



Research Report

Ambhuja Cement Ltd.

PREPARED BY

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About

Ambuja Cements Ltd., a part of the Adani Group, is one of India's leading cement manufacturers. With a total cement production capacity of 31 million tonnes, the company operates six integrated manufacturing plants and eight cement grinding units across the country. Known for its commitment to quality, innovation, and sustainability, Ambuja Cements has played a key role in the nation's infrastructure growth. Its extensive network and modern facilities make it a trusted name in the Indian cement industry.

Business Segments

Ambuja Cement's business model is anchored in the Cement and Ready Mix Concrete segments, serving a wide spectrum of customers from infrastructure and housing projects to individual home builders. These segments drive the company's revenue, market leadership, and ongoing expansion across India.

Revenue Breakup – Q1 FY25 (₹ Crore)

Segment % of Total Revenue

Cement	: 95.2%
RMC	: 4.8%
Total	: 100%

Synopsis of Financials

The Ambuja Cement Q1 FY26: Delivered robust financial performance with ₹10,289cr revenue (+23% YoY), ₹970cr net profit (+24% YoY), and ₹1,961cr EBITDA (+53% YoY), margin 19.1%. Volume reached 18.4M tonnes (+20%), market share 15.5%. Debt-free, AAA rating, capacity 104.5→118 MTPA, premium products 33% of sales. FY26 demand growth forecast: 7–8%. Sustained growth, strong margins, focused expansion, and sector leadership.

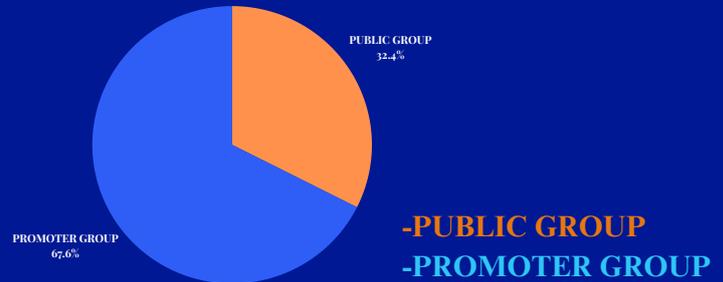
Stock data (as 11th Aug 2025)

Nifty Price	: 24,578.10
Market Capitalization	: 1,45,077.97
Total Debt (FY22P)	: 6.92 Cr
PE/PB	: 35.91 / 3.16
52 week H/L (₹)	: 659.70/452.90
Face Value	: ₹ 2.00
NSE/BSE Code	: INE079A01024

Stock data



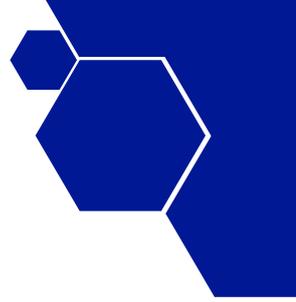
Shareholding Pattern (June 2025)



Financial Summary

Particulars	Dec-20	Dec-21	Mar-23	Mar-24	Mar-25
Sales -	24,516	28,965	38,937	33,160	35,045
Sales Growth %	-9.55%	18.15%	-	-14.84%	5.68%
Expenses	19,511	22,755	33,815	26,760	29,074
Operating Profit	5,006	6,210	5,122	6,400	5,971
OPM %	20%	21%	13%	19%	17%
Interest	140	146	195	276	216
Profit before tax	3,992	5,164	3,729	5,896	5,922
Net Profit	3,107	3,711	3,024	4,735	5,158

Quarterly Results



Narration	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
Sales	8,128.80	8,893.99	8,392.09	7,516.11	9,328.56	9,980.55	10,289.07
Expenses	6,396.70	7,195.34	7,112.28	6,404.68	7,616.71	8,113.00	8,327.98
Operating Profit	1,732.10	1,698.65	1,279.81	1,111.43	1,711.85	1,867.55	1,961.09
Other Income	203.86	448.46	358.11	220.05	1,355.19	712.65	300.25
Depreciation	416.12	459.16	476.05	551.96	663.98	786.35	861.57
Interest	70.14	92.91	67.81	66.85	66.99	14.29	67.14
Profit before tax	1,449.70	1,595.04	1,094.06	712.67	2,336.07	1,779.56	1,332.63
Tax	358.97	73.83	310.88	239.78	-284.02	497.32	362.97
Net profit	824.25	1,050.59	639.86	455.96	2,115.33	956.27	787.88
OPM	21%	19%	15%	15%	18%	19%	19%

Source: Screener

Key Ratios

Significant Improvements in Key Financial Ratios (Standalone)

Particulars	FY 2024-25	FY 2023-24
Operating EBITDA Margin (%)	15.2	18.8
Net Profit Margin (%)	19.3	13.0
Return on Net Worth (%)	7.6	8.4
Net Worth (₹ crore)	48,605	37,007
Net Debt Equity Ratio	-	-
Debtors Turnover (Times)	27.2	27.6
Inventory Turnover (Times)	6.5	5.4
Debt Service Coverage Ratio (Times)	11.9	8.9

Source: Annual Report

Yearly Results

	Dec-20	Dec-21	Mar-23	Mar-24	Mar-25
Equity Capital	397	397	397	440	493
Reserves	22,360	24,957	31,301	41,012	52,951
Borrowings +	471	477	523	699	788
Other Liabilities +	16,490	19,374	19,501	22,916	26,709
Total Liabilities	39,718	45,204	51,721	65,067	80,941
Fixed Assets +	20,486	22,254	23,551	32,194	42,578
CWIP	2,422	2,196	2,526	2,658	9,886
Investments	167	198	214	849	1,912
Other Assets +	16,643	20,556	25,430	29,365	26,566
Total Assets	39,718	45,204	51,721	65,067	80,941

Synopsis Quarter Results

Concall Notes - July -2025: Key Highlights

Ambuja Cement Q1 FY26 Synopsis — Quarter Results

Ambuja Cement delivered its strongest quarterly performance ever in Q1 FY26 (April–June 2025), marked by significant growth across all core financial indicators and operational metrics:

Financial Highlights

- Revenue from Operations: ₹10,289 crore, up 23% YoY from ₹8,392 crore.
- Net Profit (PAT): ₹970 crore, up 24% YoY from ₹783 crore.
- EBITDA: ₹1,961 crore, up 53% YoY from ₹1,280 crore.
- EBITDA Margin: 19.1%, up 3.8 percentage points YoY.
- Sales Volume: 18.4 million tonnes, up 20% YoY, boosting market share to 15.5%.
- EPS: ₹3.20, up 22% YoY.
- EBITDA per Tonne: ₹1,069, up 28% YoY.

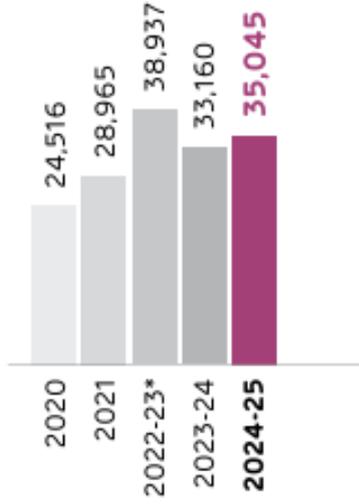
Operational Highlights

- Cement Capacity: Now 104.5 million tonnes; on track to reach 118 MTPA by March 2026.
- Premium Products: Constitute 33% of trade sales, supporting strong price gains.
- Renewable Energy: 57MW wind power commissioned this quarter, raising total renewable capacity to 473MW.
- Integration & Expansion: Successful integration of Orient Cement and the launch of new grinding capacity further strengthen Ambuja's scale.
- Strategic Initiatives: Adoption of digital solutions for logistics and aggressive marketing partnerships, such as 'NirmAAAnotsav' with CREDAI.

Highlights

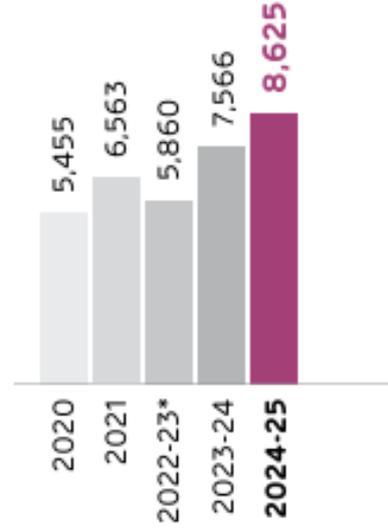
Revenues from Operations

(₹ crore)



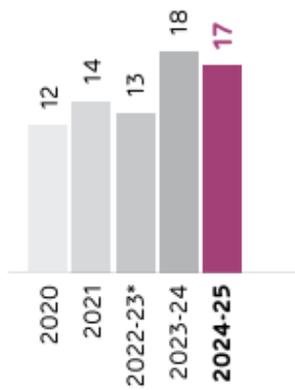
EBITDA

(₹ in crore)



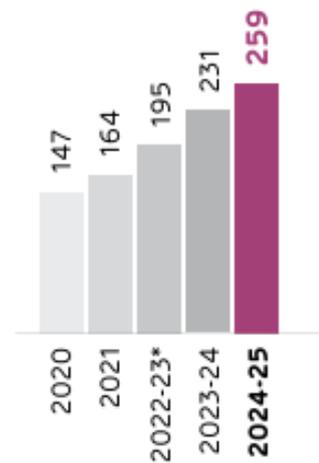
Earnings Per Share

(₹)



Book Value Per Share

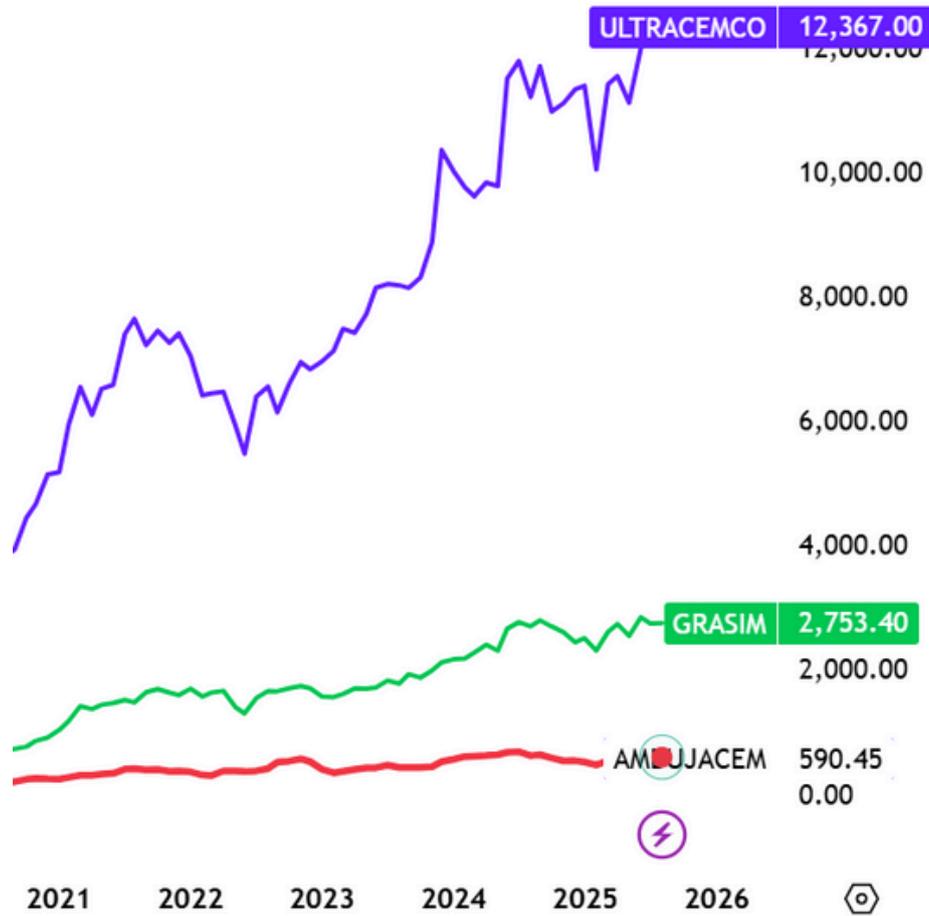
(₹)



Peer Comparison



Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
UltraTech Cem.	12297.00	52.44	362367.00	0.64	2220.91	43.79	21275.45	13.06	10.89
Grasim Inds	2744.95	44.66	186798.51	0.36	2767.08	29.06	40118.08	15.92	7.50
Ambuja Cements	588.75	33.56	145016.41	0.35	969.66	19.44	10289.07	22.60	10.50
Shree Cement	30837.15	74.84	111262.74	0.36	643.66	130.80	5280.88	3.06	6.71
J K Cements	7054.70	59.48	54510.43	0.21	324.25	75.44	3352.53	19.41	13.99

Source: Screener

Final Outlook

AMBUJACEM: HOLD | LTP: 590.76

Ambuja Cement: Final FY26 Outlook with Key Data

Ambuja Cement has started FY26 with record-setting performance, showcasing robust growth across its core financial and operational metrics. The company's continued strategic expansion, cost efficiency, and market positioning give it a distinctly positive outlook for the year.

Operational Highlights

- **Cement Capacity:** Now at 104.5 million tonnes; targeted to reach 118 million tonnes by March 2026, and 140 million tonnes by FY28.
- **Premium Products:** 33% of trade sales, supporting improved price realization.
- **Renewable Energy:** 57MW wind power commissioned this quarter, boosting total renewable energy capacity to 473MW.
- **Integration:** Successful acquisition and integration of Orient Cement and other strategic assets.

Industry & Company Outlook

- **Cement Demand:** Ambuja has revised its FY26 cement demand growth forecast to 7–8%, supported by strong rural and urban demand and increasing infrastructure spending.
- **Profitability Focus:** Margins are expected to remain strong as operational efficiencies and cost controls continue improving. Ambuja targets sustainable EBITDA of ₹1,500 per metric tonne.
- **Expansion:** On track for capacity increases and further market share gains. Expansion is funded from healthy internal accruals and a debt-free balance sheet.
- **Sustainability:** Ambuja is committed to net-zero targets and sustainable operations, validated by SBTi.

Management Commentary

- Vinod Bahety, CEO, emphasizes “a transformation narrative rooted in speed, scale, and sustainability,” citing opportunities to further lead growth cycles in the Indian cement industry.

Final Outlook

Ambuja Cement is expected to maintain its strong growth momentum throughout FY26, driven by record Q1 performance, aggressive capacity expansion, and leadership in premium product segments. With a positive demand environment, enhanced operational efficiency, debt-free status, and strategic support from the Adani Group, Ambuja is well-positioned for further revenue, profitability, and market share gains, making it a top performer and a key leader in India's cement industry.

The company's financial data, growth strategy, and industry forecasts indicate sustained robustness and upside potential for the near to medium term.

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