



# **Third quarter and Nine months ended Year 2020 results**

**22<sup>nd</sup> October 2020**

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# Q3 2020 PERFORMANCE HIGHLIGHTS



## Q3 2020

- Robust EBITDA margin expansion; up by 710 bps to 24.3%
- EBITDA of ₹ 681 crore; up by 55%
- Profit after tax up by 88% to ₹ 441 crore
- Net Sales sees a growth of 10%
- Cement realisations were flat 2% YoY
- Total Operating expenses declined by ₹ 326 PMT, 8% YoY
- Company generated additional cash and cash equivalent of ₹ 867 Crore during January-September 2020
- Our Greenfield project at Marwar Mundwa, Rajasthan is on course and would commission in Q2 2021.

# 9M 2020 PERFORMANCE HIGHLIGHTS



## 9 M 2020

- EBITDA Margin at 24.4% up by 510 bps
- EBITDA of ₹ 1,879 crore ahead of 2019 by 17%
- EBITDA PMT increased by 31% to ₹ 1,203
- Profit after tax at ₹ 1,293 crore up by 20%
- Net Sales de-grew 7% due to Covid-19 situation
- Cement realisations up 3% YoY
- Total Operating expenses declines by ₹ 132 PMT, 3% YoY

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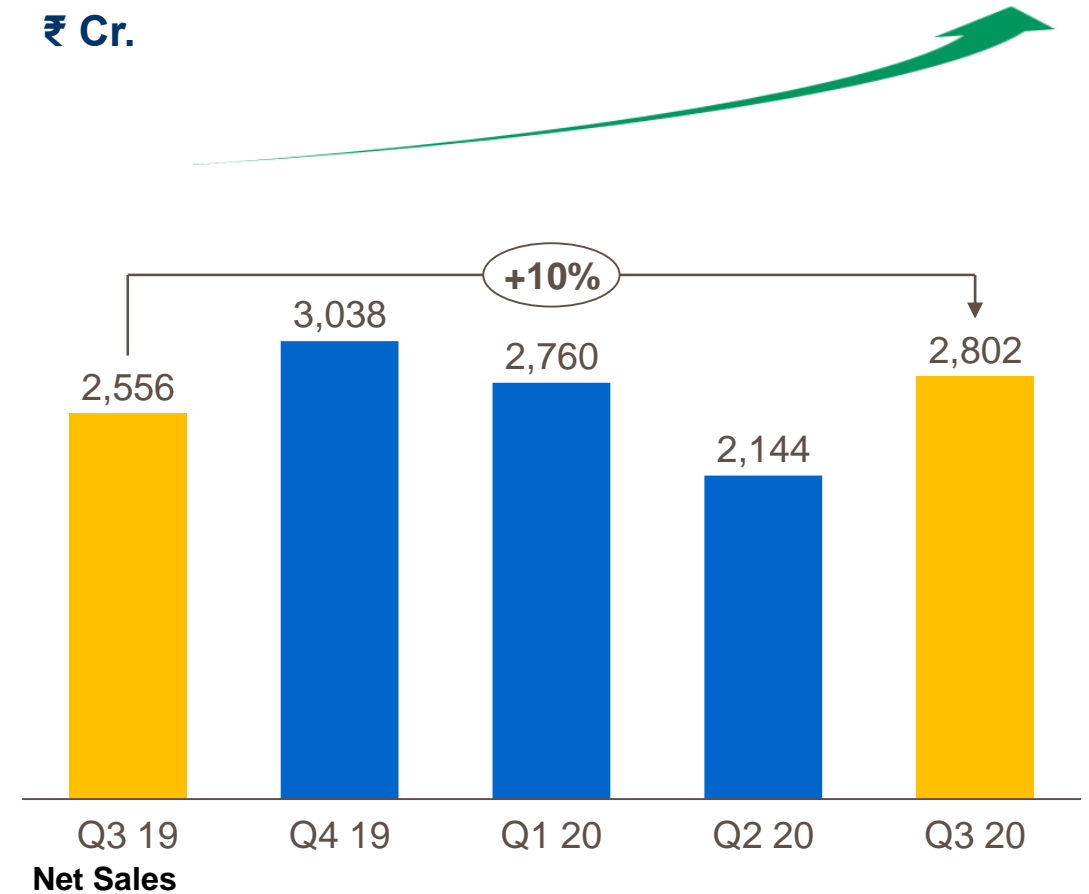
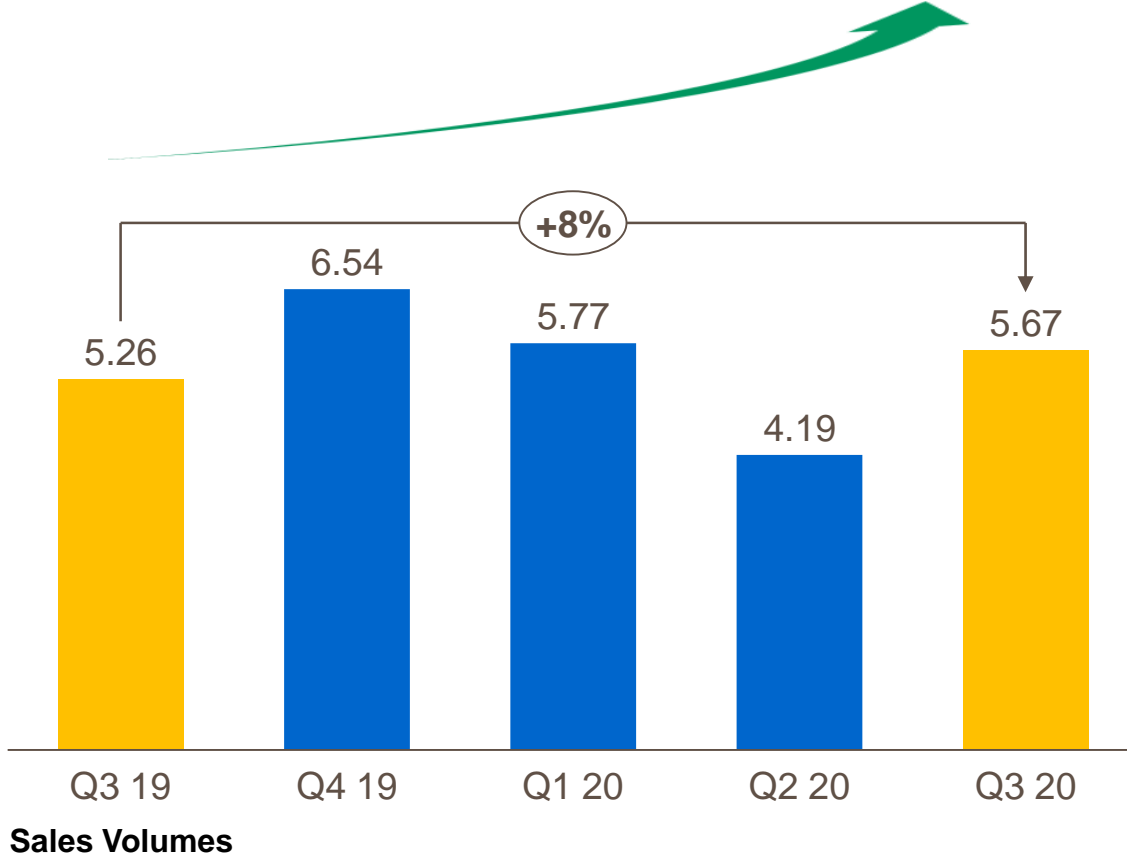
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# Q3 2020 PERFORMANCE ANALYSIS

## Sales Volumes and Net Sales

Million Tonnes – Cement & Clinker

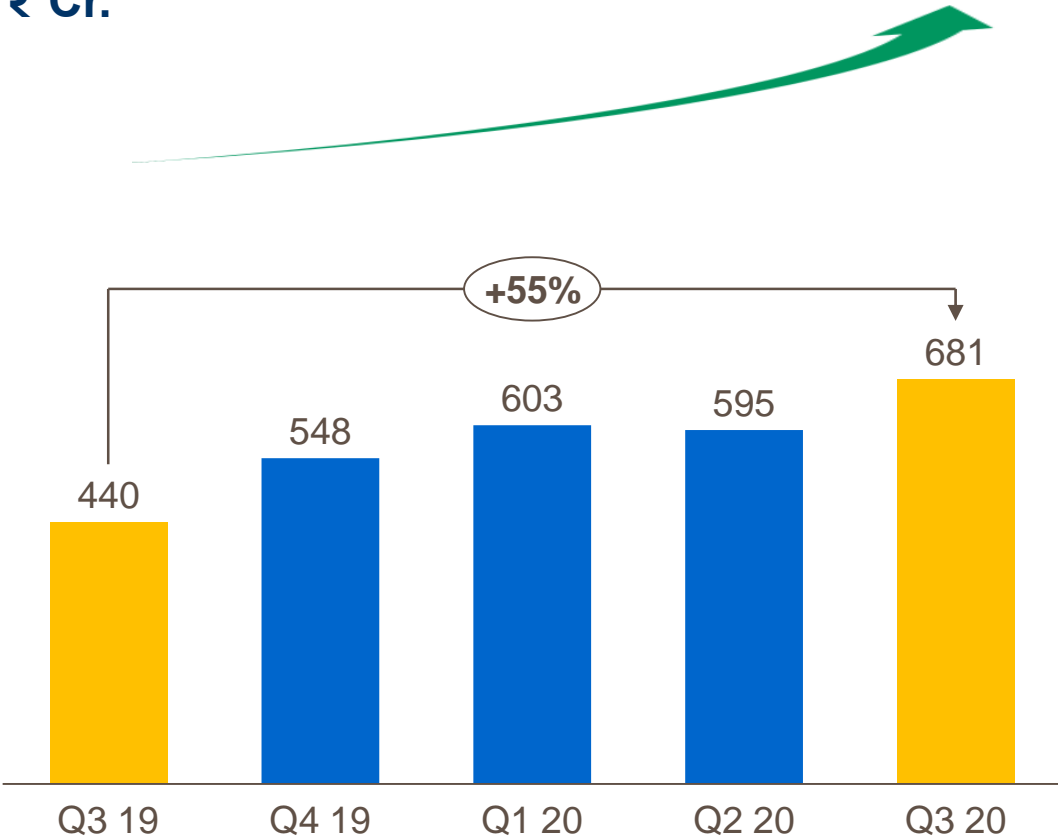
₹ Cr.



**Strong volume growth of +8% supported by positive price resulting in 10% growth in net sales**

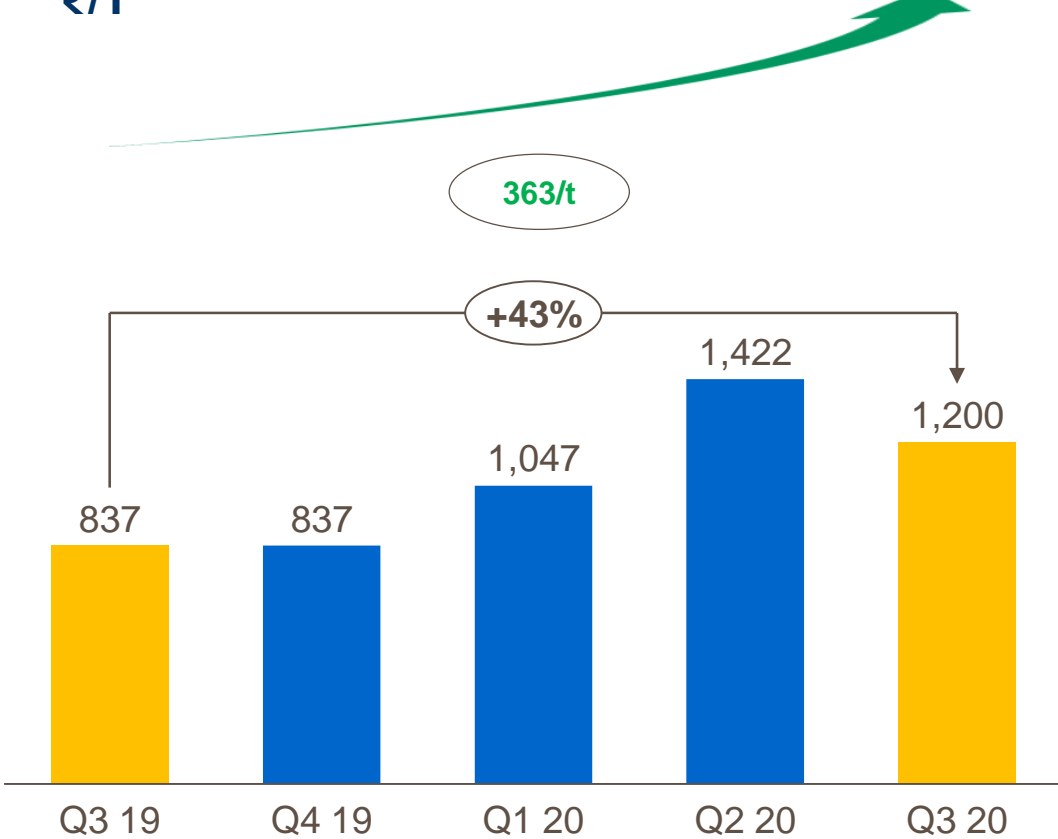
# EBITDA ₹ Cr and EBITDA / Tonne trend

₹ Cr.



EBITDA

₹/T



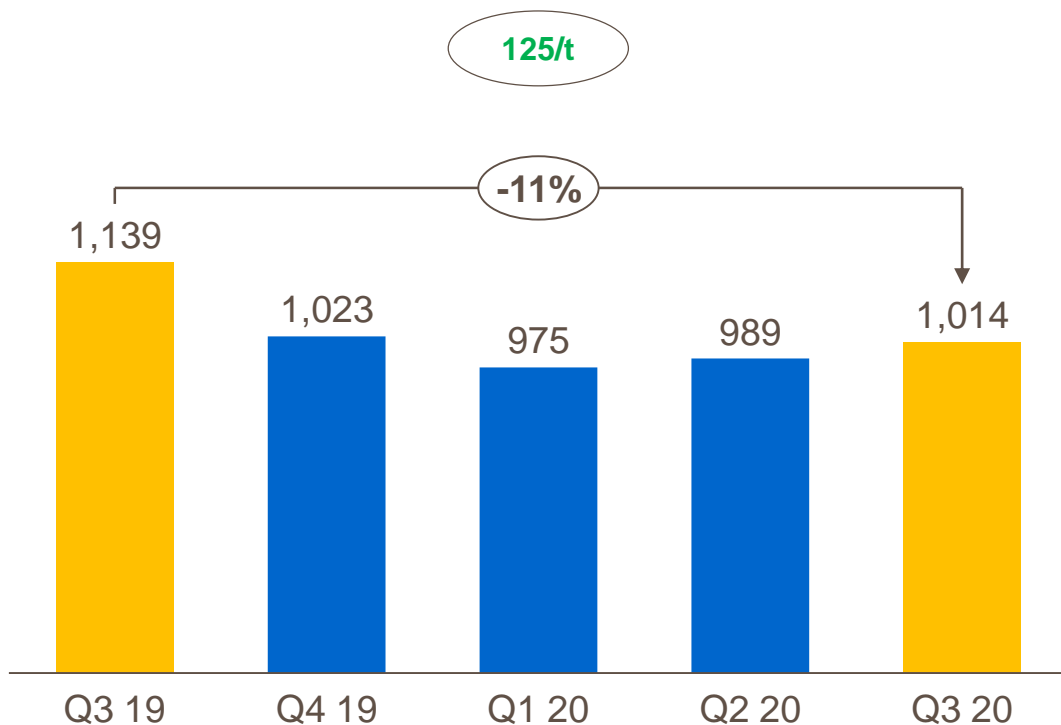
EBITDA PMT

**Absolute EBITDA recorded a solid growth of 55% to ₹ 681 Crore with a margin expansion of 710 bps  
EBITDA PMT increased by ₹ 363/t**



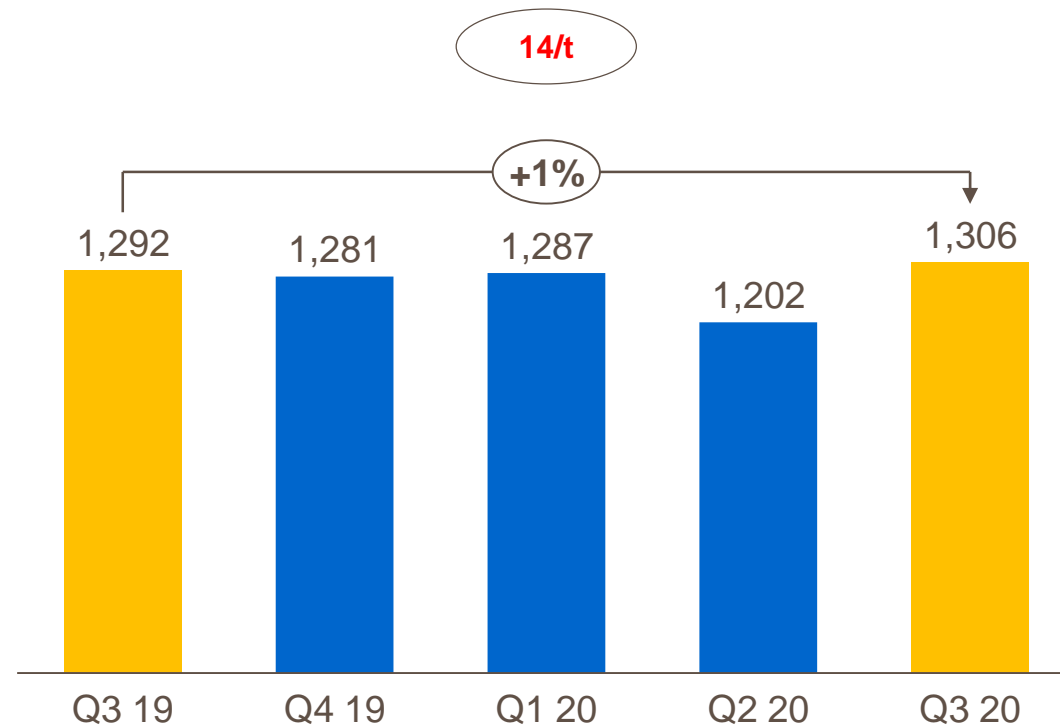
# Key Costs - Power & Fuel and Freight & Forwarding Costs trend

₹/T



Power & Fuel

₹/T

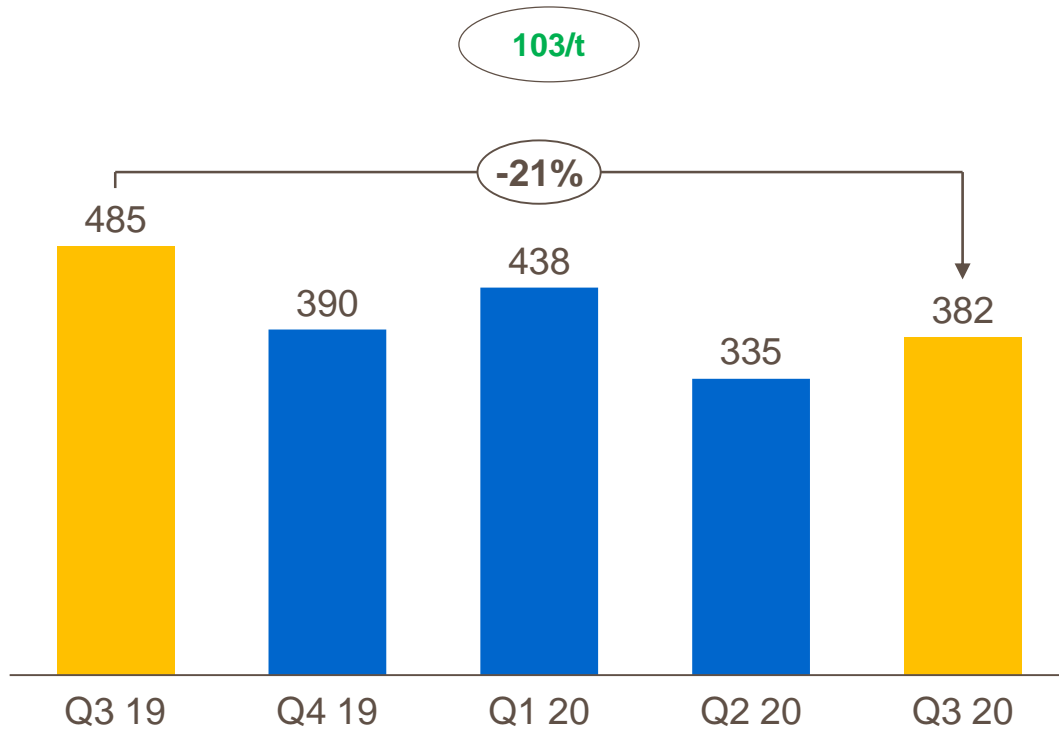


Freight & Forwarding

- **Power & Fuel costs lower by ₹ 125/t YoY on account of lower input costs,**
- **Re-negotiation of contracts and logistic efficiencies mitigated diesel price increase**
- **Network optimization has gained momentum due to acceleration of Master Supply Agreement (MSA) with ACC**

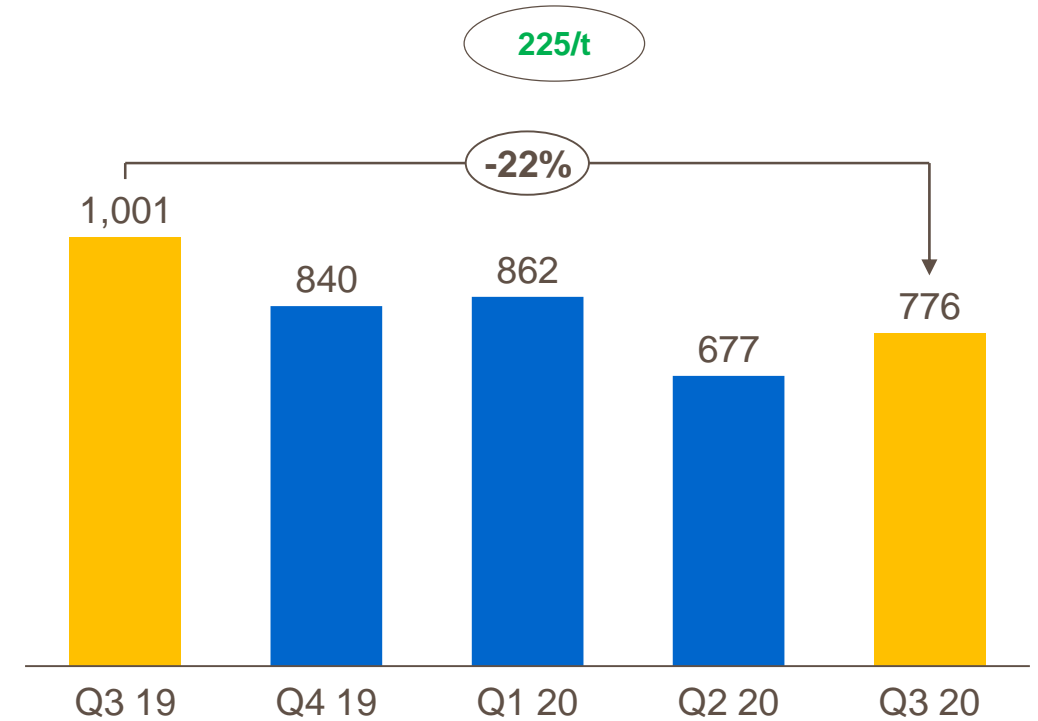
# Key Costs - Raw Material Costs and Other Expenses trend

₹/T



Raw Material

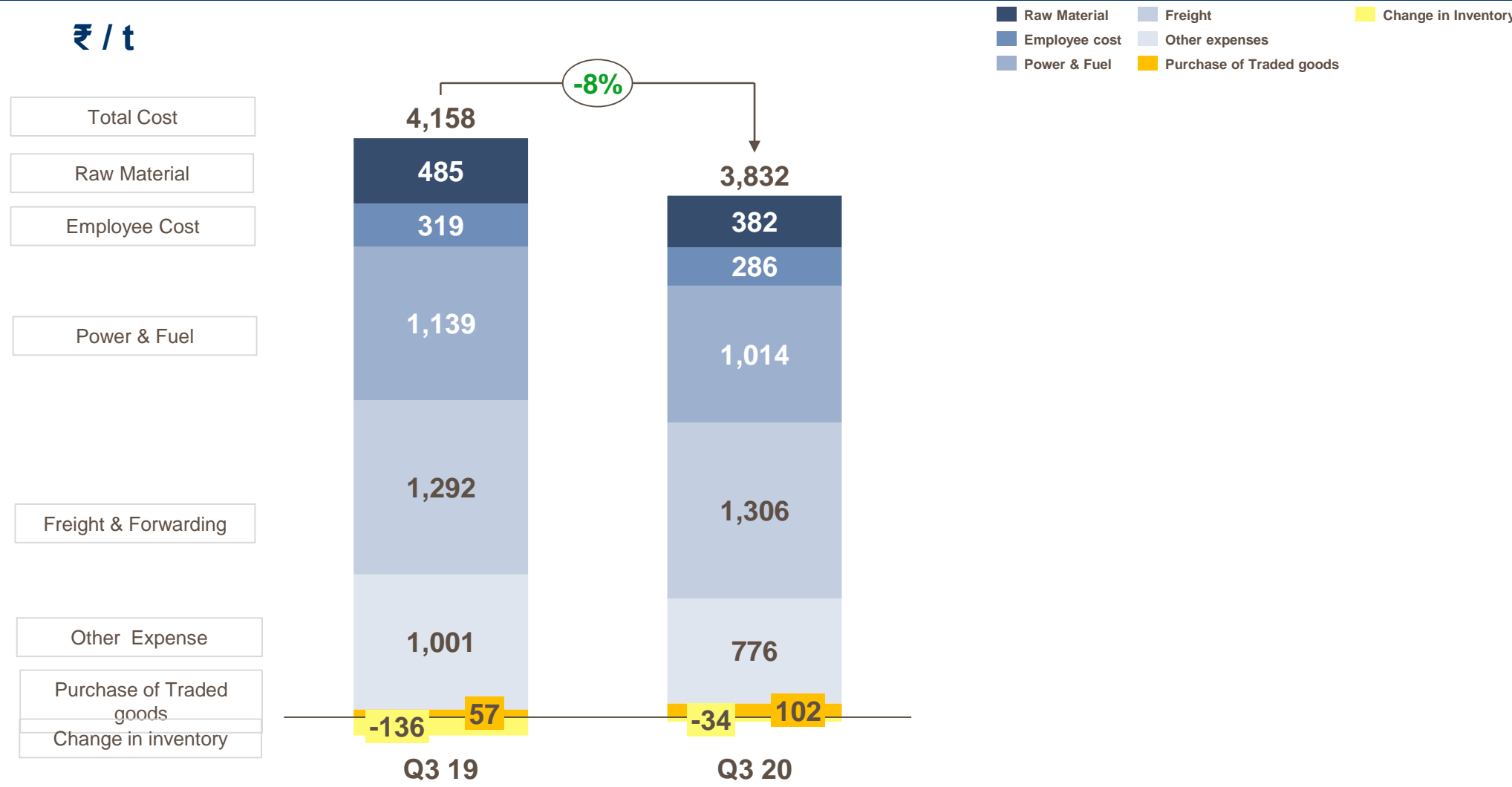
₹/T



Other expense

- **Raw Material costs decreased YoY mainly due to reduction in rate of Fly & Gypsum through new usage norms (wet fly ash) and negotiations**
- **Other expenses/tonne saw a sharp reduction YoY due to reduction in other fixed costs coupled with various cost optimisation initiatives**

# Total cost sees a reduction of 8% YoY i.e. Q3 2020 vs Q3 2019



**Total costs have declined on a year on year basis by 8% on account of lower input costs and result of our efficiency and cost control programs**

# Total cost sees a reduction of 3% YoY i.e. 9M 2020 vs 9M 2019



**Total costs have declined on a year on year basis by 3% on account of lower input costs and result of our efficiency and cost control programs**

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# Standalone Results: July-September 2020

Increase in EBITDA by 55% vs top line growth of 9.7%

Particulars	UOM	Jul – Sep 2019	Jul – Sep 2020	Δ %	Jan –Sep 2019	Jan –Sep 2020	Δ %
Sales volume	Mnt	5.23	5.67	8.4%	17.42	15.62	-10.4%
Price (Cement)	₹ per Bag	247	247	-0.1%	241	248	2.7%
Sales	₹ crore	2,556	2,802	9.7%	8,315	7,707	-7.3%
Other Operating Income	₹ crore	70	50	-28.6%	222	149	-32.7%
Revenue from operation	₹ crore	2,626	2,852	8.6%	8,537	7,857	-8.0%
Revenue from Operation (CLC)	₹ PMT	4,995	5,033	0.8%	4,873	5,030	3.2%
Operating expenses	₹ crore	2,186	2,171	-0.7%	6,936	5,978	-13.8%
Operating expenses (CLC)	₹ PMT	4,158	3,832	-7.8%	3,959	3,827	-3.3%
EBITDA	₹ crore	440	681	54.9%	1,601	1,879	17.3%
EBITDA Margin	%	17.2%	24.3%	7.1 pp	19.3%	24.4%	5.1 pp
EBITDA	₹ PMT	837	1,200	43.5%	914	1,203	31.6%
Depreciation	₹ crore	133	129	-3.2%	395	395	0.1%
EBIT	₹ crore	307	551	79.4%	1,206	1,483	23.0%
EBIT Margin	%	12.0%	19.6%	7.6 pp	14.5%	19.2%	4.7 pp
Finance Cost	₹ crore	22	18	-14.5%	60	60	-0.2%
Other non operating Income	₹ crore	63	52	-16.7%	361	333	-7.9%
Profit Before Tax	₹ crore	348	585	68.2%	1,507	1,756	16.5%
Tax Expenses	₹ crore	113	145	27.7%	434	463	6.8%
Profit After Tax	₹ crore	235	441	87.8%	1,074	1,293	20.4%
Earning Per Share	₹	1.18	2.22	88.1%	5.41	6.51	20.3%

## Q3 19 vs Q3 20

Increase in volume by 8% and decrease in ₹ PMT cost by 8% resulted in margin expansion by 7.1 pp

## YTD Sep 19 vs YTD Sep 20

Despite lockdown impact EBITDA is higher by 17% due to various cost initiatives

# Consolidated Results: July-September 2020

Particulars	UoM	Jul-Sep 2019	Jul-Sep 2020	Δ %	Jan-Sep 2019	Jan-Sep 2020	Δ %
Sales	₹ Cr	5,957	<b>6,071</b>	1.9%	19,576	<b>16,744</b>	-14.5%
Revenue from operations	₹ Cr	6,077	<b>6,169</b>	1.5%	19,982	<b>17,063</b>	-14.6%
Operating Expenses	₹ Cr	5,078	<b>4,820</b>	-5.1%	16,502	<b>13,400</b>	-18.8%
EBITDA	₹ Cr	999	<b>1,349</b>	35.1%	3,480	<b>3,663</b>	5.3%
EBITDA margin	%	16.8%	<b>22.2%</b>	5.4 pp	17.8%	<b>21.9%</b>	4.1 pp
Depreciation	₹ Cr	285	<b>290</b>	1.8%	843	<b>879</b>	4.3%
EBIT	₹ Cr	714	<b>1,059</b>	48.4%	2,637	<b>2,785</b>	5.6%
EBIT margin	%	12.0%	<b>17.4%</b>	5.4 pp	13.5%	<b>16.6%</b>	3.1 pp
Finance Cost	₹ Cr	38	<b>34</b>	-8.9%	117	<b>99</b>	-14.9%
Share in profit of joint venture	₹ Cr	5	<b>3</b>	-41.9%	14	<b>8</b>	-38.6%
Non Operating Income	₹ Cr	113	<b>97</b>	-13.7%	486	<b>350</b>	-28.0%
Profit Before Tax	₹ Cr	793	<b>1,125</b>	41.7%	3,019	<b>3,043</b>	0.8%
Tax Expenses	₹ Cr	260	<b>321</b>	23.5%	959	<b>905</b>	-5.6%
Profit Before Non Controlling Interest	₹ Cr	534	<b>804</b>	50.6%	2,061	<b>2,139</b>	3.8%
Non Controlling Interest	₹ Cr	149	<b>182</b>	22.1%	557	<b>505</b>	-9.3%
Profit After Non Controlling Interest	₹ Cr	385	<b>622</b>	61.6%	1,503	<b>1,633</b>	8.6%
EPS	₹	1.94	<b>3.13</b>	61.3%	7.57	<b>8.23</b>	8.7%

## Comments

- Quarter July to Sep 2020 Despite Industry de-growth of -2 to -5%, we achieved growth by +1%
- Operating efficiency has resulted in saving in cost

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# AMBUJA PRODUCT PORTFOLIO

## STRENGTH FOR THE CORE



STRENGTH THAT LASTS



STRONG LEAK-PROOF SLAB



BRIGHTNESS GETS AMBUJA'S STRENGTH



STRENGTH TO WITHSTAND WATER

## STRENGTH FOR THE DÉCOR



STRENGTH THAT LASTS



PERFECT PARTNER FOR STRENGTH & FINISH



STRENGTH THAT HOLDS BEAUTY



SMOOTHER FINISH CRACK-FREE WALLS



COLOUR THAT LASTS



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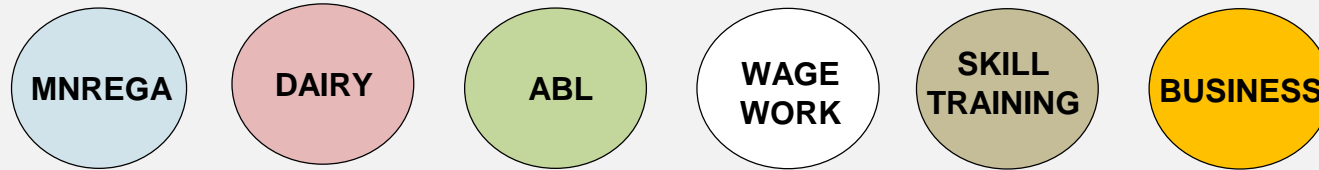
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# CSR Initiatives

## Community outreach through Ambuja Cement Foundation (ACF)

- SEDIs have trained 2,100 rural youth and placed 1,706 trainees in July–September 2020 through online skilling training programs. Renting tablets through SHGs or women federations have also been made available for trainees
- **Explored Livelihood Opportunities for returning migrants**  
ACF field teams outlined a few local livelihood opportunities for returning migrants as per the potential of the area. Options like:



- **Provision of Medical Equipment**  
Based on Gap Analysis and need for oxygen therapy in isolation centres around our plants, Ambuja recently provided 14 oxygen concentrators to isolation centres in 6 locations



**Joint Webinar with Harvard T H Chan School of Public Health – IRC on Multi-Stakeholder Engagement in Addressing NCDs in Rural India**

MNREGA Mahatma Gandhi National Rural Employment Guarantee Act, ABL Agro Based Livelihood, IRC – Indian Research Centre, NCDs - Non Communicable Disease

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