

# A STUDY ON PROFITABILITY PERFORMANCE OF INDIAN CEMENT INDUSTRY

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## Abstract

Profit is the ultimate goal of any business entity. The gain resulting from the employment of capital, the excess of returns over expenditure is monetary gain in any transactions or occupation. Profitability means the ability of any business unit to earn profit. Profitability is a situation in which an entity is generating a profit. Every stakeholder connected with the business entity is interested to know about the profitability of the organization. In this paper, an attempt is made to study on profitability performance of selected Cement companies in India. The top 10 cement manufacturing companies in India were selected for study and decided to examine the profitability performance for the period of 10 years from 2010-11 to 2019-20. The Gross profit ratio, Operating Profit ratio, and Net Profit ratio are used to measure profitability performance. Statistical tools like Mean, S.D., and ANOVA were used to analyze data and test hypotheses. The cement Industry is one of the crucial industries in India. In India first Cement Company was established in the year 1914 at Porbandar, Gujarat with a capacity of 10,000 tonnes. India is the 2nd largest producer in worldwide production of cement after China. A huge investment is required to establish the cement manufacturing plant. Hence organization is interested to earn more and more returns as profit.

**Keywords:** Profit, Profitability, cement manufacture, profitability ratio

## INTRODUCTION

The whole world is divided into three parts viz. developed countries, developing countries, and undeveloped countries. The development of a country is based on its economic development. The economy of every country is categorized into three sectors viz. agricultural sector (Primary Sector), Industrial sector (Secondary Sector), and service sector. Each of the sectors is playing a vital role and is significant for the economic development of every country. Every sector of the economy is playing an important role in the economic development of the country. In the present era, the industrial sector has shaped the economic destiny of various developing countries, especially India. Concerning the industrial sector, the cement industry provides the basic foundation of infrastructural development and provides social overheads in the country. At present, the big challenge before the planners of the economy is infrastructural development which can be achieved only through the presence of a strong cement industry that provides the basic raw material for the construction of roads, bridges, buildings, etc. Cement is the most essential raw material in any kind of construction activity.

Accordingly, the cement industry plays a crucial role in the infrastructural development of the country. Given the vast geographical size and a massive population of the country, various construction activities undertaken by the central Govt., State Govt., Public Sector Undertakings and other organizations, including the private sector generate huge demand for cement. Moreover, housing is the first and foremost requirement of every household, and therefore, the first private cement industry was laid down in the year 1914, when it first started working in Gujarat.

As India has a high quantity and quality of limestone deposits throughout the country, the cement industry promises huge growth potential. India has a total of 210 large cement plants out of which 77 are in the states of Andhra Pradesh, Rajasthan, and Tamil Nadu. India is in the 2nd position in the production of cement with 320 MTPA in worldwide production after china followed by the USA, Turkey, and other countries. It is expected to reach at reach 401 MTPA in 2020-21. India's cement production is expected to rise between 5-7 percent in FY20, backed by demands in roads, urban infrastructure, and commercial real estate. The compound Annual Growth Rate (CAGR) in the production of cement in India is 5.59%.

Thrust on infrastructure development and Housing for all with 2 crore houses in Urban areas and 4 Rural areas is likely to revive the demand for the cement sector. These sectors are considered to drive the cement industries in India to a great extent, which held nearly 67 percent of the total cement consumption in India. Out of the different end-user industries of cement, the housing segment accounted for the highest demand in FY 2018. Within this, 38% of demand was generated by the rural housing sector, followed by the urban housing sector was 32%. Such high demand for cement from the housing sector may be attributed to the fast execution

of affordable government housing schemes like Pradhan Mantri Awas Yojna and Housing for all by 2022. Apart from housing, commercial and industrial investments, the infrastructure segment accounted for a considerable demand for cement in India. The CAGR for the consumption of cement is 5.20%.

There is a high growth seen in cement manufacturing in the last decade. Huge long-term, as well as short-term funds, are required for the cement manufacturing unit. Hence, it needs to check the profit performance of cement companies.

## • PROFITABILITY

Profitability is the ability of the business unit to earn profit. In simple words, profit means an excess of income over expenses. Profits are the record card of the past, the inventive lodestar for the future. If an enterprise fails to make a profit, capital invested is eroded and in this situation prolongs the enterprise ultimately ceases to exist." Thus profit is the soul of the business concern without which it becomes weak and lifeless. "The gain resulting from the employment of capital, the excess of returns over expenditure is monetary gain in any transactions or occupation."

"The difference between the sales and the costs of producing and selling that product is its profit."

- Weston I. Fred

W. M. Harper remarks that profitability is a relative measure. It indicates the most profitable alternative. Profit, on the other hand, is an absolute measure – it indicates the overall amount of profit earned by transactions. Profitability is required to judge the degree of operational efficiency of management, controlling operations, and performance. It is also used to study "relative efficiency" with other firms.

## • LITERATURE REVIEW:

**The Cement Manufacturers' Association (1993)** carried out a study to compare the average cost of production of cement as of March 31, 1982, and as of March 31, 1993. It observed that the cost had gone up by a gigantic 267 percent in the last 10 to 11 years. The input cost increased steeply during the above period.

**The Industrial Credit and Investment Corporation of India (1993)** carried out a study on the Cement Industry and concluded that unless a bag of cement was sold at Rs.120, the industry would not have a reasonable return on its investment. It has been pointed out that currently, the industry is suffering from three vital factors i.e. liquidity, growth in the market, and substantial cutback. There is a vicious circle of cost-push inflation for which the infrastructure industries in the public sector are responsible.

**Padmaja Manoharan (2002)** through the analytical study "An Analytical study in Profitability of Cement Industry in India" has revealed the variation in profitability of Indian cement companies depending on age, size, and region. The study identified that the quality of earnings depends on management and leverage management. Further, the analysis concludes that the profitability and quality of earnings are influenced by the liquidity factor.

**Rasik N. Bavaria (2004)** had done his Ph.D. on "Comparative analysis of Profitability vis-a-vis Liquidity performance inclement Industry of India" in the year 2004 on selected 17 companies. In this study, the profile of the cement industry in India, the conceptual framework of financial statements, and the analysis of activity, profitability, and liquidity were discussed. The period selected for study was 1995-96 to 2002-03. He selected OCL India Ltd., Damodhar Cement & Slag Ltd., Ambuja Cement Eastern Ltd., Birla Corporation Ltd., Saurashtra Cement Ltd., Gujarat Ambuja Cement Ltd., Gujarat Sidhee Cement Ltd., Shree Cement Ltd., Associated Cement Companies Ltd., Priyadarshini Cement Ltd., Shri Vishnu Cement Ltd., Madras Cement Ltd., Chettinad Cement Corporation Ltd., Dalmia Cement (Bharat) Ltd., Deccan Cements Ltd., Shree Digvijay Cement Ltd. and Cement Corporation of India for his study. For analysis, all selected companies were classified into five areas – Eastern Region, Western Region, Northern Region, Southern Region, and Rest of Region. Profitability vis-a-vis Liquidity was tested by using statistical tools and techniques like ratio analysis, common-size statement, trend analysis, Diagrammatic analysis, and ANOVA test. He found that the profitability in the industry is less. To increase profitability the management has to try to control the cost of goods sold and operating expenses.

**Ikram Ul-Haq, Muhammad Sohail, Khalid Zaman, and Zaheer Alam (2011)** analyzed the relationship between "Working Capital Management and Profitability: A Case Study of Cement Industry in Pakistan". In this study, they analyzed the relationship between working capital management and profitability. The researcher selected 14 companies in the cement industry in the Khyber Pakhton Khuwa Province (KPK) of Pakistan. The study depends on secondary data collected from the audited financial statements of these companies which are listed in the Karachi Stock Exchange for the period spanning 2004-2009. The data were analyzed using the statistical techniques of correlation coefficient and multiple regression analysis. They calculated the Current Ratio (CR), Liquid Ratio (LR), Current assets to total assets ratio (CATAR), Current assets to total sales ratio (CTSR), Cash Turnover (CTR), Inventory Turnover Ratio (ITR), Debtor Turnover Ratio (DTR), and Creditor Turnover Ratio (CTR). Their data set gives evidence that the cement industry shows a similar response to cyclical movements. Therefore, they believed that the relationship between working capital management and

profitability is stable across firms. They concluded that there is a moderate relationship between working capital management and a firm's profitability.

**Pankaj Yadav (2017)** published an article "An Analysis of Indian Cement Industries based on Profitability Performance". He attempts to assess the profitability position of cement companies. He selected 10 listed cement companies for 5 years period i.e. from 2012-13 to 2016-17. ACC Cement Ltd., Ambuja Cement Ltd., Birla Corporation Ltd., Dalmia Cement Ltd., Heidelberg Cement Ltd., India Cement Ltd., Manglam Cement Ltd., Prism Cement Ltd., Shree Cement Ltd., UltraTech Cement Ltd. were selected by him. He measured the Operating Profit Ratio, PBIT Margin, Net Profit Ratio, Return on Capital Employed Ratio, Return on Equity Shareholders' Fund, Return on Long-term Fund, Earnings per Share, and Dividend per share. Motaal Rank Test was used by him to test hypotheses. He concludes that the companies selected for the study show that the industry is somewhat doing well as far as profitability ratios are concerned. UltraTech Cement Ltd., Ambuja Cement Ltd., Shree Cement Ltd., and ACC Cement Ltd. are a top performer in the industry while Prism Cement and Heidelberg Cement perform badly.

**RESEARCH METHODOLOGY:**

**Objectives:**

To examine the profitability performance based on Turnover during the period of study of the selected cement companies under study.

**Hypotheses:**

Null hypotheses constructed for the study are as under:

- Ho<sub>1</sub> There is no significant difference in Gross Profit ratio of selected cement companies.
- Ho<sub>2</sub> There is no significant difference in the Operating Profit ratio of selected cement companies.
- Ho<sub>3</sub> There is no significant difference in the Net Profit ratio of selected cement companies.

Alternative hypotheses constructed for the study are as under:

- H1<sub>1</sub> There is significant difference in Gross Profit ratio of selected cement companies.
- H1<sub>2</sub> There is significant difference in the Operating Profit ratio of selected cement companies.
- H1<sub>3</sub> There is significant difference in the Net Profit ratio of selected cement companies.

**Universe:**

The universe of the study consists of all the limited companies working in India and listed on the stock exchange of India in the cement industry.

**Sample:**

The top 10 Indian cement companies were selected based on Revenue and Market share as of 31st March 2020.

**Period of Study:**

The period of the study is 10 years i.e. 2010-11 to 2019-20.

**Data Collection:**

The required data for the present study has been collected from the secondary data of published annual reports and financial statements of selected cement companies in India.

**Tools and Techniques for Data Analysis:**

There are three key ratios to measure profitability performance based on turnover were calculated. The Gross Profit ratio, Operating Profit ratio, and Net Profit ratio were calculated as well as the average, and standard deviation was also calculated. A non-parametric test (Kruskal-Wallis Test) through the SPSS program was used to test the hypothesis.

**DATA ANALYSIS:**

**3. Gross Profit Ratio:**

The Gross Profit ratio for the period of study for 10 cement companies is as under:

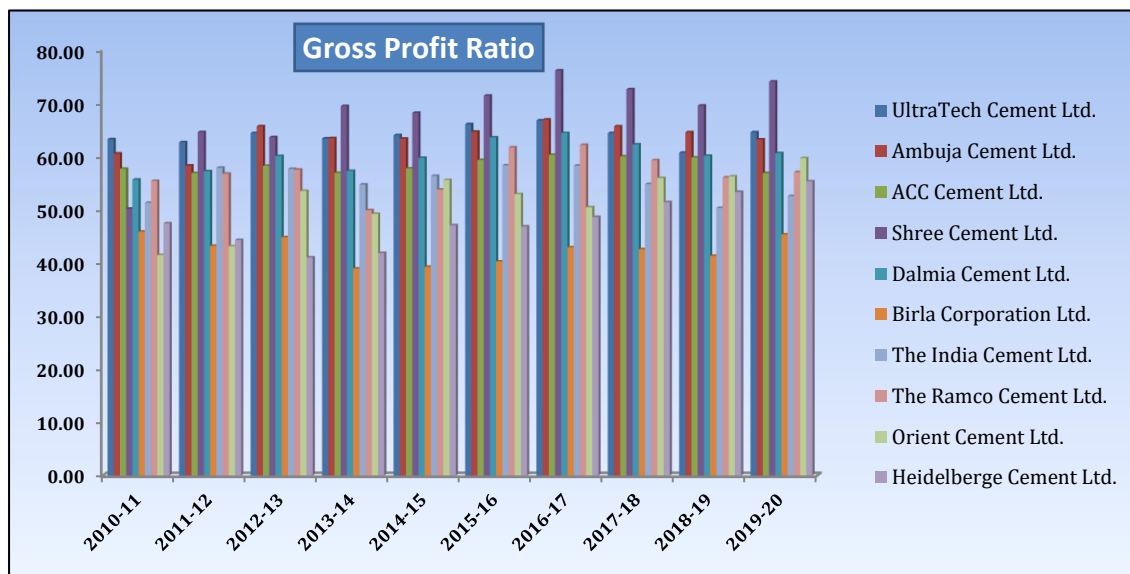
Table: 1 Gross Profit Ratio

Name of Company	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Avg	SD
UCL	63.21	62.64	64.35	63.36	63.98	66.05	66.74	64.35	60.68	64.52	63.99	1.70
ACL	60.51	58.25	65.64	63.41	63.33	64.62	66.92	65.63	64.53	63.16	63.60	2.57
ACCCL	57.65	56.84	58.22	56.89	57.72	59.29	60.26	59.97	59.77	56.85	58.35	1.36
SCL	50.14	64.55	63.59	69.44	68.18	71.41	76.13	72.61	69.53	74.04	67.96	7.38

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DCL	55.61	57.19	60.05	57.24	59.70	63.55	64.37	62.23	60.09	60.57	60.06	2.82
BCL	45.83	43.18	44.78	38.92	39.22	40.22	42.88	42.54	41.28	45.30	42.41	2.47
ICL	51.26	57.85	57.64	54.70	56.32	58.31	58.23	54.77	50.28	52.52	55.19	2.99
RCL	55.38	56.73	57.49	49.87	53.74	61.67	62.14	59.26	56.01	57.05	56.93	3.63
OCL	41.43	43.09	53.49	49.18	55.54	52.89	50.42	55.91	56.22	59.65	51.78	5.85
HCL	47.40	44.27	40.98	41.82	47.04	46.81	48.59	51.38	53.31	55.28	47.69	4.67
Overall (Mean)	56.80											8.38

**Graph: 1 Gross Profit Ratio**



**Interpretation:**

From Table- 1 and Graph-1, it is clear that the overall mean of the Gross Profit Ratio for selected companies for the selected period of study was 56.80% and S.D. was 8.38. The range of the Gross Profit ratio was 38.92 to 76.13. The highest ratio during the period was 76.13 for Shree Cements Ltd. in the year 2016-17 while the lowest ratio was 38.92 for Birla Corporation Ltd. in the year 2013-14. Out of 10 selected companies, there were 6 companies show a Gross Profit ratio higher than the overall average ratio. Those six companies are UltraTech Cement Ltd., Ambuja Cement Ltd., ACC Cement Ltd., Shree Cement Ltd., Dalmia Cement Ltd., and The Ramco Cement Ltd. with 63.99, 63.60, 58.35, 67.96, 60.06 and 56.93 respectively. The highest average Gross Profit ratio during the period of study was 67.96 for Shree Cement Ltd.

- ❖ UltraTech Cement Ltd. shows consistency in its Gross Profit Ratio between 60.68 and 66.74.
- ❖ Ambuja Cement Ltd. shows a ratio between 58.25 and 66.92.
- ❖ ACC Cement Ltd. shows the most consistency in the Gross Profit ratio between 56.84 and 60.26.
- ❖ Shree Cement Ltd. shows a variation in the ratio between 50.14 and 76.13.
- ❖ Dalmia Cement Ltd. shows a ratio between 55.61 and 64.37.
- ❖ Birla Corporation Ltd. shows a ratio between 38.92 and 45.83 which is very poor.
- ❖ The India Cement Ltd. varies between 50.28 and 58.31 which shows consistency in ratio.
- ❖ The Ramco Cement Ltd. shows a ratio between 49.87 and 62.14.
- ❖ Orient Cement Ltd. shows a ratio between 41.43 and 59.65.
- ❖ Heidelberge Cement Ltd. shows a ratio between 40.98 and 55.28.

**Test of Hypothesis:**

H<sub>01</sub> There is no significant difference in the Gross Profit ratio of selected cement companies.

H<sub>11</sub> There is a significant difference in the Gross Profit ratio of selected cement companies.

	Gross Profit Ratio
Chi-Square	79.319

df	9
Asymp. Sig.	0.000

As p-value of the **Kruskal-Wallis Test** is less than 0.05 as well as 0.1 which indicates that the null hypothesis is rejected at 5% and 10% levels of significance. It shows that there is a significant difference in Gross Profit between selected companies.

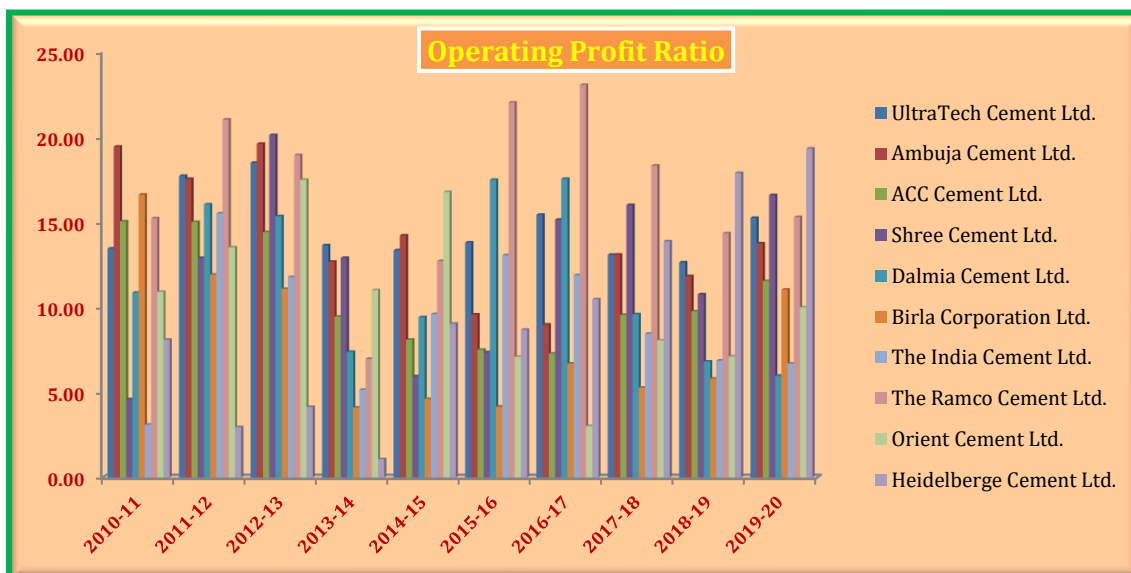
#### 4. Operating Profit Ratio:

The Operating Profit ratio for the period of study for 10 cement companies is as under:

Table: 2 Operating Profit Ratio

Name of Company	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Avg .	SD
UCL	13.45	17.72	18.49	13.64	13.35	13.80	15.43	13.09	12.64	15.25	14.69	2.01
ACL	19.44	17.54	19.61	12.67	14.22	9.57	8.98	13.09	11.83	13.76	14.07	3.74
ACCCL	15.05	15.01	14.41	9.44	8.09	7.50	7.28	9.55	9.76	11.54	10.76	3.06
SCL	4.60	12.89	20.11	12.90	5.94	7.36	15.14	16.00	10.76	16.59	12.23	5.04
DCL	10.86	16.04	15.35	7.38	9.42	17.49	17.54	9.59	6.81	5.97	11.65	4.54
BCL	16.62	11.91	11.08	4.11	4.62	4.16	6.70	5.28	5.81	11.04	8.13	4.26
ICL	3.10	15.51	11.78	5.15	9.60	13.05	11.89	8.44	6.87	6.69	9.21	3.87
RCL	15.23	21.03	18.93	6.97	12.71	22.02	23.06	18.32	14.34	15.30	16.79	4.89
OCL	10.90	13.52	17.49	11.01	16.77	7.09	3.02	8.06	7.11	9.99	10.50	4.51
HCL	8.10	2.96	4.14	1.07	9.03	8.68	10.46	13.88	17.89	19.32	9.55	6.08
Overall (Mean)	11.76											4.88

Graph: 2 Operating Profit Ratio



#### Interpretation:

From Table-2 and Graph-2, it is clear that the overall mean of the Operating Profit Ratio for selected companies for the selected period of study was 11.76% and S.D. was 4.88. The range of the Operating Profit ratio was 1.07 to 23.06. The highest ratio during the period was 23.06 for The Ramco Cement Ltd. in the year 2016-17 while the lowest ratio was for Heidelberge Cement Ltd. in the year 2013-14. Out of 10 selected companies, there were



4 companies show an Operating Profit ratio higher than the overall average ratio. Those four companies are UltraTech Cement Ltd., Ambuja Cement Ltd., Shree Cement Ltd., and The Ramco Cement Ltd. with 14.69, 14.07, 12.23, and 16.79 respectively. The highest average Operating Profit ratio during the period of study was 16.79 for The Ramco Cement Ltd.

- ❖ UltraTech Cement Ltd. shows consistency in its Operating Profit Ratio between 12.64 and 18.49.
- ❖ Ambuja Cement Ltd. shows a ratio between 8.98 and 19.61. It shows high volatility in ratio.
- ❖ ACC Cement Ltd. shows a ratio between 7.28 and 15.05.
- ❖ Shree Cement Ltd. shows a high-level variation in the ratio between 4.60 and 20.11.
- ❖ Dalmia Cement Ltd. shows a ratio between 5.97 and 17.54. It also shows Volatility in the operating profit ratio.
- ❖ Birla Corporation Ltd. shows a ratio between 4.11 and 16.62.
- ❖ The India Cement Ltd. varies between 3.10 and 15.51.
- ❖ The Ramco Cement Ltd. shows a ratio between 6.97 and 23.06. It's heavy variation in the operating profit ratio.
- ❖ Orient Cement Ltd. shows a ratio between 3.02 and 17.49.
- ❖ Heidelberge Cement Ltd. shows a ratio between 1.07 and 19.32. It shows a very high fluctuation in the operating profit ratio.

**Test of Hypothesis:**

Ho<sub>2</sub> There is no significant difference in the Operating Profit ratio of selected cement companies.

H1<sub>2</sub> There is significant difference in the Operating Profit ratio of selected cement companies.

	Operating Profit Ratio
Chi-Square	26.430
df	9
Asymp. Sig.	0.000

As p-value of the **Kruskal-Wallis Test** is less than 0.05 as well as 0.1 which indicates that the null hypothesis is rejected at 5% and 10% levels of significance. It shows that there is a significant in Operating Profit between selected companies.

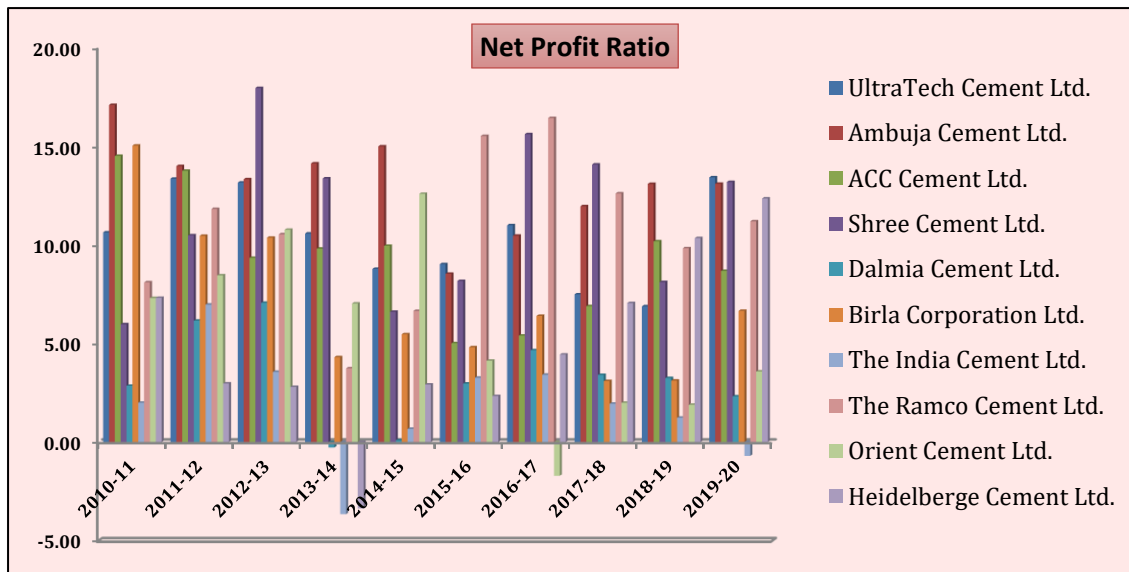
**5. Net Profit Ratio:**

The Net Profit ratio for the period of study for 10 cement companies is as under:

Table: 3 Net Profit Ratio

Name of Company	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Avg	SD
UCL	10.63	13.36	13.16	10.57	8.78	9.02	11.00	7.49	6.88	13.43	10.43	2.39
ACL	17.10	14.00	13.33	14.13	15.00	8.54	10.47	11.96	13.09	13.10	13.07	2.37
ACCCL	14.51	13.76	9.34	9.81	9.95	5.01	5.40	6.89	10.18	8.68	9.35	3.13
SCL	5.97	10.49	17.96	13.37	6.61	8.17	15.62	14.08	8.11	13.19	11.36	4.08
DCL	2.85	6.16	7.06	-0.28	0.09	2.96	4.66	3.40	3.25	2.32	3.25	2.32
BCL	15.04	10.46	10.37	4.30	5.47	4.80	6.40	3.09	3.11	6.65	6.97	3.85
ICL	1.99	6.97	3.56	-3.66	0.67	3.26	3.41	1.94	1.23	-0.70	1.87	2.83
RCL	8.10	11.83	10.54	3.74	6.65	15.53	16.44	12.61	9.83	11.20	10.65	3.86
OCL	7.30	8.45	10.77	7.02	12.59	4.12	-1.71	1.99	1.89	3.58	5.60	4.41
HCL	7.31	2.97	2.79	-3.37	2.91	2.33	4.44	7.05	10.34	12.36	4.91	4.51
Overall (Mean)	7.75											4.88

Graph: 3 Net Profit Ratio



**Interpretation:**

From Table- 4.1.3 and Graph 4.1.3, it is clear that the overall mean of the Net Profit Ratio for selected companies for the selected period of study was 7.75% and S.D. was 4.88. The range of the Net Profit ratio was - 3.66 to 17.96. The highest ratio during the period was 17.96 for Shree Cement Ltd. in the year 2012-13 while the lowest ratio was for The India Cement Ltd. in the year 2013-14. Out of 10 selected companies, there were 5 companies show a Net Profit ratio higher than the overall average ratio. Those five companies are UltraTech Cement Ltd., Ambuja Cement Ltd., ACC Cements Ltd., Shree Cement Ltd., and The Ramco Cement Ltd. with 10.43, 13.07, 9.35, 11.36, and 10.65 respectively. The highest average Net Profit ratio during the period of study was 13.07 for Ambuja Cement Ltd.

- ❖ UltraTech Cement Ltd. shows a ratio between 6.88 and 13.43.
- ❖ Ambuja Cement Ltd. shows a ratio between 8.54 and 17.10.
- ❖ ACC Cement Ltd. shows a ratio between 5.01 and 14.51.
- ❖ Shree Cement Ltd. shows a ratio between 5.97 and 17.96. It's a very high-level variation in ratio.
- ❖ Dalmia Cement Ltd. shows a ratio between -0.28 and 7.06.
- ❖ Birla Corporation Ltd. shows a ratio between 3.09 and 15.04.
- ❖ The India Cement Ltd. varies between -3.66 and 6.97.
- ❖ The Ramco Cement Ltd. shows a ratio between 3.74 and 16.44. It's heavy variation in the Net profit ratio.
- ❖ Orient Cement Ltd. shows a ratio between -1.71 and 12.59. It shows very high volatility in the net profit ratio.
- ❖ Heidelberge Cement Ltd. shows a ratio between -3.37 and 12.36. It shows very high fluctuation in the Net profit ratio.

**Test of Hypothesis:**

H<sub>03</sub> There is no significant difference in the Net Profit ratio of selected cement companies.

H<sub>13</sub> There is significant difference in the Net Profit ratio of selected cement companies.

	Net Profit Ratio
Chi-Square	54.747
df	9
Asymp. Sig.	0.000

As p-value of the **Kruskal-Wallis Test** is less than 0.05 as well as 0.1 which indicates that the null hypothesis is rejected at 5% and 10% levels of significance. It shows that there is a significant difference in Net Profit between selected companies.

**4. Overall Profitability Performance:**

The Profitability Performance based on mean rank as per the Kruskal-Wallis Test for three key ratios i.e. Gross Profit ratio, Operating Profit ratio, and Net Profit ratio is calculated.

**Table: 4 Total Mean Rank Score for Profitability ratios**

Sr. No.	Name of Company	G.P.	O.P.	N.P.	Total
1	UltraTech Cement Ltd.	80.80	69.90	68.50	219.20
2	Ambuja Cement Ltd.	79.70	64.20	82.40	226.30
3	ACC Cement Ltd.	53.90	44.30	60.00	158.20
4	Shree Cement Ltd.	86.80	53.10	71.20	211.10

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5	Dalmia Cement Ltd.	62.50	49.90	22.20	134.60
6	Birla Corporation Ltd.	8.10	28.80	44.90	81.80
7	The India Cement Ltd.	39.60	35.10	16.10	90.80
8	The Ramco Cement Ltd.	46.20	77.40	67.80	191.40
9	Orient Cement Ltd.	29.20	43.20	38.10	110.50
10	Heidelberg Cement Ltd.	18.10	39.10	33.80	91.00

From Table - 4, it is clear that the Profitability Mean Rank score of Ambuja Cement Ltd. is the highest and UltraTech Cement Ltd. at 2<sup>nd</sup> position while The India Cement Ltd. and Birla Corporation Ltd. stood at 9<sup>th</sup> and 10<sup>th</sup> position respectively. Ambuja Cement Ltd., UltraTech Cement Ltd., Shree Cement Ltd., and The Ramco Cement Ltd. are more profitable among selected cement companies with scores of 226.30, 219.20, 211.10, and 191.40 respectively. Heidelberg Cement Ltd., The India Cement Ltd. and Birla Corporation Ltd. performed badly with scores of 91.00, 90.80 and 81.80 respectively.

## CONCLUSION

It is concluded that Ambuja Cement Ltd., UltraTech Cement Ltd., Shree Cement Ltd., The Ramco Cement Ltd., and ACC Cement Ltd. performing well in profit generation. Heidelberg Cement Ltd., The India Cement Ltd., and Birla Corporation Ltd. show very poor performance as regards profitability.

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