

Ambuja Cement

19th July, 2022

Bombay Stock Exchange Limited Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai – 400 023 Scrip Code: 500425	National Stock Exchange of India Ltd., Plot No.C/1 'G' Block Bandra – Kurla Complex Bandra East, Mumbai 400 051 Scrip Code: AMBUJACEM
Deutsche Bank Trust Company Americas Winchester House 1 Great Winchester Street London EC2N 2DB, ctas.documents@db.com	Societe de la Bourse de Luxembourg, S.A., 35A, Boulevard Joseph II, L-1840, Luxembourg ost@bourse.lu

Dear Sir,


Sub: Investor Presentation on the Financial Results for the quarter and half-year ended June 30, 2022

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed the Investor presentation on the financial results for the quarter and half-year ended June 30, 2022.

You are requested to kindly take the above information on your records.

Thanking you,

Yours faithfully,
For Ambuja Cements Limited



Rajiv Gandhi
Company Secretary
Membership No. A11263

AMBUJA CEMENTS LIMITED

Elegant Business Park, MIDC Cross Road 'B', Off Andheri Kurla Road, Andheri (E), Mumbai 400059.
Tel.: 022- 4066 7000 / 6616 7000, Fax: 022 - 6616 7711 / 4066 7711. Website: www.ambujacement.com
Regd. Off. : P. O. Ambujanagar, Taluka - Kodinar, Dist. Gir Somnath, Gujarat.
CIN : L26942GJ1981PLC004717

BUILDERS OF PROGRESS

IN INDIA





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COMPANY OVERVIEW

Ambuja Cement at a Glance



Vision

To be the most sustainable and competitive company in our industry



Mission

To create value for all

- Delighted Customers
- Inspired Employees
- Enlightened Partners
- Energised Society
- Loyal Shareholders
- Healthy Environment

31.45 MTPA

Cement Capacity

16%

Share of premium products*

89%

Share of blended cement

62%

Clinker Factor

8x

Water positive

6%

Thermal Substitution rate

~55,000

Channel partners across India

4,596

Talent pool

2.8 million

Value Shared –
(total beneficiaries)

Part of Holcim - a global leader in building materials and solutions

Note: All figures for Q2 2022

Data/numbers rounded off to the nearest integer

*Percentage of trade sales

Awards and Recognition



#ChangeTheStory campaign wins Gold in Environmental category at IMAGEXX Award 2022



#ChangeTheStory campaign awarded Bronze at Abby Awards under green category



Ambuja Kawach awarded at Customer FEST Show 2022. "Best use of Innovation to Enhance Customer Experience"



Rabriyawas Plant wins prestigious National Safety Award (Mines) for Ras-II for recording the lowest injury frequency rate (per lakh man shift)



Ambuja has been Ranked 23rd in BW (Business World) India's Most Sustainable Companies

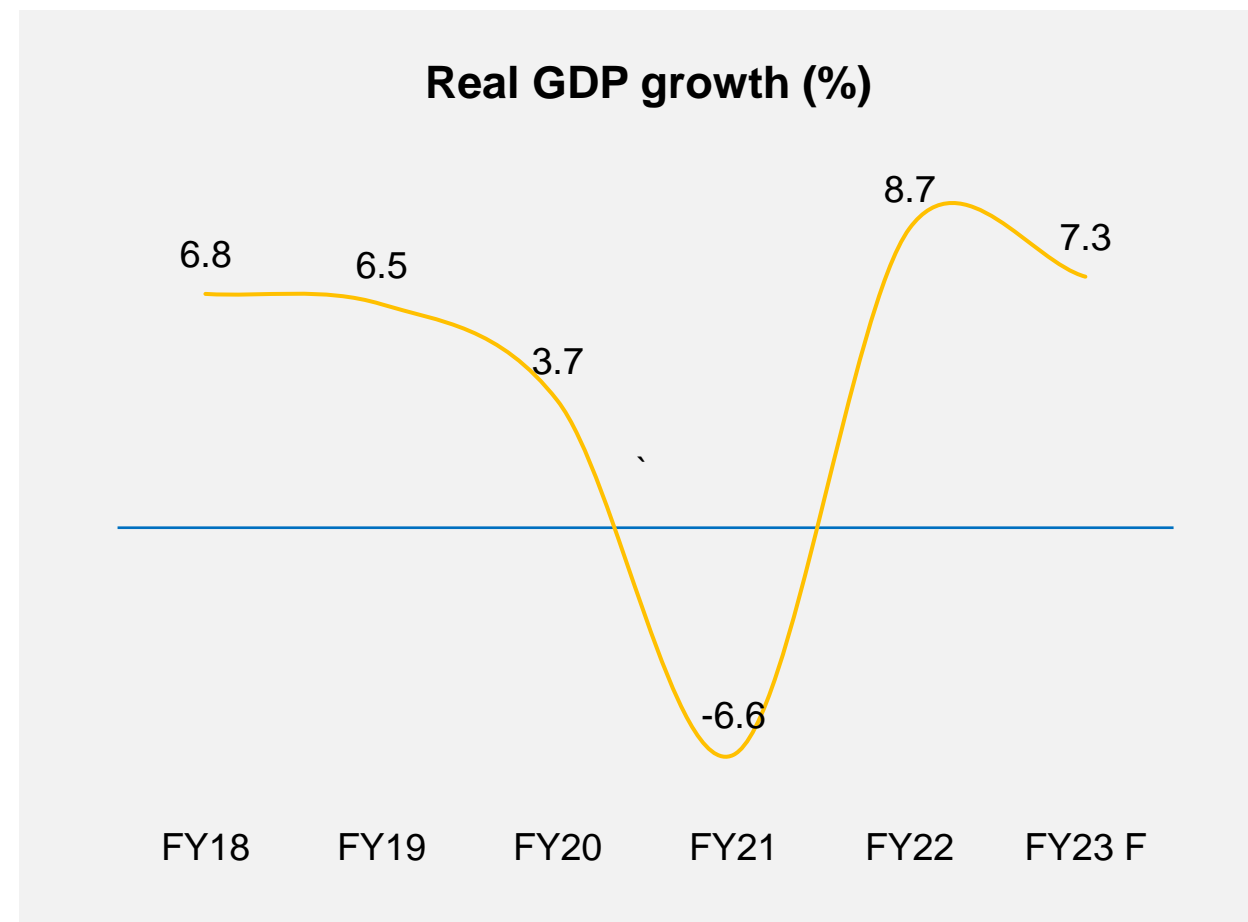
The Company featured in the top 5 in 2021 on Hurun index for impactful work towards creating a sustainable future



ECONOMY AND SECTOR UPDATE

Economy Highlights

- The recovery in domestic economic activity is gathering strength (*RBI MPC June 2022 meeting note*)
- Rural consumption should benefit from likely normal monsoon
- Investment activity is expected to be supported by improving capacity utilisation, government's capex push, and strengthening bank credit
- Geopolitical tensions, elevated commodity prices, supply bottlenecks and tightening global financial conditions are key factors to look out for
- India GDP expected to grow @ 7.3% for April-March 2023 (*Crisil Estimates*)



Favourable Sectoral Growth Drivers



Housing

- Focus on PMAY (Urban & Rural) scheme to continue with 3.9 Mn Urban and 5.4 Mn Rural houses under construction / implementation
- Over 185-195 million sq. ft of real estate projects to be launched in FY23 across top 6 cities
- Good agri production, healthy reservoir levels and buoyant farm income to drive demand for rural housing



Infrastructure

- Road segment to be a strong demand driver
- Momentum to continue in Urban Infrastructure, Bharatmala and Metro projects across states
- Continuous push for infra projects by government with significant outlay in State budgets



Industrial / Commercial

- Implementation of PLI scheme to generate strong capex
- Increasing demand for warehouses and data centers
- Fresh capex uptick in mature capital-intensive sectors (steel and cement)
- Growing demand for office space

PLI: Production Linked Incentive ; Mn - Million
Source: CMIE, CRISIL, State Budget Documents

Strategic Priorities Driving Sustainable Growth



Accelerating
GROWTH

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Delivering **SUPERIOR
PERFORMANCE**

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Leading in
SUSTAINABILITY

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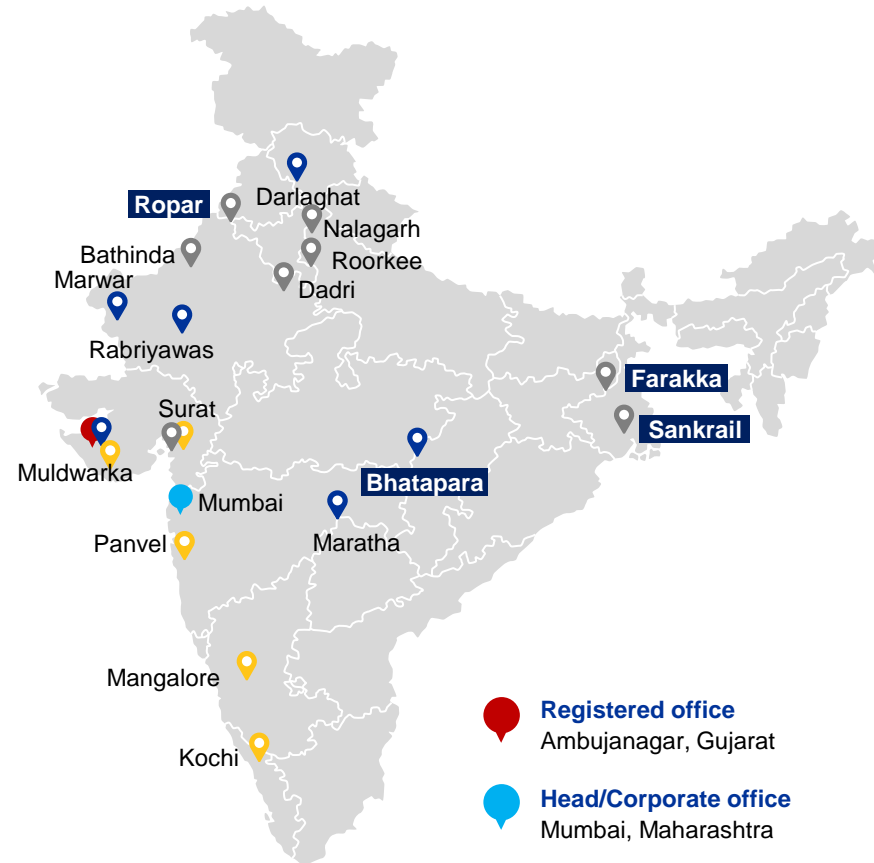


**ACCELERATING
GROWTH**

Accelerating Our Growth Journey

- **Ropar, Punjab** - Brownfield expansion of 1.5 MTPA cement grinding
- **Bhatapara, Chhattisgarh** - integrated facility with:
 - 3.2 MTPA brownfield clinker expansion at Bhatapara
 - 7.0 MTPA cement grinding expansion at existing location (Sankrail and Farakka) and greenfield grinding unit at Barh, Bihar
- Swift ramping up of recently commissioned plant at Marwar, Rajasthan
- Securing limestone reserves to support long term growth

MTPA: Million Tons Per Annum



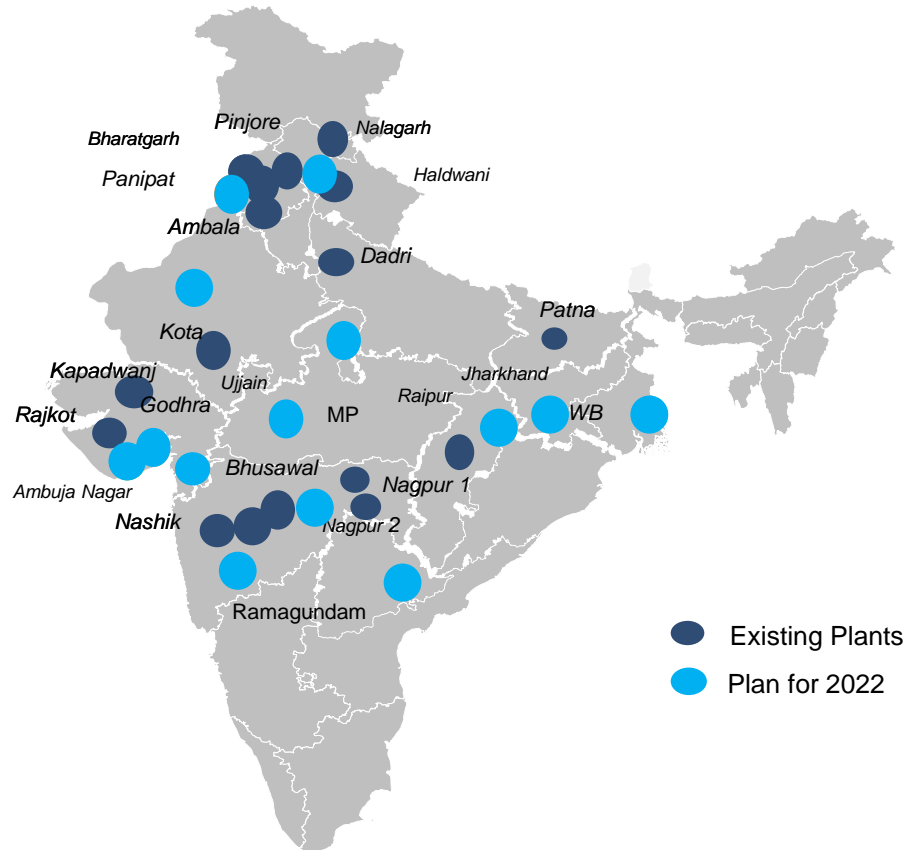
Integrated cement plants	
1.	Ambujanagar, Gujarat
2.	Darlaghat, Himachal Pradesh
3.	Maratha Cement Works, Maharashtra
4.	Rabriyawas, Rajasthan
5.	Bhatapara, Chhattisgarh
6.	Marwar, Rajasthan

Standalone Grinding units	
1.	Ropar, Punjab
2.	Bathinda, Punjab
3.	Sankrail, West Bengal
4.	Roorkee, Uttarakhand
5.	Farakka, West Bengal
6.	Dadri, Uttar Pradesh
7.	Nalagarh, Himachal Pradesh
8.	Surat, Gujarat

Bulk cement terminals	
1.	Muldwarka, Gujarat
2.	Panvel, Maharashtra
3.	Kochi, Kerala
4.	Surat, Gujarat
5.	Mangalore, Karnataka

Expanding Solutions and Products

National footprint

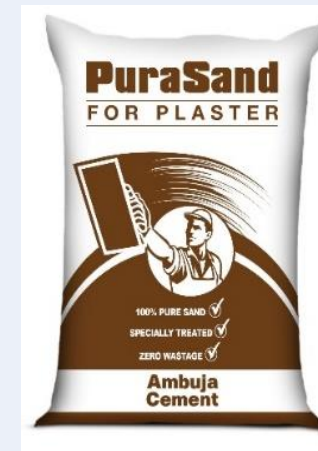


Ambuja Cool Walls: The most sustainable, environment friendly wall solutions

- Less energy requirement - Low carbon emission
- Pond fly ash - 70% raw material
- Zero soil erosion
- Low thermal conductivity leading to heat reduction
- No curing, saves water

Ambuja Pura Sand: Towards sustainable solution

- Consistent graded, silt-free, pure, manufactured sand
- Protects riverbeds and related ecosystem





**DELIVERING
SUPERIOR
PERFORMANCE**

Green Power



- Waste Heat Recovery (WHRS) projects at Marwar, Darlaghat and Bhatapara plants on track, to be commissioned in Q3 2022
- Next phase of WHRS projects at Ambujanagar and Maratha in full swing
- Total WHRS capacity to reach ~87 MW post implementation of the above projects
- Efforts underway to enhance WHRS capacities and increase renewable energy

Alternate Fuel and Raw Materials



- Usage of waste generated through industrial, municipal and biomass as fuel in the kilns
- Highest ever waste processed during April-June 2022 quarter
- Alternate fuel forming ~6% of kiln fuel mix
- Increased usage of waste derived resources (flyash and slag) in the cement production

Operational Excellence



- Reduction in thermal & electrical energy consumption
- Reduction in clinker factor
- Increased share of special products
- Network optimisation through MSA
- Achieving logistic efficiency with
 - Reduction in lead distance
 - Increase in direct dispatches
 - Warehouse footprint optimisation

Scaling Up Innovation and Digitalisation



Manufacturing

- Video Analytics at packing plants
- Mines of Tomorrow
- Predictive Maintenance
- Plant Solutions - Intelligent Asset Management
- Robotics Lab
- Drones for inspections



Sales and Marketing

- Dealer Connect
- Loyalty Program Management
- Sales Force Automation
- Revenue & Margin Management
- Unified CRM



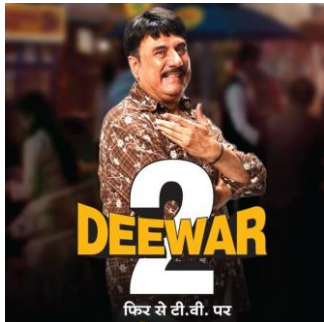
Logistics

- Fleet Management
- Leveraging Blue Yonder
- Enhancing Logistics Infrastructure
- E-tendering / reverse auction



Products

- Development of innovative products to deliver superior performance (Low curing and high early strength cement, LC3 – Limestone Calcined Clay Cement and Low CO₂ Binders)
- Special / premium cement contributes >16% of total trade sales



“Deewar 2” Ad Campaign (TV & Digital)

- **Integrated Media Campaign** on leading TV News, Sports Channels & Digital Platforms (YT & OTT)
- **TV** ~ Reach 49 @ 1+ (20th May – 30th June)
- **Digital** ~ 28Mn Reach, 86% VTR & 90% VCR



Initiatives to support Channel Partners

- **Google My Business** - Industry first hyperlocal initiative
- Over 200+ locations live in Rajasthan & Gujarat; Expanding shortly to other locations
- Closing tie-ups with 3rd Party Marketplaces
- Received strong response



Partnership with BCCI

- Principal Sponsors **IND vs SA 2022 T20I** (June 2022)
- **On-ground brand presence** through perimeter boards, rope, sight screens, and backdrops
- Unique Award: ‘**Ambuja Strongest Performer**’

Strengthening Ties with IHBs and Contractors

Ambuja Signature Club launched for deepening ties with architects & engineers through family engagement programs



Organised National Webinar on - Ultra high performance concrete: Future of construction



Ambuja IHB Clinic launched in Gujarat, engaging IHBs and contractors



~1 lakh contractors are part of Ambuja Abhiman (loyalty Program)
Launched Ambuja Darpan (knowledge and skill building program)



Griha Laxmi Conferences were organised to strengthen bonds with channel through family engagement, rewarding top performers and motivating them



Architectural Drawing services, Instant Mix proportion and modular curing solutions offered by our Technical Services team benefitted 12000+ consumers





**LEADING IN
SUSTAINABILITY**



Optimising Resource Utilisation

- Continuously increasing the usage of flyash and share of blended cement resulting in reduction of CO₂ emissions
- Improving flyash availability through - Installation of flyash dryers; Augmentation of handling and storage capacity; Increased use of wet / conditioned flyash



Climate and Energy

- Installation of Waste Heat Recovery Systems (WHRS) and solar power plants across locations
- Enhancing efficiency through focused reduction on energy consumption
- Development of new products with low CO₂ emission
- Reduction in lead distance and increase in direct dispatch through use of analytics



Circular Economy

- Continuous improvement in Thermal Substitution Rate (TSR) through increased usage of waste material in kiln
- Introduced complex waste and Low Flash Point waste
- Chlorine by-pass systems and Alternative fuel Pre & co-processing facility being commissioned at plants
- Driving advocacy efforts on coprocessing



Water

- Higher use of recycled water and rainwater harvesting
- Develop innovative products focused on sustainability parameters (including lower water usage)
- Certified over eight times water positive - a testament to the success of efforts to conserve water



Usage of Spent Pot Lining (SPL) at Bhatapara

- Spent Pot Lining (SPL) is waste material generated by Aluminum industry
- Geocycle for the very first time in India has achieved co-processing of a critical waste stream like SPL, on such a large scale
- It is one of the major source of Hazardous waste in Bhatapara



Highest RDF volumes disposed at Darlaghat

- Geocycle has safely disposed ~8,000 Tons of RDF (Refuse Derive Fuel) at Darlaghat facility
- Advantages being reduction in coal consumption and emissions

Corporate Sustainability Campaign

CHANGE THE STORY

#CHANGESTHESTORY MOMENT

Yielding engagement through User Generated content



DIGITAL BRAND PROPERTIES

Digital brand properties like Changemakers



BUILDING THOUGHT LEADERSHIP

Establishing thought leadership through exclusive Green Blog Series



MOMENT MARKETING

Leveraging Moment Marketing Days for Campaign's Brand Extension



INTERNAL COMMUNICATION

Employee Engagement Initiatives



PLEDGE CAMPAIGN

Garnered ~3500+ pledges



Sustainability Targets and Achievements

Sustainable Development Plan 2030



Climate and Energy



Circular Economy



Water and Nature



People and Communities

Lead metrics	CO ₂ Reduced (kg CO ₂ /ton of cementitious material)	WASTE Re-used (Million tons)	WATER Saved (Fresh water consumption: Litre/t cementitious material)	VALUE Shared (Million beneficiaries)
Performance H1 2021	529	4.6	60	2.7
Performance H1 2022	514	4.7	53	2.8
Target 2030	453	21	62	3.5
SDGs linked				

SDGs: Sustainable Development Goals

Community Outreach through Ambuja Cement Foundation (ACF)

New Initiatives undertaken

- Sub-Centre of SEDI Surat inaugurated
- SEDI Bilaspur, (Chhattisgarh) begins operations
- New Ambuja Health & Wellness Centre in Deorani, (Chhattisgarh)

New Partnerships

- **NABARD:** New Skill Development Project in SEDI Chandrapur (Maharashtra) and Watershed Project in Mandi (Himachal Pradesh)
- **Parivartan** (HDFC Bank): Continued support for 4 SEDIs in Haridwar, Roorkee (Uttarakhand), Noida & Lucknow (UP), SMART school project in Mirzapur & Banaras, (UP)



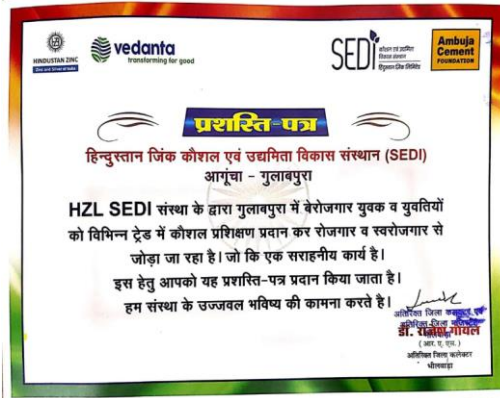
Inauguration of
SEDI Sanand



Outreach in H1: 6,87,634

- 6,983 youth trained under SEDI
- 20,291 people reached through water conservation project
- 2,41,431 beneficiaries reached through agro-based livelihood
- 2,16,656 beneficiaries reached through community health program

Recognised for our Community Development Efforts



Awards

- Appreciation of SEDI Agoocha and Jaitaran (Rajasthan) at district and sub-district level
- KVK Mansa (Punjab) awarded Best Work in Water Management
- ACF Chandrapur's Core village Mangi awarded SMART village at District Level

Events

- On the occasion of World Environment Day, a virtual event on Water Stewardship & Sustainable Environment with key speakers from the water & sustainability industry
- A virtual webinar by ACF and Harvard T.H.Chan School of Public Health on Dissemination of research findings of community based NCD interventions in Punjab

KVK : Krishi Vigyan Kendra


NCD: Non-Communicable Disease




PERFORMANCE REVIEW

Performance Highlights – Q2CY 2022 (Standalone)


7.39 mn tons

Sales Volume* (15% YoY) 


INR 3,958 cr

Net Sales (18% YoY) 


INR 685 cr

Op. EBITDA (-29% YoY) 


INR 531 cr

Op. EBIT (-36% YoY) 

INR 1,138 cr

PBT (18% YoY) 

INR 1,048 cr


Profit After Tax (45% YoY) 

cr: crore


*Cement and Clinker

Performance Highlights – H1CY 2022 (Standalone)


14.89 mn tons

Sales Volume* (9% YoY) 


INR 7,813 cr

Net Sales (13% YoY) 


INR 1,475 cr

Op. EBITDA (-24% YoY) 


INR 1,170 cr

Op. EBIT (-30% YoY) 

INR 1,792 cr

PBT (-3% YoY) 

INR 1,543 cr

Profit After Tax (11% YoY) 

cr: crore

*Cement and Clinker

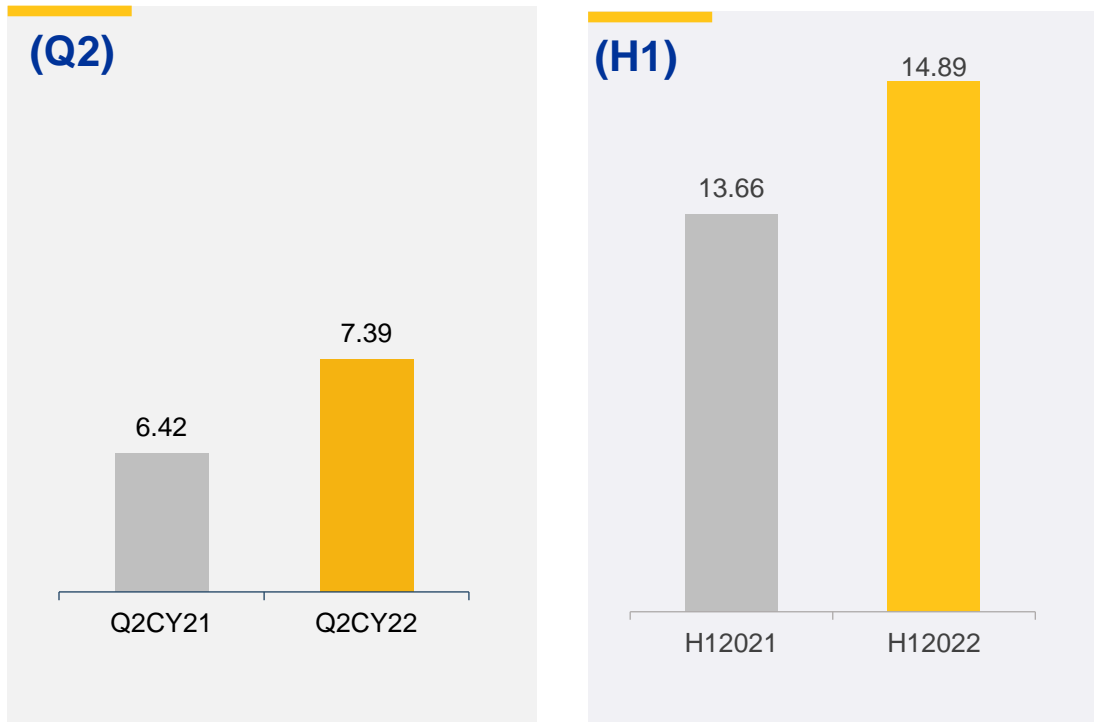
Financial Results – Standalone

	Quarter Ended June '22			Half Year ended June '22		
(All amounts in ₹ Crore)	2021	2022	Change %	2021	2022	Change %
Net Sales	3,342	3,958	18.4%	6,921	7,813	12.9%
EBITDA	960	685	-28.7%	1,936	1,475	-23.8%
EBITDA (%)	28.7%	17.3%	-11.4 pp	28.0%	18.9%	-9.1 pp
Operating EBIT	829	531	-36.0%	1,681	1,170	-30.4%
Operating EBIT Margin (%)	24.8%	13.4%	-11.4 pp	24.3%	15.0%	-9.3 pp
Profit Before Tax	967	1,138	17.6%	1,853	1,792	-3.3%
Tax Expenses	243	90	-63.0%	465	249	-46.4%
Profit After Tax	723	1,048	44.9%	1,388	1,543	11.2%
Earning Per Share	3.64	5.28	44.9%	6.99	7.77	11.2%

Performance Analysis

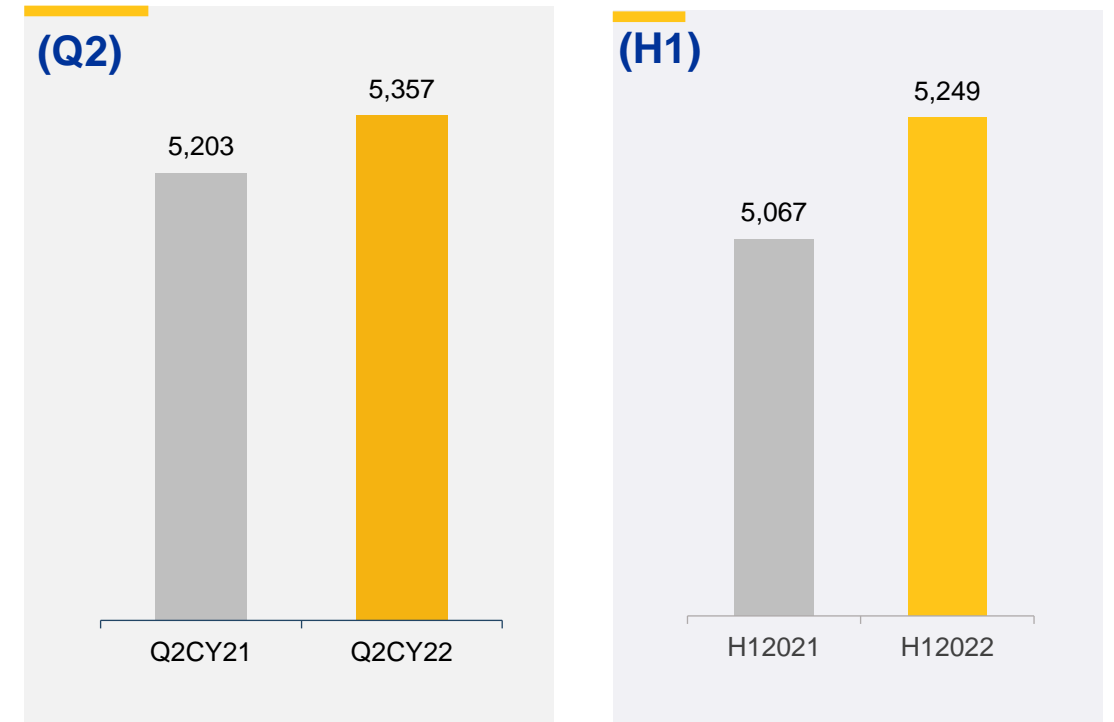
Sales Volume & Realisation

Sales volume – Cement + Clinker
(million tons)



- Swift ramp up of recently commissioned Marwar plant
- Q2CY21 volumes impacted by covid

Realisation
(₹/ton)

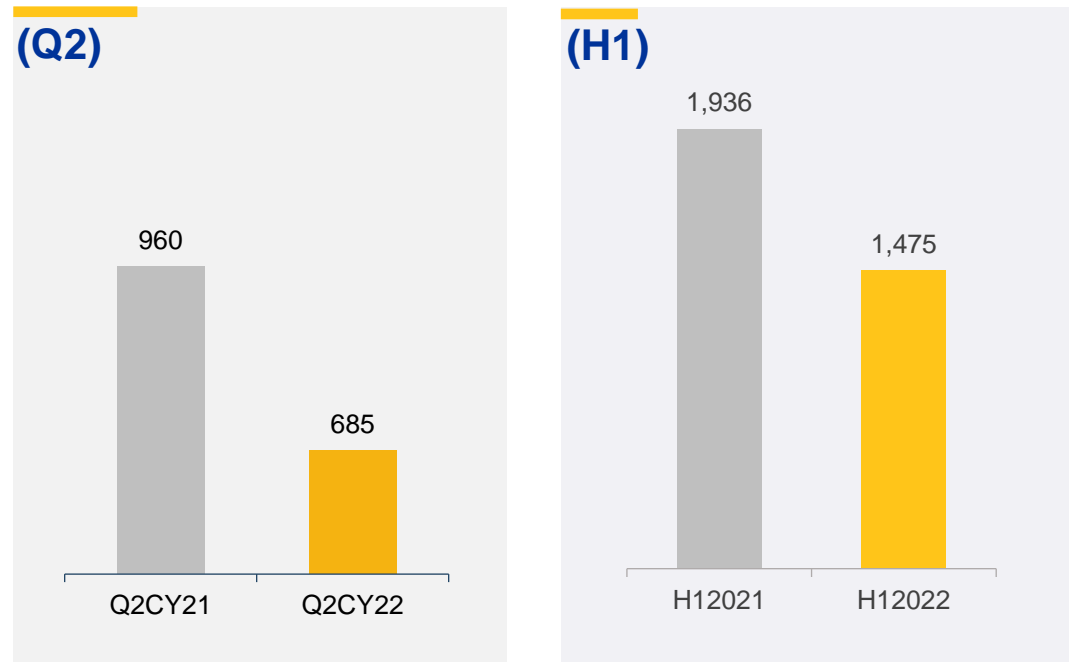


- In line with market trend aided by strong performance in volumes of special cement

Performance Analysis

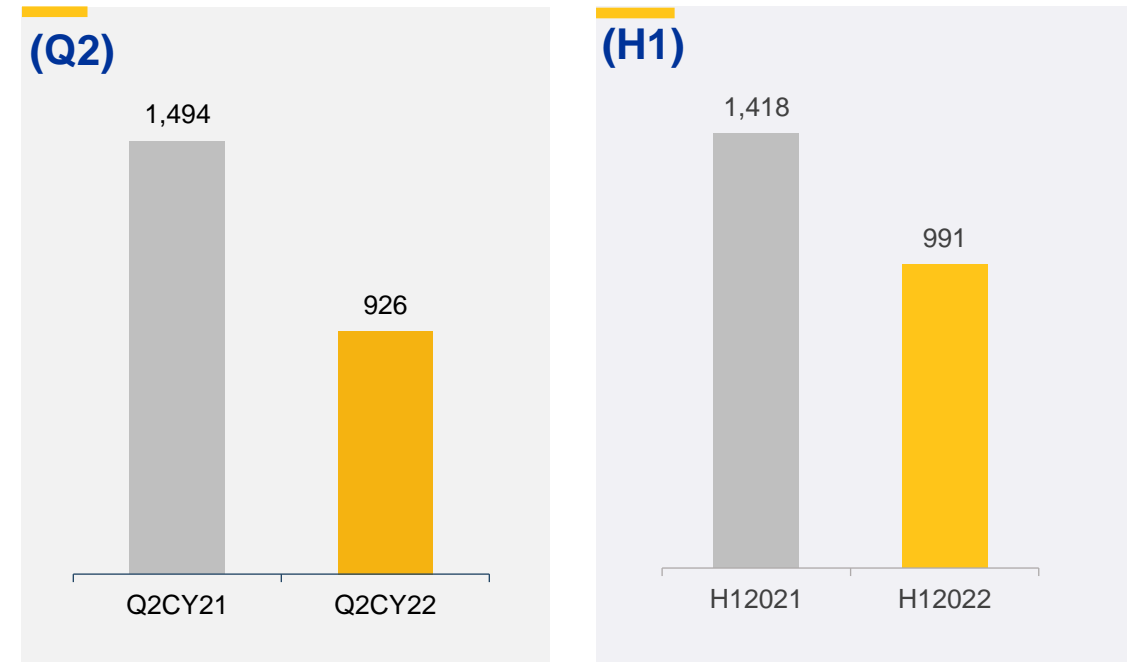
EBITDA

EBITDA
(₹/crore)



- EBITDA impacted by significant Increase in fuel cost, partly mitigated by improved efficiencies owing to 'I CAN' program
- The Master Supply Agreement with ACC further aided in cost management

EBITDA
(₹/ton)

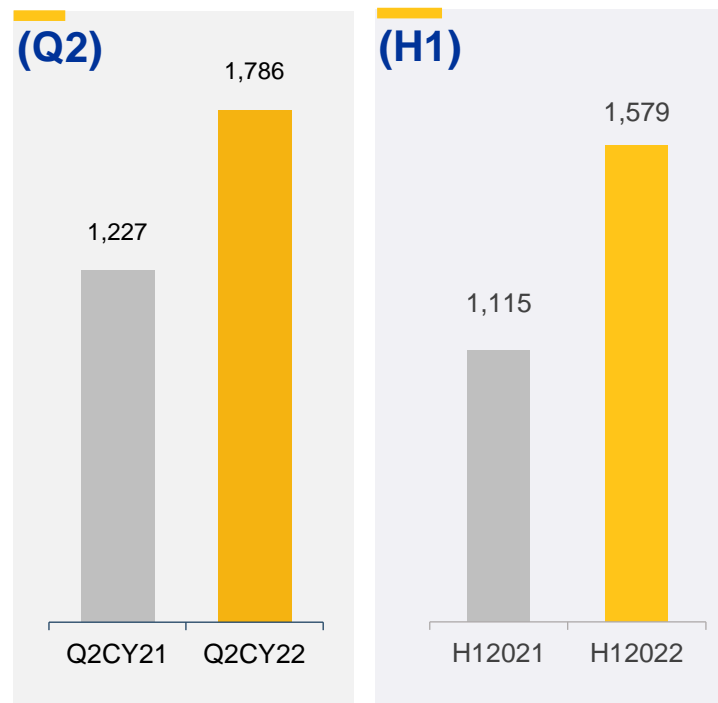


- Impacted by significant Increase in fuel cost, partly mitigated by improved efficiencies owing to 'I CAN' program
- Cost allocation over higher volumes

Performance Analysis

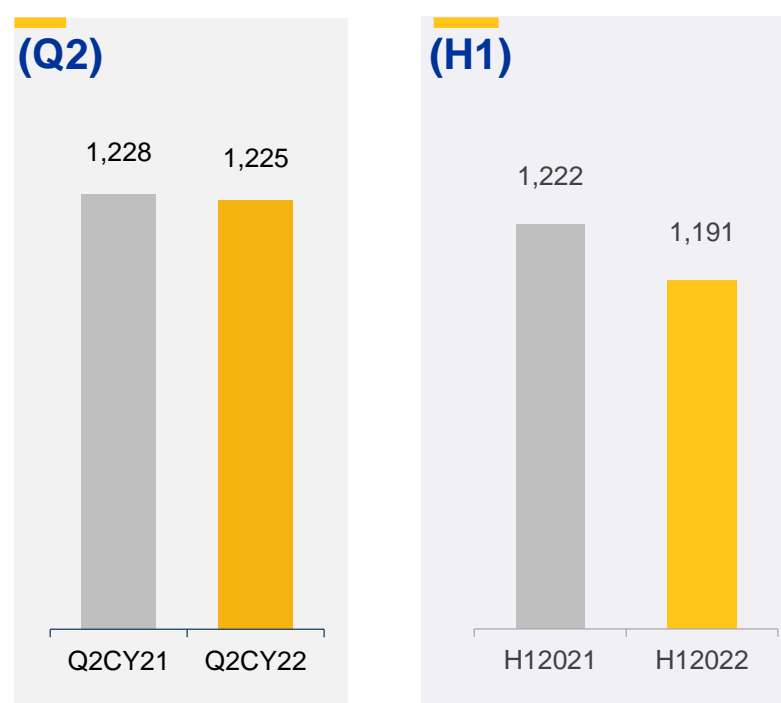
Cost Elements

Power and Fuel Cost (₹/ton)



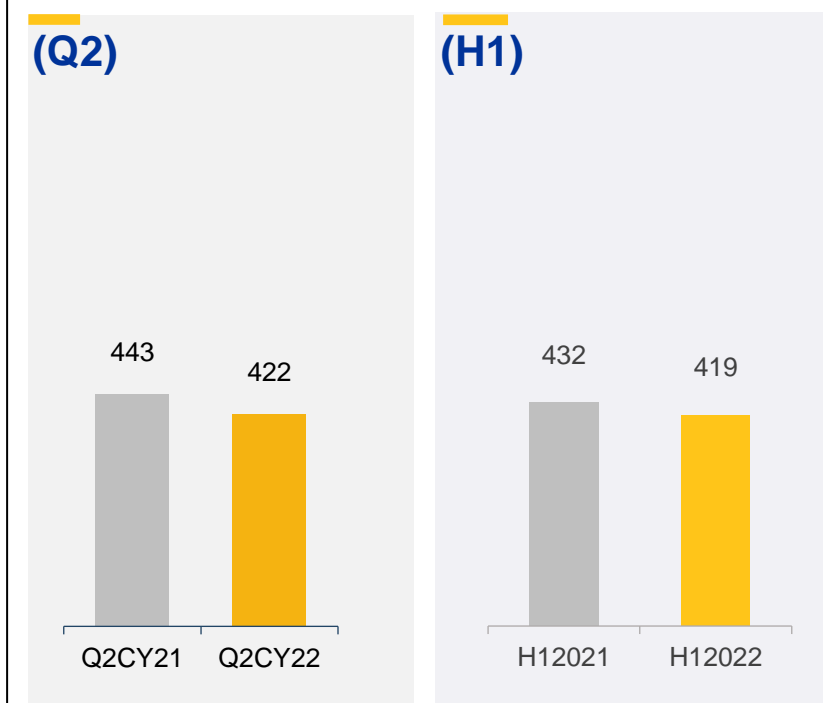
- Impacted by significant rise in Kiln and TPP Fuel Cost

Freight and Forwarding Cost (₹/ton)



- Freight cost per ton declined on account of increased MSA Volume and efficiency gain

Raw Material Cost (₹/ton)

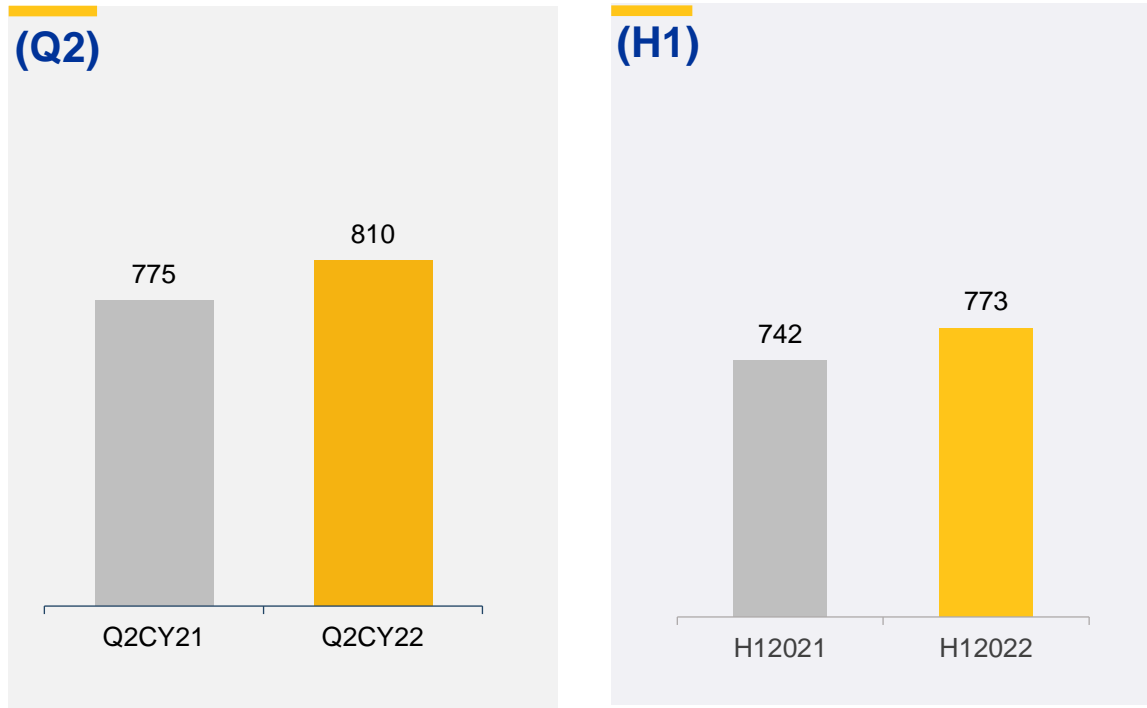


- Raw Material Cost sees a marginal decline

Performance Analysis

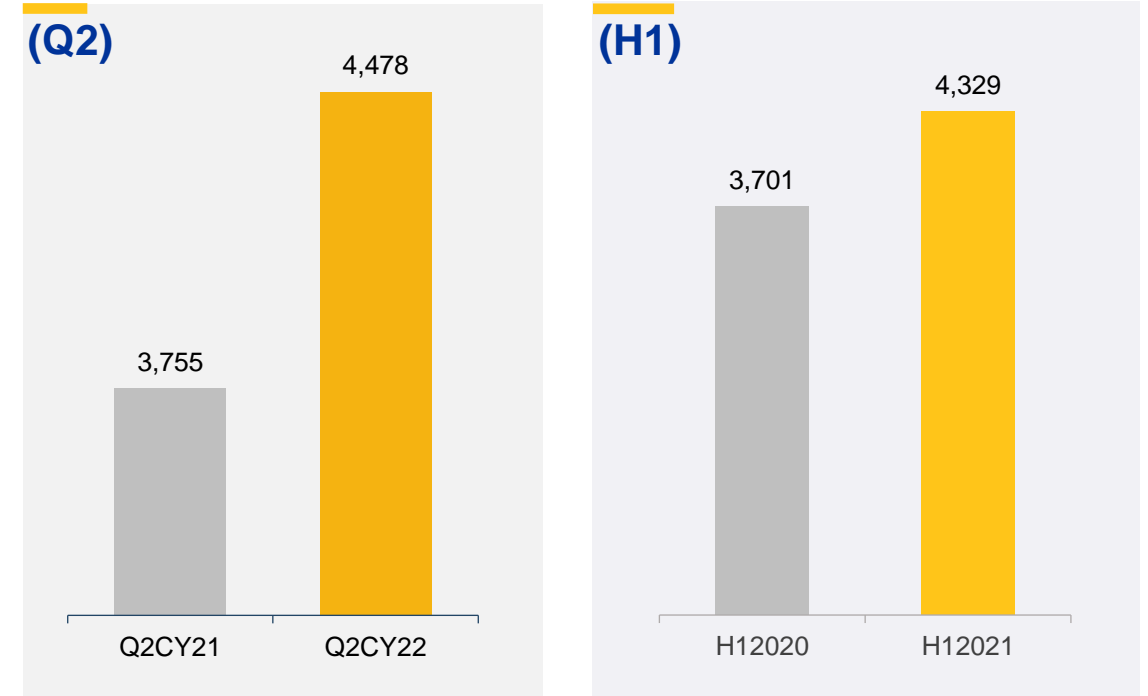
Cost Elements

Other Expenses (₹/ton)



- Other Expense per ton increased marginally largely in line with current inflationary trends

Total Cost (₹/ton)



- Total operating cost per ton increased due to cost headwinds in fuel, diesel and others
- Cost increases were partially mitigated through improved prices and efficiencies

Financial Results – Consolidated

(All amounts in ₹ Crore)	Quarter Ended June			H1 ended June		
	2021	2022	Change %	2021	2022	Change %
Net Sales	6,899	7,943	15.1%	14,516	15,697	8.1%
EBITDA	1,827	1,115	-39.0%	3,666	2,539	-30.7%
EBITDA (%)	26.5%	14.0%	-12.5pp	25.3%	16.2%	-9.1pp
Operating EBIT	1,551	796	-48.7%	3,120	1,915	-38.6%
Operating EBIT Margin (%)	22.5%	10.0%	-12.5pp	21.5%	12.2%	-9.3pp
Profit Before Tax	1,594	895	-43.8%	3,235	2,079	-35.7%
Tax Expenses	433	30	-93.1%	846	357	-57.8%
Profit after Tax	1,161	865	-25.5%	2,389	1,722	-27.9%
Profit attributable to owners of the Company	877	752	-14.2%	1,824	1,411	-22.6%
Earning Per Share	4.42	3.79	-14.2%	9.19	7.11	-22.6%



Thank you

REGISTERED OFFICE

PO Ambujanagar
Taluka Kodinar
Gir Somnath district
Gujarat – 362 715

CORPORATE OFFICE

Elegant Business Park
MIDC Cross Road B
Off Andheri -Kurla Road
Andheri (E) Mumbai – 400 059