

adani

ACC
cement



**Ambuja
Cement**

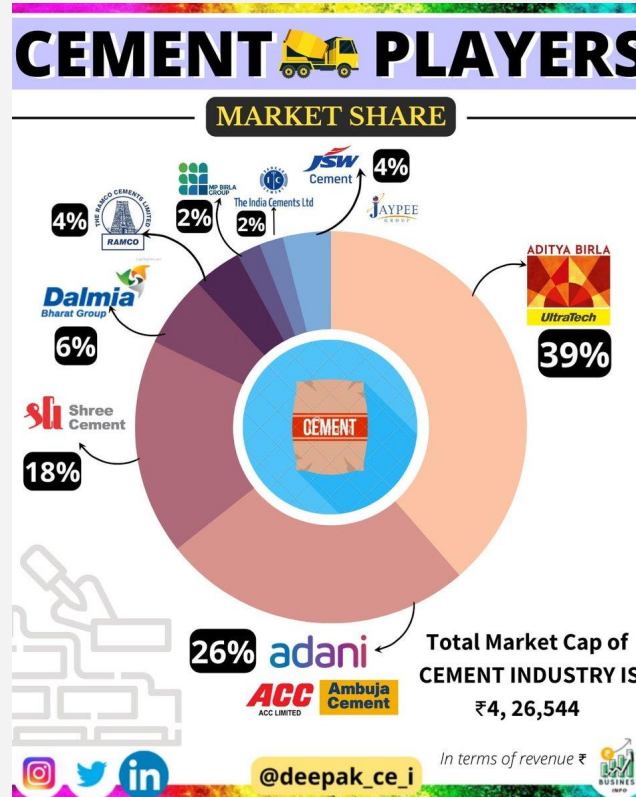
Business Case Study of Ambuja Cement

By
Oishik Biswas

Adani Cement Industry

- Adani group becomes India's 2nd largest cement maker with \$10.5 billion acquisition of Ambuja ACC.

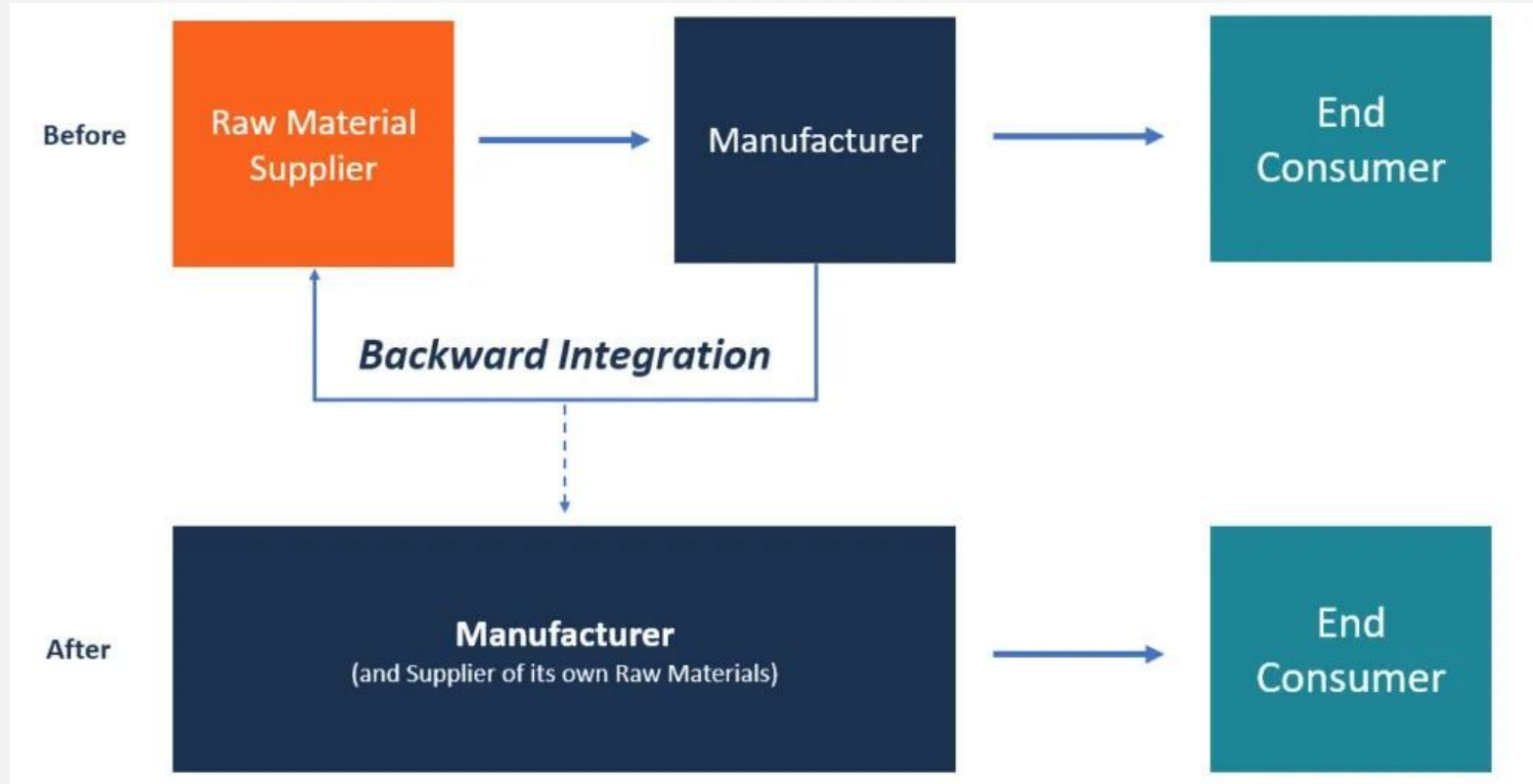
Adani Cement Industry Market Share



Backward Integration

- A company goes into acquire critical entities of its own supply chain to become more profitable to have a competitive edge over other rivals, to have a better control of supply chain.

Backward Integration



Adani Mega Infrastructure

- Adanis are builders, have an enormous business in construction in the infrastructure.
- They are building thousand kms of expressway, thousands of crores worth of ports, airports, power plants, residential and commercial projects line up.
- Require tonnes of cement and steel.
- They will use their own products in their own projects to increase profit.

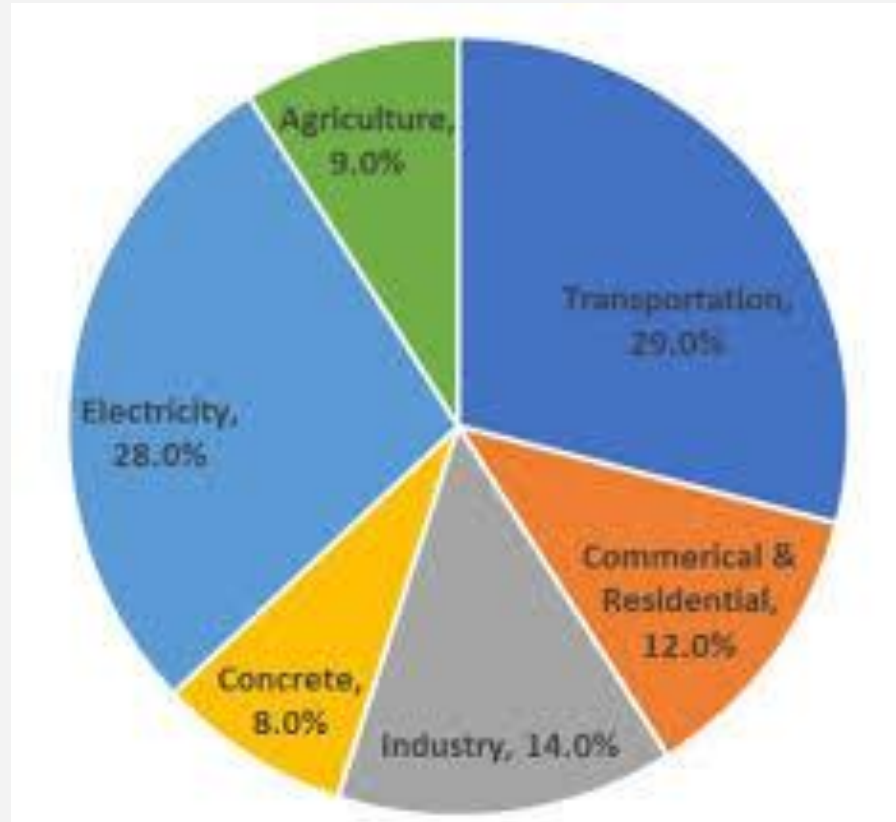
Adani Mega Infrastructure

- Adani plans to double Ambuja-ACC cement capacity to 140 million tonnes over 5 years.
- Swiss company Holcim, signed Paris agreement, net zero emission by 2050.
- Whole cement industry as one country would have been the 3rd highest greenhouse emitter, only behind China and US.
- Every year more than 4 billion tonnes cement produced, accounting for around 8% of global carbon emissions.

Adani Infrastructures



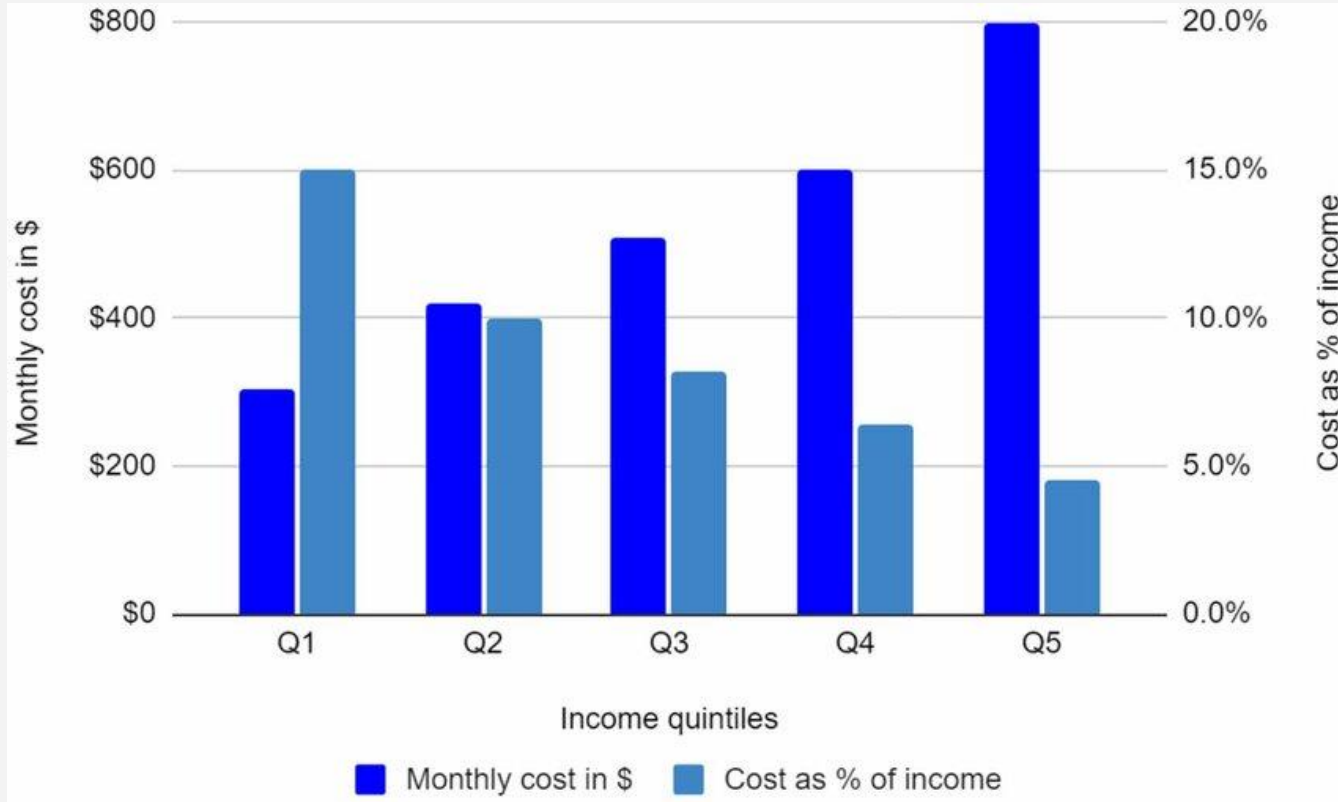
Concrete Industry Carbon Emission



Carbon Burden Tax

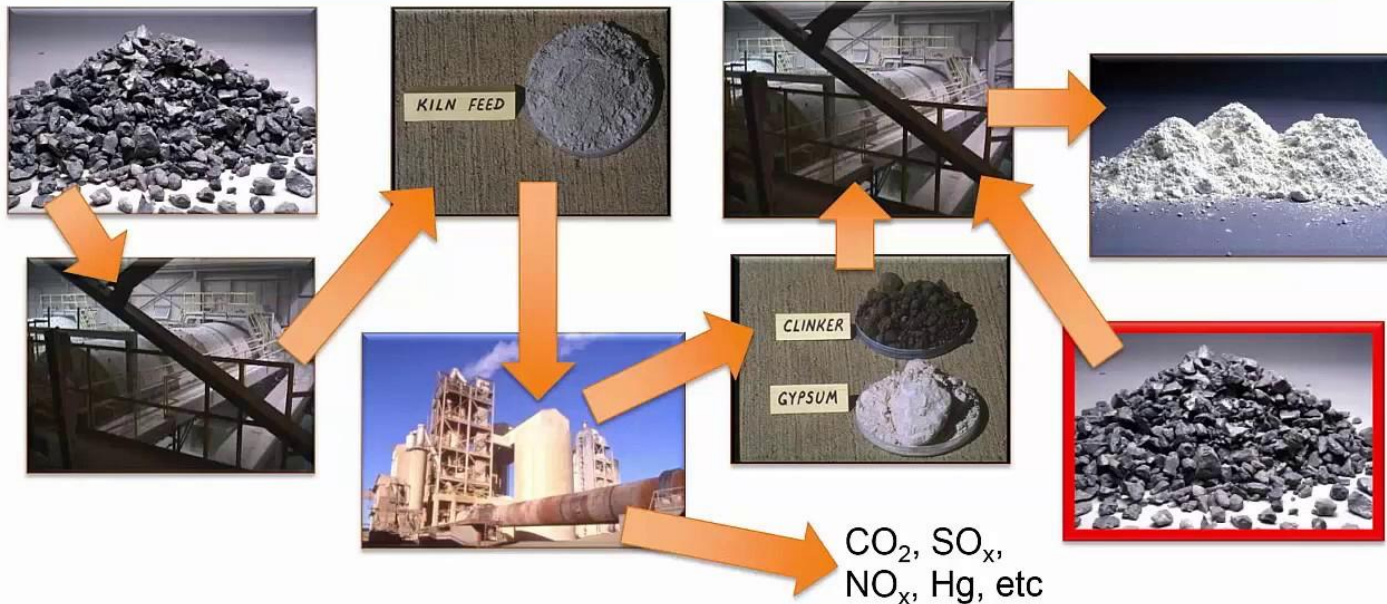
- If your emission level is beyond a certain limit, you will be charge a surcharge on top of the cost of your product.
- Holcim US transition US facility to low carbon portland limestone cement.
- ECO-pact concrete has a 30-100% reduced carbon footprint compared to standard concrete.
- Green and clean energies are expecting to become profitable in next 20 years.
- Around 26% of carbon emission of Holcim was in India.

Carbon Burden Tax



Portland Limestone Cement

What is Portland LIMESTONE Cement?



Ambuja Cement Revenue

EARNINGS REPORT

Ambuja Cement Q4 profit jumps 64% to ₹1,055 crore

RAJESH KURUP
Mumbai, May 1

AMBUJA CEMENT on Wednesday reported a 63.6% rise in its consolidated net profit at ₹1,055 crore for the fourth quarter ended March, compared with ₹643 crore in the comparable quarter a year ago.

The net profit includes an exceptional item of ₹132 crore and reversal of earlier year's tax provision of ₹137 crore.

The company's board also recommended a dividend of ₹2 per share.

During the quarter under review, the company's revenue rose 11.6% to ₹8,894 crore from ₹7,966 crore, while Ebitda rose 32.1% to ₹1,899 crore from ₹1,209 crore recorded in the same quarter of the previous fiscal, it said in a statement.

"Our impressive financial performance during the year is a testament to the resilience and adaptability of our business model, it mirrors the Indian economy, which



The Adani Group firm's revenue rose 11.6% to ₹8,894 crore; the company board recommended a dividend of ₹2 per share

has emerged as a bright spot amidst a challenging global economic scenario," Ambuja Cement CEO Ajay Kapur said.

During the quarter, the Adani Group firm's sales volume of clinker and cement grew 19.3% at

18.4 million tonnes, while kiln fuel cost fell by 17% to ₹1.31 to ₹1.84 per 1,000 kcal. Its Waste Heat Recovery Systems (WHRS) as a percentage of total power consumption rose by 4.5 percentage points to 13.5%, it said.

The firm, which completed three acquisitions (Singhi Industries, Asian Cements & GU in Tuticorin) has also increased its cement capacity by 11.4 MTPA to 79.9 MTPA. It targets to start a 6 MTPA clinkering and a 4.8 MTPA cement capacity in the fourth quarter of FY25.

In 2023, Ambuja Cement acquired Singhi Industries, which had a production capacity of 6.1 MTPA, and later in January, its subsidiary ACC closed the acquisition of the balance 55% stake in Asian Cements and Cements (2.8 MTPA).

The outlook for the industry remains positive, driven by pre-election spending, ongoing government emphasis on infrastructure development and sustained real estate activity, it said.

Ambuja Cement Revenue



Ambuja Cement Revenue

