Stock Exchange Limited  
Phiroz Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 023  
Fax No. 22723719/22723121/22722037 /  
22722039 / 22722041/ 22722061

National Stock Exchange of India Ltd.,  
Plot No.C/1 'G' Block  
Bandra – Kurla Complex  
Bandra East,  
Mumbai 400 051  
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Deutsche Bank  
Trust Company Americas  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
Fax No.+44207547 6073

Societe de la Bourse de Luxembourg,  
Avenue de la Porte Neuve  
L-2011 Luxembourg,  
B.P 165  
FAX NO.00352 473298

## **Sub: Intimation under the Listing Agreement**

This is to inform you that the Board of Directors at its meeting held today, i.e. on 9th February, 2012 has approved the following:-

### **1. Results for the Corporate Financial Year ended 31st December, 2011**

The Board approved the audited Annual Accounts for the Corporate Financial Year ended 31st December, 2011 & unaudited quarterly results for the quarter ended 31<sup>st</sup> December, 2011. The results together with a copy of the Press Release are enclosed.

### **2. Declaration of dividend**

The Board of Directors has recommended a final dividend on Equity Shares at the rate of Rs.1.80 per share. With the interim dividend of Rs.1.40 per share paid during the year, the total dividend for the Corporate Financial Year ended 2011 works out to Rs.3.20 per share. The Company in the previous year had paid dividend @Rs.2.60 per share which included interim dividend.Rs.1.30 per share.

### **3. Resignation of Director**

Mr.Markus Akermann, a Non-Executive Promoter Director has resigned from the Board and the resignation has been accepted w.e.f.28<sup>th</sup> March,2012.

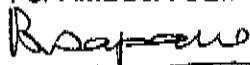
### **4. Appointment of Additional Director**

Mr.Bernard Fontana has been appointed as an Additional Director. Mr.Fontana will be Non-Executive Promoter Director.

Mr. Bernard Fontana, aged 51 years, is a French national. He is an engineer by profession & is the present CEO of Holcim Ltd.

Thanking you,

Yours faithfully,  
For AMBUJA CEMENTS LTD



**B. L. Taparia**  
Company Secretary &  
Corporate Sustainability Officer

#### **AMBUJA CEMENTS LIMITED**

Elegant Business Park, MIDC Cross Road 'B', Off Andheri - Kurla Road, Andheri (E), Mumbai - 400 059  
Tel. : (91-22) 6616 7000 / 4066 7000, Fax : (91-22) 6616 7711 / 4066 7711  
Regd. Off. : P. O. Ambuja Nagar, Taluka - Kodinar, Dist. - Junagadh, Gujarat

| AMBUBA CEMENTS LIMITED                                                                       |                                |                         |                           |                           |                              |                         |                         |  |              |
|----------------------------------------------------------------------------------------------|--------------------------------|-------------------------|---------------------------|---------------------------|------------------------------|-------------------------|-------------------------|--|--------------|
| Registered office : Ambujanagar P.O., Taluka - Kodinar, District-Junagadh, Gujarat - 362 715 |                                |                         |                           |                           |                              |                         |                         |  |              |
| Audited Financial Results                                                                    |                                |                         |                           |                           |                              |                         |                         |  |              |
| Particulars                                                                                  | Consolidated Financial Results |                         |                           |                           | Standalone Financial Results |                         |                         |  | Rs. in Lakhs |
|                                                                                              | Year Ended                     |                         | Quarter Ended             |                           | Quarter Ended                |                         | Year Ended              |  |              |
|                                                                                              | 31.12.2011<br>(Audited)        | 31.12.2010<br>(Audited) | 31.12.2011<br>(Unaudited) | 30.09.2011<br>(Unaudited) | 31.12.2010<br>(Unaudited)    | 31.12.2011<br>(Audited) | 31.12.2010<br>(Audited) |  |              |
| 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                  |  |              |
| c) Employee Cost                                                                             | 57,950                         | 59,628                  | 15,246                    | 13,371                    | 14,763                       | 57,738                  | 59,628                  |  |              |
| d) Power and Fuel                                                                            | 43,585                         | 34,367                  | 12,545                    | 10,321                    | 7,747                        | 43,320                  | 34,366                  |  |              |
| e) Freight and Forwarding :                                                                  | 200,743                        | 169,734                 | 47,141                    | 49,000                    | 44,610                       | 200,634                 | 169,734                 |  |              |
| - 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                  |  |              |
| f) Depreciation and Amortisation                                                             | 193,534                        | 161,008                 | 50,744                    | 41,613                    | 40,792                       | 193,010                 | 161,008                 |  |              |
| g) Other Expenditure                                                                         | 44,617                         | 38,721                  | 12,380                    | 10,787                    | 10,860                       | 44,515                  | 38,719                  |  |              |
| Total Expenditure                                                                            | 160,967                        | 137,409                 | 46,809                    | 36,077                    | 37,703                       | 160,442                 | 137,351                 |  |              |
|                                                                                              | 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 |                         | Standalone Financial Results |                           |                           |                         |                         |  |
|-------------------------------------------------------------------------------------------------|--------------------------------|-------------------------|------------------------------|---------------------------|---------------------------|-------------------------|-------------------------|--|
|                                                                                                 | Year Ended                     |                         | Quarter Ended                |                           |                           |                         | Year Ended              |  |
|                                                                                                 | 31.12.2011<br>(Audited)        | 31.12.2010<br>(Audited) | 31.12.2011<br>(Unaudited)    | 30.09.2011<br>(Unaudited) | 31.12.2010<br>(Unaudited) | 31.12.2011<br>(Audited) | 31.12.2010<br>(Audited) |  |
| 14) Paid-up Equity Share Capital<br>(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<br>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<br>total shareholding of promoter and<br>promoter group)  | -                              | -                       | -                            | -                         | -                         | -                       | -                       |  |
| - Percentage of shares (as a % of the<br>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<br>total shareholding of promoter and<br>promoter group)  | 100%                           | 100%                    | 100%                         | 100%                      | 100%                      | 100%                    | 100%                    |  |
| - Percentage of shares (as a % of the<br>total share capital of the Company)                    | 50%                            | 46%                     | 50%                          | 50%                       | 46%                       | 50%                     | 46%                     |  |

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**Notes:**

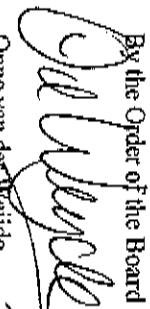
1 Disclosure of Balance Sheet items as per clause 41(V) (b) of the listing agreement (Rs. in lakhs):

| Particular                                                                | Consolidated Financial Results   |                                  | Standalone Financial Results     |                                  |
|---------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|                                                                           | As at<br>31.12.2011<br>(Audited) | As at<br>31.12.2010<br>(Audited) | As at<br>31.12.2011<br>(Audited) | As at<br>31.12.2010<br>(Audited) |
| <b>Shareholders' Funds:</b>                                               |                                  |                                  |                                  |                                  |
| (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                              | -                                | 4,936                            | 6,503                            |
| Loan Funds                                                                | 6,956                            | 6,503                            | 64,360                           | 53,088                           |
| Deferred Tax Liability (net)                                              | 64,451                           | 53,088                           |                                  |                                  |
| <b>TOTAL</b>                                                              | <b>878,121</b>                   | <b>792,246</b>                   | <b>876,240</b>                   | <b>792,601</b>                   |
| <b>Fixed Assets</b>                                                       |                                  |                                  |                                  |                                  |
| (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                           |
| <b>Current Assets, Loans and Advances</b>                                 |                                  |                                  |                                  |                                  |
| (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                               |
| <b>TOTAL</b>                                                              | <b>878,121</b>                   | <b>792,246</b>                   | <b>876,240</b>                   | <b>792,601</b>                   |

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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.

Mumbai  
9th February, 2012

By the Order of the Board  
  
Onne van der Weijde  
Managing Director

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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 31<sup>st</sup> 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 Bhatpara 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

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**Ambuja  
Cement**