



AMBUJA CEMENTS

# PITCH DECK

Present by Anmol Agrawal



# TODAY'S AGENDA



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# INTRODUCTION

Ambuja Cements Ltd. (ACL) is one of the leading cement manufacturing companies in India and commenced cement production in 1986. Initially called Gujarat Ambuja Cements Ltd, the Company later became Ambuja Cements Ltd.

ACL enjoys a reputation of being one of the most efficient cement manufacturers in the world. Its environment protection measures are considered to be on par with the finest in the country. It is also one of the most profitable and innovative cement companies in India.



# Ambuja Cement



## Mission

Ambuja cement's mission is to become the leading cement and building materials company in the world through its strong financial fundamentals as well as rapid growth and expansion policies while focusing on sustainability.

## Product

The company boasts of extensive range of high-quality portland cements as well as clinkers which are used in manufacturing of cements.

## Competitors

As of now, the company's biggest competitor is Ultratech cements followed by Shree cements, Dalmia cements etc.



Ambuja cement's vision is to become the nation's backbone for the country's booming infrastructural economy while contributing this with extremely sustainable practises and enhanced social responsibilites.

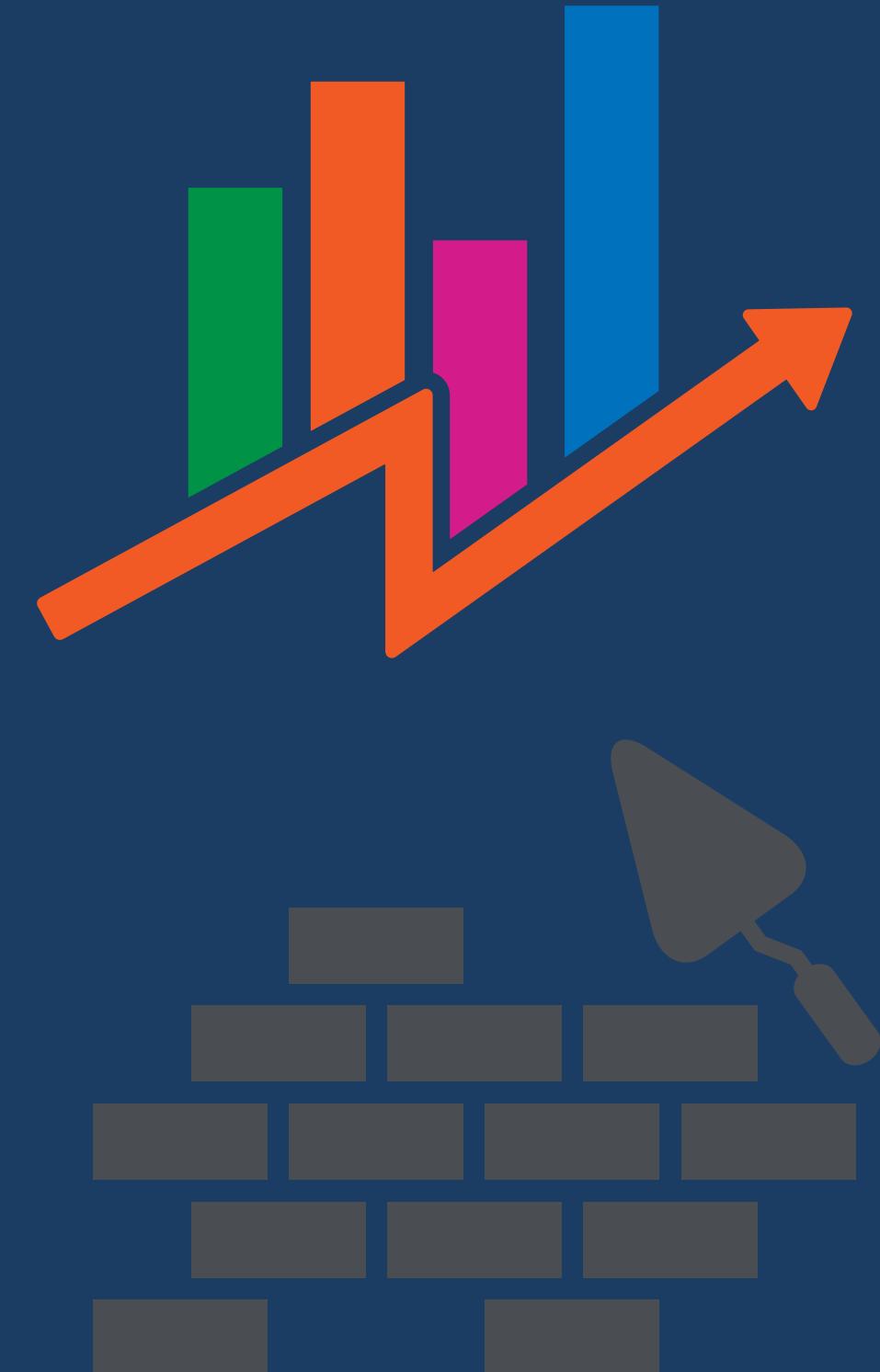
# Industry analysis and business model



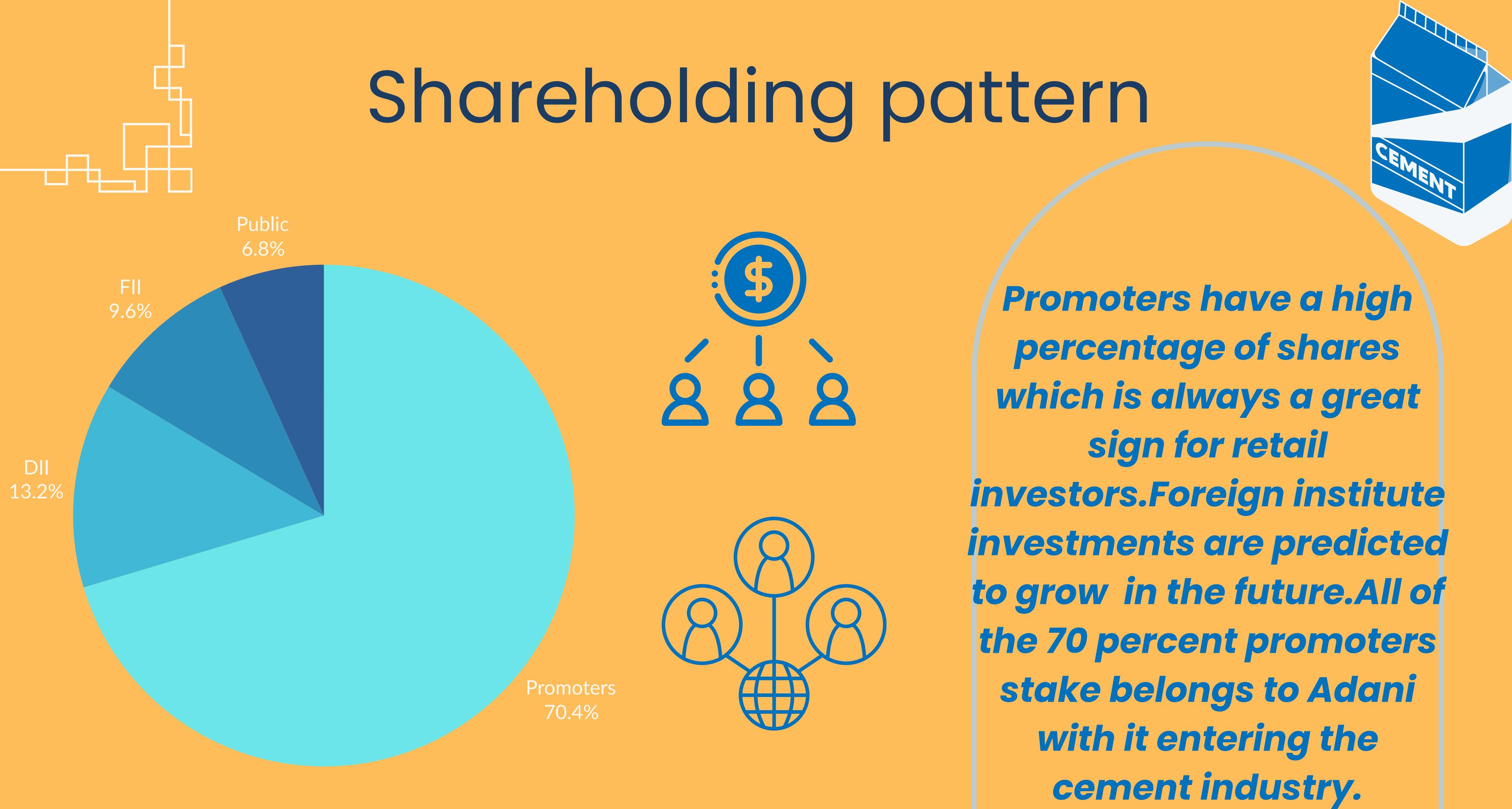
India is the second-largest cement producer in the world and accounts for over 8% of the global installed capacity. Of the total capacity, 98% lies with the private sector and the rest with the public sector. The top 20 companies account for around 70% of the total cement production in India. The cement industry promises huge potential for growth. In 2023, the market size of India's cement industry reached 3.96 billion tonnes and is expected to touch 5.99 billion tonnes by 2032, exhibiting a CAGR of 4.7% during 2024–32. India's cement production reached 374.55 million tonnes in FY23, a growth rate of 6.83% year-on-year (yoY).

Ambuja cements fundamental business model lies on selling various types of cement depending upon the use case with general pricing on a bit expensive yet affordable side. The company also generates revenue by selling building manufacturing materials, clinkers etc.

With the current government focusing largely on infrastructure developments, the cement industry is very likely to be in the forefront of this growth.



# Shareholding pattern





# PAST INVESTMENTS



**When Holcim merged with Lafarge, it decided to sell out its stock of Ambuja cements and ACC. Adani then entered the cement industry with the USD 10.5 Billion \$ deal and acquired first 63 % stake in the company and then a year later it decided to infuse around 1 billion dollar \$ again taking its total equity share to 70 %. This move created disruption in the cement industry with many analyst calling it great for the company as Adani with his proposed “ambitious” plan could take the company to newer heights in the future.**



# BALANCE SHEET

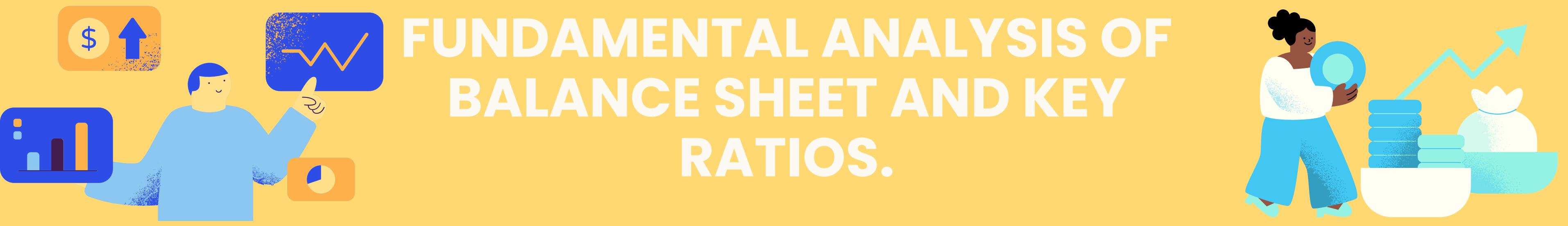
BALANCE SHEET OF AMBUJA CEMENTS (in Rs. Cr.)		MAR 24	MAR 23	DEC 22	DEC 21	DEC 20
		12 mths	15 mths	12 mths	12 mths	12 mths
<b>EQUITIES AND LIABILITIES</b>						
<b>SHAREHOLDER'S FUNDS</b>						
Equity Share Capital		439.54	397.13	397.13	397.13	397.13
<b>TOTAL SHARE CAPITAL</b>		<b>439.54</b>	<b>397.13</b>	<b>397.13</b>	<b>397.13</b>	<b>397.13</b>
Reserves and Surplus		33,787.31	23,108.38	22,610.35	21,810.13	19,918.73
<b>TOTAL RESERVES AND SURPLUS</b>		<b>33,787.31</b>	<b>23,108.38</b>	<b>22,610.35</b>	<b>21,810.13</b>	<b>19,918.73</b>
<b>TOTAL SHAREHOLDERS FUNDS</b>		<b>37,006.50</b>	<b>28,505.54</b>	<b>28,007.51</b>	<b>22,207.26</b>	<b>20,315.86</b>
<b>NON-CURRENT LIABILITIES</b>						
Long Term Borrowings		18.91	34.22	33.60	43.50	43.60
Deferred Tax Liabilities [Net]		269.29	218.06	241.74	201.79	185.95
Other Long Term Liabilities		274.23	637.00	311.15	298.02	336.82
Long Term Provisions		95.39	85.84	81.40	65.12	55.62
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>657.82</b>	<b>975.12</b>	<b>667.89</b>	<b>608.43</b>	<b>621.99</b>
<b>CURRENT LIABILITIES</b>						
Short Term Borrowings		17.87	13.49	0.00	0.00	0.00



# CONTINUATION...

TOTAL NON-CURRENT LIABILITIES	657.82	975.12	667.89	608.43	621.99
<b>CURRENT LIABILITIES</b>					
Short Term Borrowings	17.87	13.49	0.00	0.00	0.00
Trade Payables	1,452.24	1,571.11	1,150.11	1,144.40	880.90
Other Current Liabilities	4,967.34	4,834.77	4,283.14	4,204.43	3,658.78
Short Term Provisions	27.02	4.10	3.15	8.92	3.85
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,464.47</b>	<b>6,423.47</b>	<b>5,436.40</b>	<b>5,357.75</b>	<b>4,543.53</b>
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>44,128.79</b>	<b>35,904.13</b>	<b>34,111.80</b>	<b>28,173.44</b>	<b>25,481.38</b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Tangible Assets	8,549.29	8,380.42	8,848.25	7,471.56	5,756.86
Intangible Assets	253.94	239.33	0.00	174.15	174.64
Capital Work-In-Progress	1,548.49	841.87	0.00	951.32	1,873.74
Other Assets	0.00	0.00	0.00	0.00	0.00
<b>FIXED ASSETS</b>	<b>10,351.72</b>	<b>9,461.62</b>	<b>8,848.25</b>	<b>8,597.03</b>	<b>7,805.24</b>
Non-Current Investments	14,058.08	11,775.88	11,773.88	11,796.91	11,792.21
Deferred Tax Assets [Net]	0.00	0.00	190.90	0.00	0.00

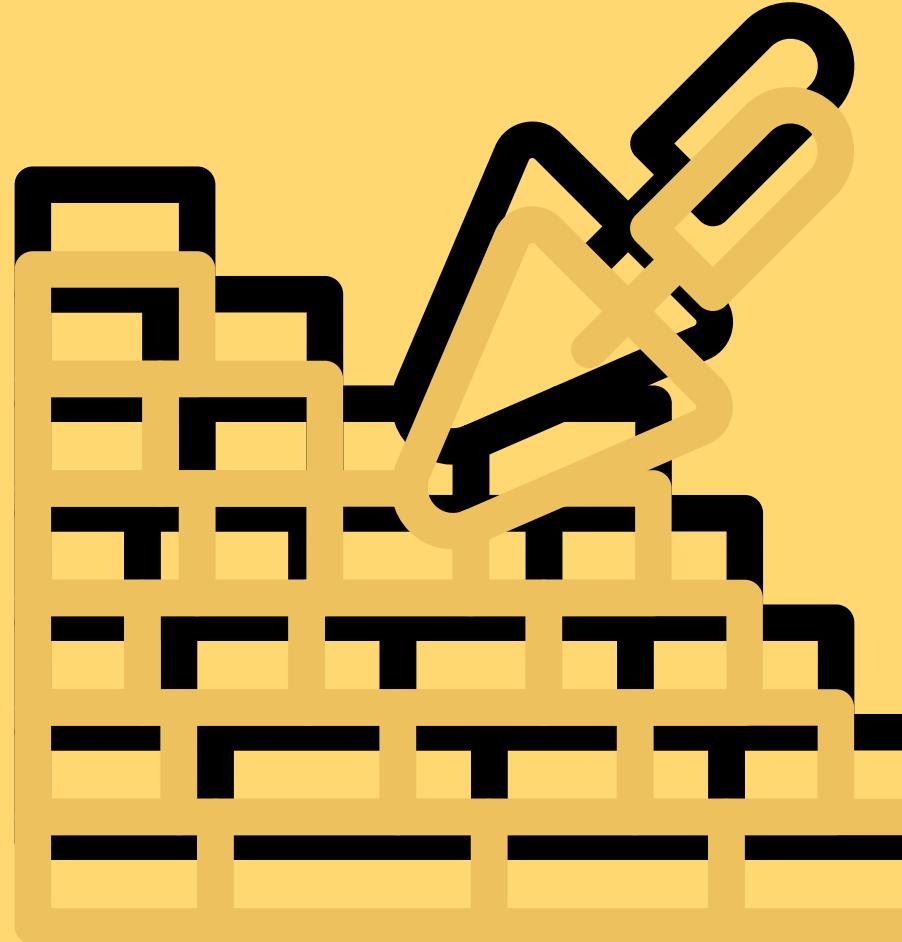




# FUNDAMENTAL ANALYSIS OF BALANCE SHEET AND KEY RATIOS.

## Reserves and surplus

This is the amount which the company has saved from its operations for future scaling and expenditure. This amount for Ambuja cements comes out to be a whopping 37000 crore approx which indicates that the company has strong potential for future growth and expenditure.



## Debt to Equity ratio

Its debt/equity ratio for the FY 24 is just 19% which is among the lowest in the sector. It has come down by 6 % as compared to previous financial year.

## Long term debt

The long term debt refers to the amount which the company has borrowed has to be paid in near future. Ambuja cements long term debt is just 657 crore for the previous financial year and it has been down by 32.61 % compared to the previous financial year.

## Current Ratio

This is the ratio we get by dividing current assets with current liabilities. For FY24 the current ratio comes out to be 2.33 which indicates company's ability to repay its short term borrowings.



# KEY RATIOS

Quick ratio	FY24	FY23	FY22
Return on assets	2.075	1.4956	1.7068
Earnings per share(EPS )	11.74	10.59	10.31

# PROFIT AND LOSS(PnL)

Print : Profit & Loss (N.F.)   **GO**

**Ambuja Cements**  
Standalone Profit & Loss account

----- in Rs. Cr. -----

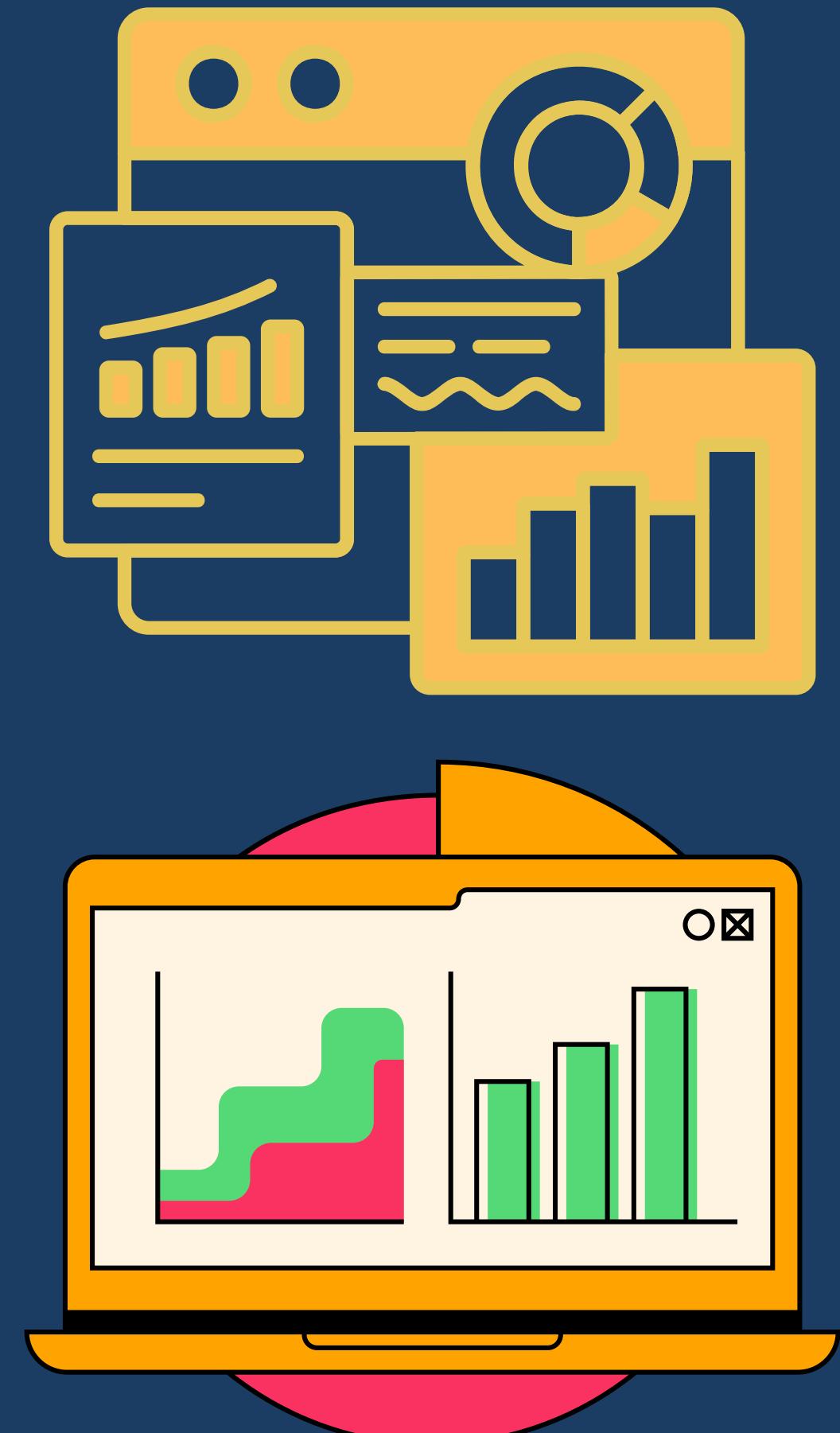
Previous Years ◆

	Mar 24	Mar 23	Dec 22	Dec 21	Dec 20
	12 mths	15 mths	12 mths	12 mths	12 mths
<b>INCOME</b>					
Revenue From Operations [Gross]	17,675.63	19,744.25	15,729.12	13,793.56	11,174.97
Revenue From Operations [Net]	17,675.63	19,744.25	15,729.12	13,793.56	11,174.97
Other Operating Revenues	243.71	241.18	0.00	171.39	196.89
<b>Total Operating Revenues</b>	<b>17,919.34</b>	<b>19,985.43</b>	<b>15,729.12</b>	<b>13,964.95</b>	<b>11,371.86</b>
Other Income	852.63	952.27	803.87	285.64	372.00
<b>Total Revenue</b>	<b>18,771.97</b>	<b>20,937.70</b>	<b>16,532.99</b>	<b>14,250.59</b>	<b>11,743.86</b>
<b>EXPENSES</b>					
Cost Of Materials Consumed	5,524.03	7,677.48	1,305.55	4,555.26	3,126.79
Purchase Of Stock-In Trade	2,495.03	1,032.82	642.97	381.39	197.31
Changes In Inventories Of FG,WIP And Stock-In Trade	-4.78	66.99	-53.64	-356.13	114.08
Employee Benefit Expenses	587.28	800.16	632.16	677.65	668.78
Finance Costs	162.25	127.97	94.50	90.94	83.05
Depreciation And Amortisation Expenses	937.95	832.42	627.72	551.24	521.17
Other Expenses	5,954.62	7,215.57	10,795.47	5,519.48	4,639.42
Loss: Inter Unit / Segment / Division					



# CONTINUATION

	Mar 24	Mar 23	Dec 22	Dec 21	Dec 20
	12 mths	15 mths	12 mths	12 mths	12 mths
<b>Profit/Loss Before Exceptional, ExtraOrdinary Items And Tax</b>	<b>3,123.27</b>	<b>3,212.32</b>	<b>2,488.26</b>	<b>2,850.94</b>	<b>2,414.38</b>
Exceptional Items	-15.82	-157.27	-76.56	-65.69	0.00
<b>Profit/Loss Before Tax</b>	<b>3,107.45</b>	<b>3,055.05</b>	<b>2,411.70</b>	<b>2,785.25</b>	<b>2,414.38</b>
<b>Tax Expenses-Continued Operations</b>					
Current Tax	706.57	496.38	360.61	690.79	652.04
Deferred Tax	86.66	5.18	0.00	13.92	-27.76
Tax For Earlier Years	-20.47	0.00	0.00	0.00	0.00
<b>Total Tax Expenses</b>	<b>772.76</b>	<b>501.56</b>	<b>360.61</b>	<b>704.71</b>	<b>624.28</b>
<b>Profit/Loss After Tax And Before ExtraOrdinary Items</b>	<b>2,334.69</b>	<b>2,553.49</b>	<b>2,051.09</b>	<b>2,080.54</b>	<b>1,790.10</b>
<b>Profit/Loss From Continuing Operations</b>	<b>2,334.69</b>	<b>2,553.49</b>	<b>2,051.09</b>	<b>2,080.54</b>	<b>1,790.10</b>
<b>Profit/Loss For The Period</b>	<b>2,334.69</b>	<b>2,553.49</b>	<b>2,051.09</b>	<b>2,080.54</b>	<b>1,790.10</b>
	Mar 24	Mar 23	Dec 22	Dec 21	Dec 20
	12 mths	15 mths	12 mths	12 mths	12 mths
<b>OTHER ADDITIONAL INFORMATION</b>					
<b>EARNINGS PER SHARE</b>					
Basic EPS (Rs.)	11.74	12.86	10.33	10.48	9.02
Diluted EPS (Rs.)	10.88	12.49	10.11	10.48	9.01

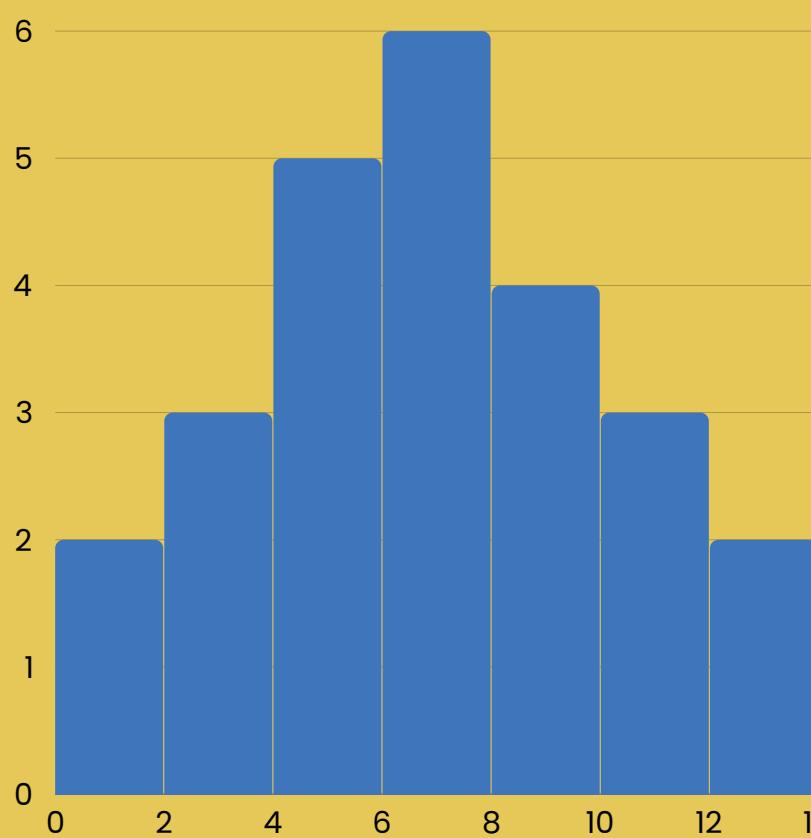


# ANALYSIS OF PROFIT AND LOSS STATEMENT



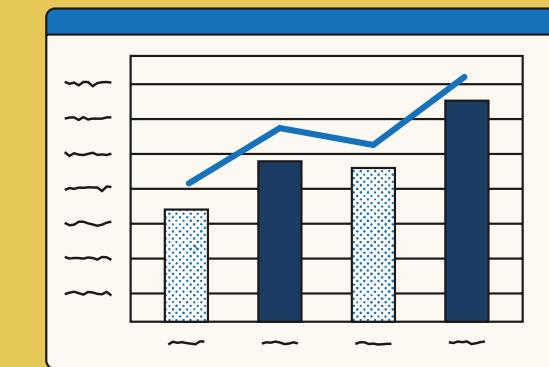
EPS has also seen growth by 30 percent from 9.02 in FY20 to 11.74 in FY21.

Revenue from operations have increased by almost 60% in the period of four years from fy2020 to fy 2024.



Due to rapid expansion process and many mergers and aquisitions expenditure is also increased by almost 67%

Despite heavy expenditures, the company remains to be highly profitable with PAT increasing by 30% in same 4-year period.



# WHY SHOULD YOU INVEST?

Ambuja cements is one the most sought-after cement companies of the world. It has a very strong brand value which other cement companies in India lack. After closely looking at fundamentals of the company, it seems that the company is all set to explode(expand) in 4-5 years time with expected target capacity at astounding 140 million tonnes per annum, almost 4-5 times of what we have currently. With the current government focusing heavily on infrastructure and its close association with the ADANI group indicating a bright prospect for the investors. With the world moving towards sustainability, Ambuja cements is already light years ahead of its competitors in this regard. It is 8 TIMES WATER POSITIVE!. Now with the government introducing many incentives for CSR And ESG Focused companies, this again tilts the investment air in its favour.

Therefore, with this pitch-deck, I have a clear mind and i.e.  
**INVEST!**





AMBUJA CEMENTS

# THANK YOU

for your time and attention

Present by Anmol Agrawal

