

AMBUJA CEMENTS LIMITED
(Formerly known as Guajrat Ambuja Cements Limited)
Ambujanagar P.O., Taluka-Kodinar, District-Junagadh, Gujarat-362715
Unaudited Quarterly Financial Results

	Quarter ended		Previous Year ended 31.12.2006 (Audited) (18 months)
	31.03.2007	31.03.2006 (Refer Note 3)	
(Rs. in crores)			
Gross Sales / Income from Operations	1,606.26	1,214.67	7,010.47
Less: Excise Duty	172.42	140.67	742.18
Net Sales / Income from Operations	1,433.84	1,074.00	6,268.29
Other Income :			
a) Exchange rate difference (net)	7.62	6.42	(15.36)
b) Profit on sale of Subsidiary / Joint Venture / Associates (Refer Note 2)	240.75	35.80	43.37
c) Others	18.04	14.85	85.65
	266.41	57.07	113.66
Total Expenditure			
a) (Increase) / Decrease in Stock	10.37	2.97	9.94
b) Consumption of raw material :			
- Clinker Purchased	23.85	15.22	52.42
- Others	71.25	58.60	330.84
	95.10	73.82	383.26
c) Staff Cost	50.21	45.03	233.08
d) Power and Fuel	231.90	213.89	1,239.87
e) Freight and Forwarding			
- On Sales	239.32	158.10	978.59
- On inter-unit clinker transfer	38.36	33.34	193.31
	277.68	191.44	1,171.90
f) Other Expenditure	205.50	176.90	1,097.15
	870.76	704.05	4,135.20
Operating Profit	829.49	427.02	2,246.75
Interest (Net)	1.79	11.04	79.03
Depreciation and Amortization	59.81	56.62	326.12
Operating Profit before Tax	767.89	359.36	1,841.60
Provision for taxation :			
- Current tax (Refer Note 4)	175.00	(80.60)	330.00
- Deferred tax	1.30	26.21	3.07
- Fringe Benefit tax	0.85	0.98	5.28
	177.15	(53.41)	338.35
Net Profit	590.74	412.77	1,503.25

	Quarter ended		Previous Year ended 31.12.2006 (Audited) (18 months)
	31.03.2007	31.03.2006 (Refer Note 3)	
Paid up Equity Share Capital (Face Value of Rs. 2/- each)	304.14	270.38	303.37
Reserves excluding revaluation reserves			3187.21
Earning Per Share (EPS - in Rs.) :			
Basic	3.89	2.74	10.12
Diluted	3.89	2.72	10.09
(EPS not annualised)			

Notes :

- 1) The name of the Company has been changed to "Ambuja Cements Limited" from "Gujarat Ambuja Cements Limited" w.e.f. 5th April, 2007.
- 2) The company has amended the Put and Call option agreement entered into with Holderind Investments Limited in respect of its shareholding in Ambuja Cement India Private Limited (ACIPL), an associate company. Pursuant to this, the company, during the quarter has sold 9,53,75,000 equity shares for a consideration of Rs. 526.47 crores and recognised a profit of Rs. 240.75 crores. Further, in terms of the agreement, the Company shall sell 9,53,75,000 equity shares on 30th April, 2007 for a consideration of Rs. 535.05 crores and the balance 9,53,70,000 equity shares on 30th April, 2008 for a consideration of Rs. 588.91 crores.
- 3) a) In terms of the scheme of amalgamation approved by the High Court, during the quarter, Indo Nippon Special Cements Limited (INSCL), a wholly owned subsidiary company, has been merged with the Company w.e.f. 1st July 2005. INSCL has no significant activity from the date of merger. Consequently, the merger does not have any material impact on comparability of the above financial results.
b) Ambuja Cement Eastern Limited (ACEL) was merged with the Company during the last quarter of the period ended 31st December, 2006 (w.e.f. 1st January, 2006). Accordingly the figures for the corresponding quarter of the previous year have been restated by including results of erstwhile ACEL.
- 4) The provision for current tax for the quarter is based on effective tax rate applied on taxable income for the financial year till 31st March, 2007 and is net of MAT credit entitlement of Rs. 69 crores (including Rs. 7 crores adjusted in this quarter). In the prior year, the provision for tax was based on book profits under section 115 JB of the Income-tax Act, 1961.
The Company has, in computing the tax provision, considered sales tax incentives for certain units as capital receipt based on expert advice obtained and decision of the Income-tax Appellate Tribunal.
- 5) The Company has accounted for employee benefits as per Accounting Standard (AS) 15 (Revised 2005) issued by The Institute of Chartered Accountants of India, which is applicable from this year. The impact of the same on the result for the quarter is not material.

- 6) During the quarter, the Company has commissioned a 30 MW thermal power plant at its unit at Ambujanagar in the state of Gujarat.
- 7) The Company had initiated a bidding process for sale of its property situated at Kalina, Mumbai and the highest bid received was for Rs. 333 crores. Pending completion of formalities no effect has been given in the above results.
- 8) The Company has only one business segment "Cement".
- 9) At the beginning of the quarter ended 31st March, 2007, no investor complaint was pending. During the quarter 9 complaints were received and all 9 complaints were resolved. No complaint was pending disposal as on 31st March, 2007.
- 10) The figures for the previous quarter have been regrouped/restated wherever necessary.
- 11) The above results have been approved and taken on record by the Board of Directors of the Company at the meeting held on 20th April, 2007.
- 12) Limited review of the financial results for the quarter ended 31st March, 2007 has been carried out by the Auditors.

By the Order of the Board

sd/-

Anil Singhvi

Managing Director

Mumbai
20th April, 2007