

Q2'17 Results



Investor Presentation

July 17, 2017

1	Economy & Cement Industry Update
2	GST Implementation
3	Strategic Pillars
4	Performance Levers
5	Financial Highlights

Economy

- World Bank has projected India's GDP growth @ 7.2% in 2017-18
- GST expected to have favorable impact on growth, tax revenues and better tax compliance
- Strong foreign funds flow & rupee strength, unlikely to witness any major reversal
- Positive monsoon forecast and lower interest rates outweighing most negatives
- With government's focus on infrastructure spend, affordable housing, smart cities & lower taxation will boost economic growth

Cement Industry

- Marginal signs of improvement in demand seen during the quarter after demonetization effect in Q1'17
- Implementation of GST will bring opportunities of growth for the sector
- Further hardening of Fuel prices
- Inconsistent supply of FSA linkage coal due to prioritization to power sector
- Inadequate availability of Flyash & Slag
- Poor availability of rakes & LOCO in Eastern region

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Company has implemented GST with effect from July 1, 2017 and our entire customer and vendor base is GST-ready and registered as required, thus streamlining day-to-day operations

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Commercial transformation

- Customer experience management
- Customer segment based value proposition
- Premium products
- Digitization

Cost Leadership

- Raw material & Fuel Source-Mix optimization
- Process efficiency improvement
- Logistics operational excellence initiatives
- Fixed cost optimisation
- Substitution of traditional fuels and raw materials with waste derived materials

Asset Light Strategy

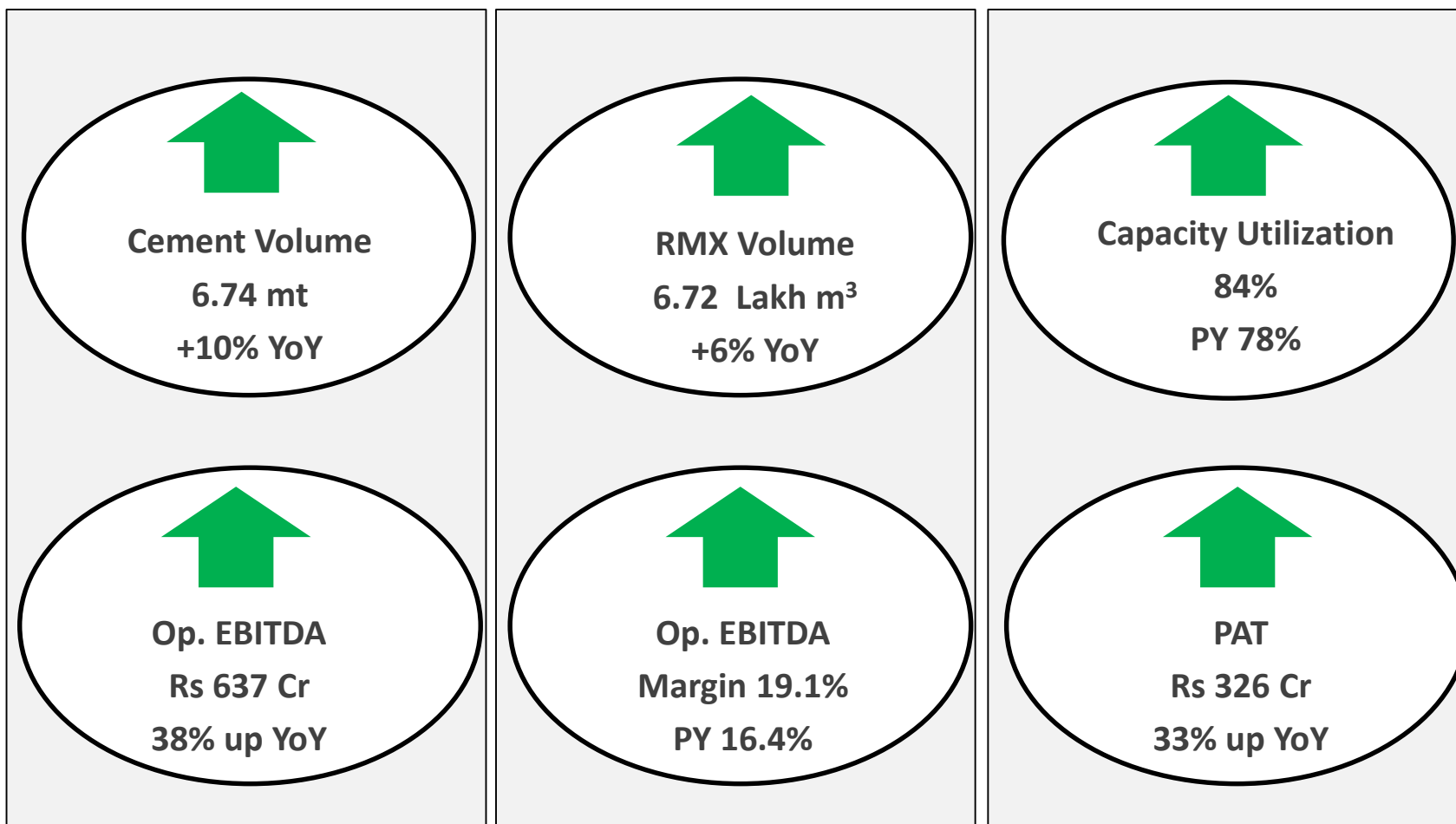
- Debottlenecking projects
- Optimisation of Working capital

Sustainable Development

- Carbon Footprint
- Circular Economy
- Water & nature
- People & Community

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Performance Levers – Q2'17



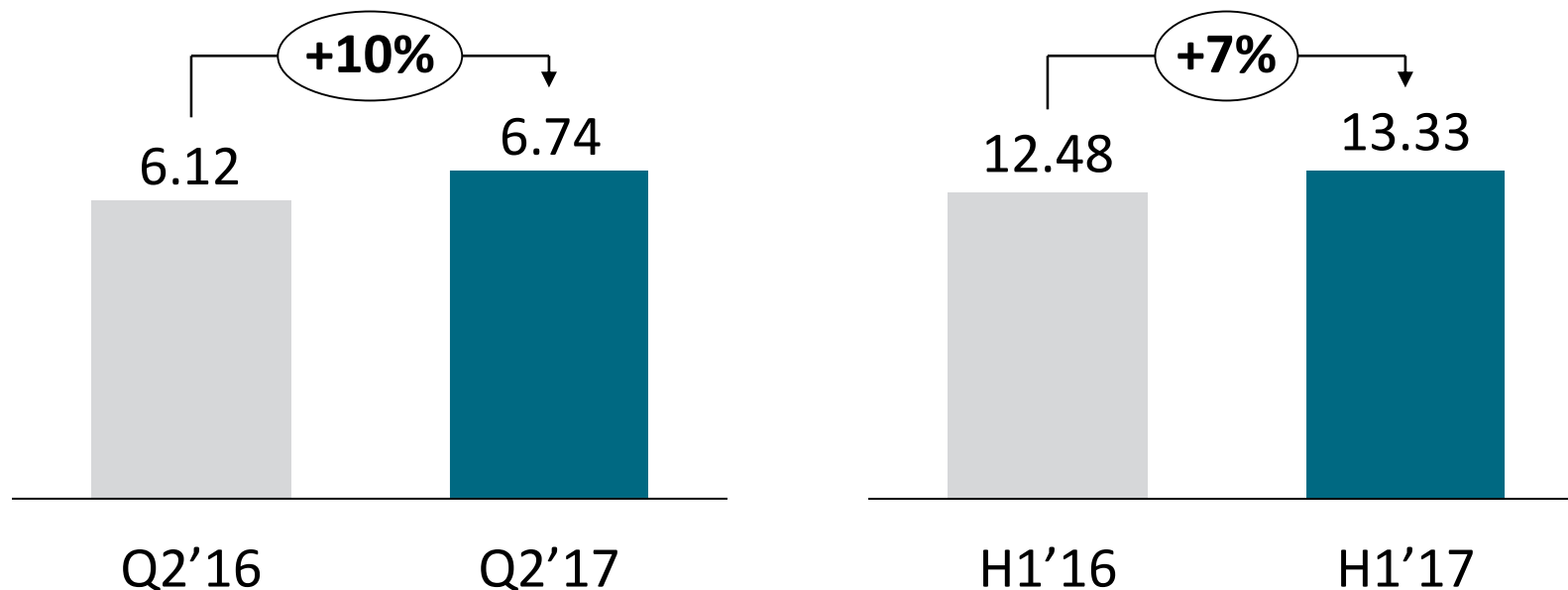
Double digit volume growth; Margin improved by 278 bps

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Particulars	UoM	Q2'16	Q2'17	+/- PY	H1'16	H1'17	+/- PY
Sales (net of Excise Duty)	Rs Cr	2827	3329	18%	5712	6437	13%
Op. EBITDA	Rs Cr	462	637	38%	906	1054	16%
<i>Op EBITDA Margin</i>	%	16.4	19.1	278 bps	15.9	16.4	50 bps
Depreciation	Rs Cr	142	163	15%	286	329	15%
Other income	Rs Cr	26	26	1%	68	59^	-13%
Finance cost	Rs Cr	20	22	9%	38	46	21%
Profit Before Tax (PBT)	Rs Cr	329	482	46%	655	743	13%
Tax Expenses	Rs Cr	83	156	87%	177	205	16%
Profit After Tax (PAT)	Rs Cr	246	326	33%	478	537	12%
<i>EPS</i>	<i>Rs/share</i>	13.1	17.4	33%	25.4	28.6	12%

Adoption of Indian Accounting Standards (Ind AS) with effect from Jan 1, 2017. The figures for the quarter & half year ended Jun 30, 2016 have also been restated as per Ind AS

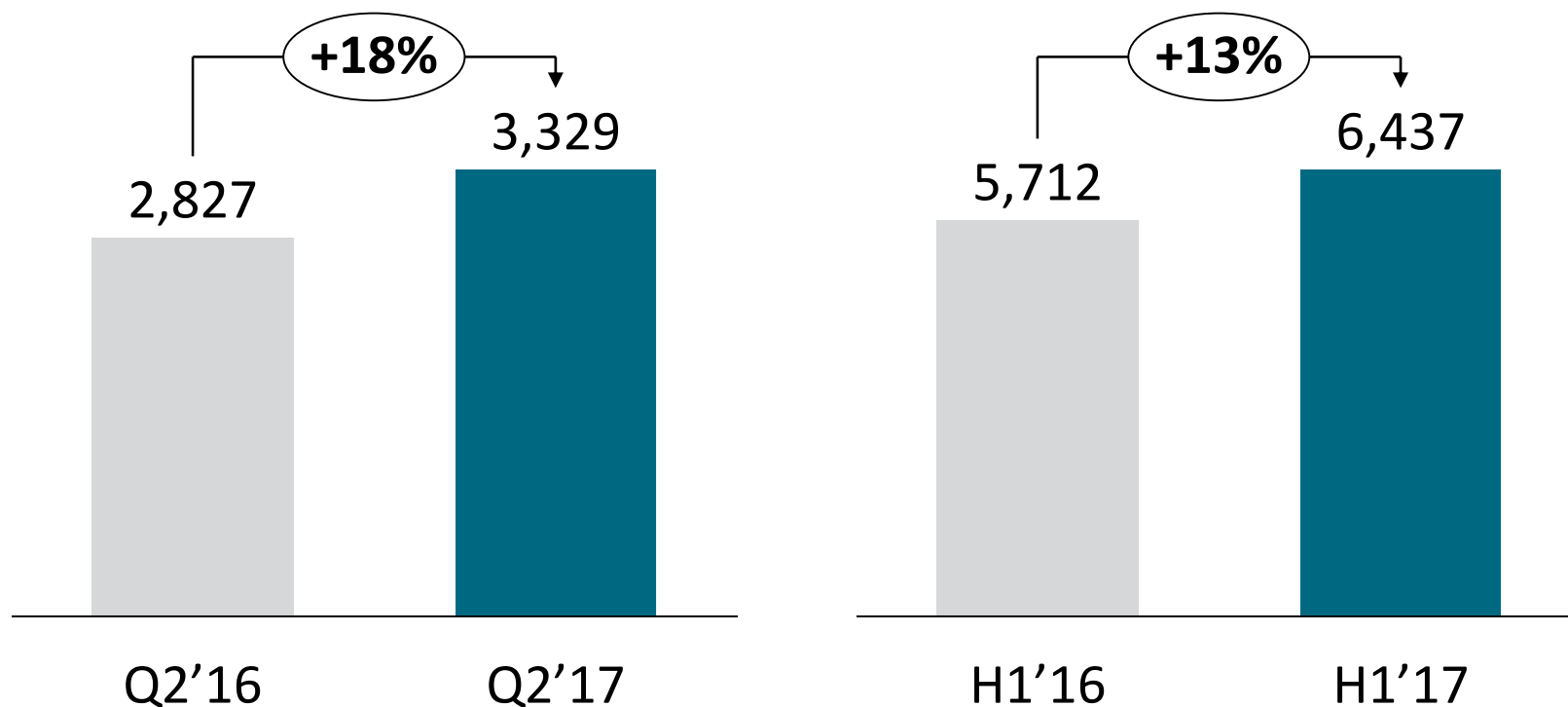
Particulars	Standalone	
	31.12.16	30.06.17
Shareholders Funds	8832	9232
Non current Liabilities	589	589
Current Liabilities	4019	4107
Equity & Liabilities	13440	13928
Fixed Assets	8012	7828
Non current investment	32	4
Non current loan and advances	185	199
Other non current assets	1140	1095
Current Assets	4071	4802
Assets	13440	13928



Additional volume from new capacity at Jamul & Sindri strengthened market presence in East

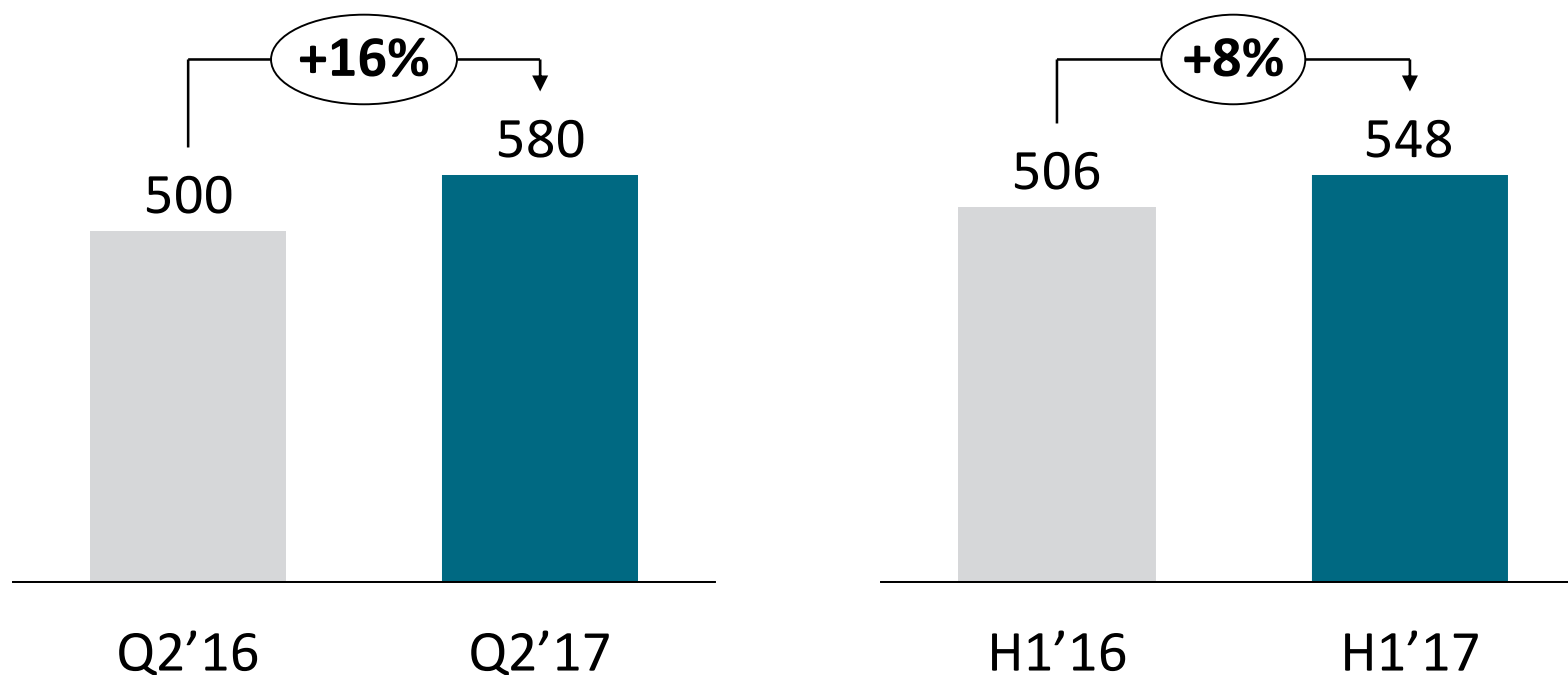
Premium Product volume growth @ 9% YoY

New products launched in previous quarter well accepted by customers



Cement Business sales gone up by 18 %

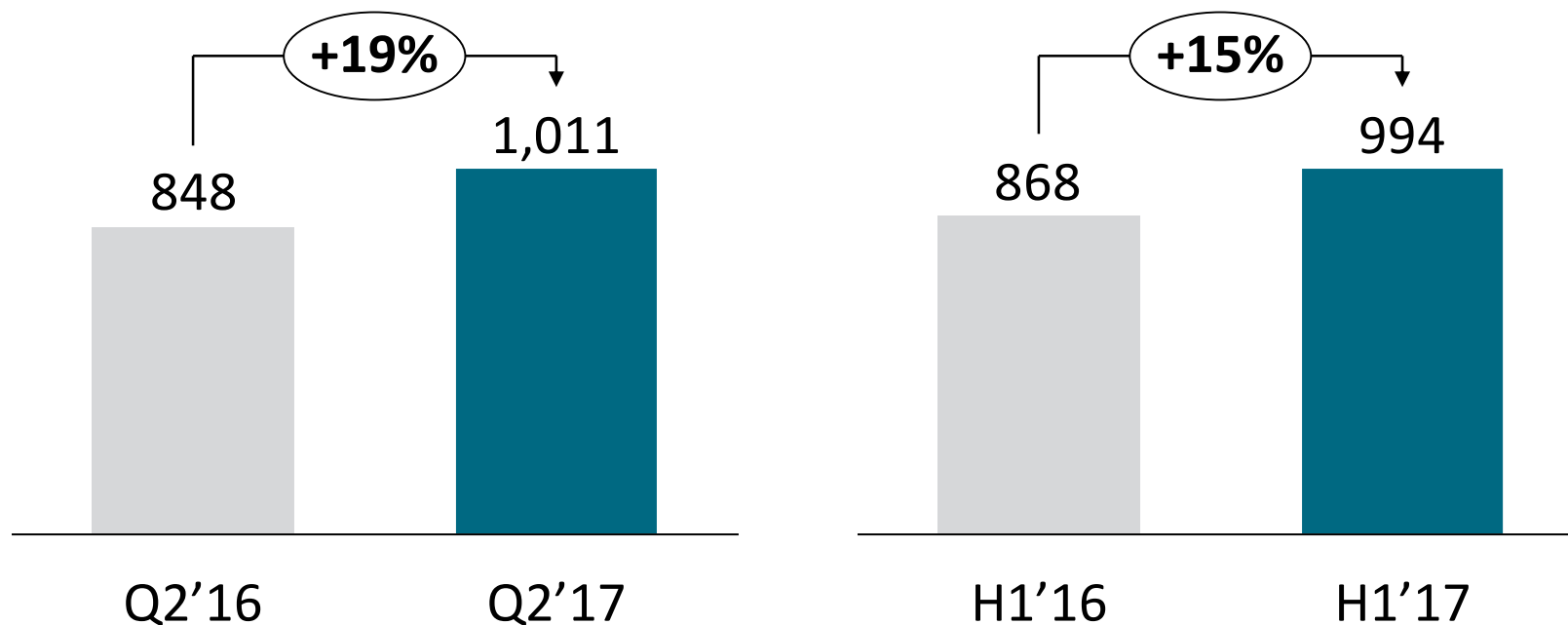
RMX Business sales improved by 14 %



Gypsum & Raw mix optimization helped curb cost increase

Basic Price of Slag increased due to spurt in demand

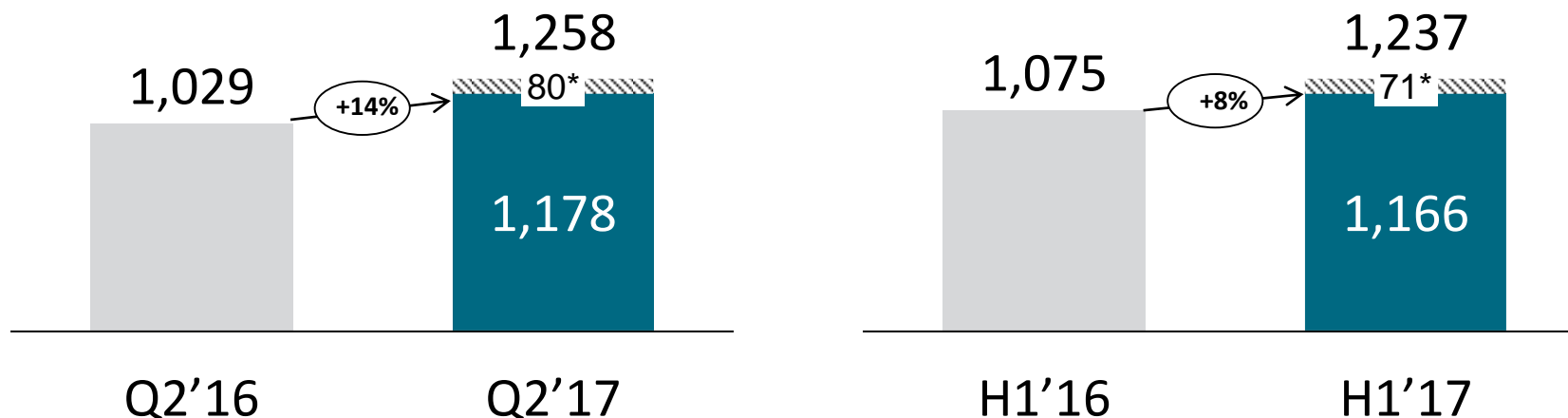
Long lead Slag & Flyash purchase due to shortage from nearby sources



Energy efficiency improved

Fuel Mix Optimized [Petcoke Usage increased to 65% (PY 58%)]

Petcoke prices almost doubled; Linkage coal price increased

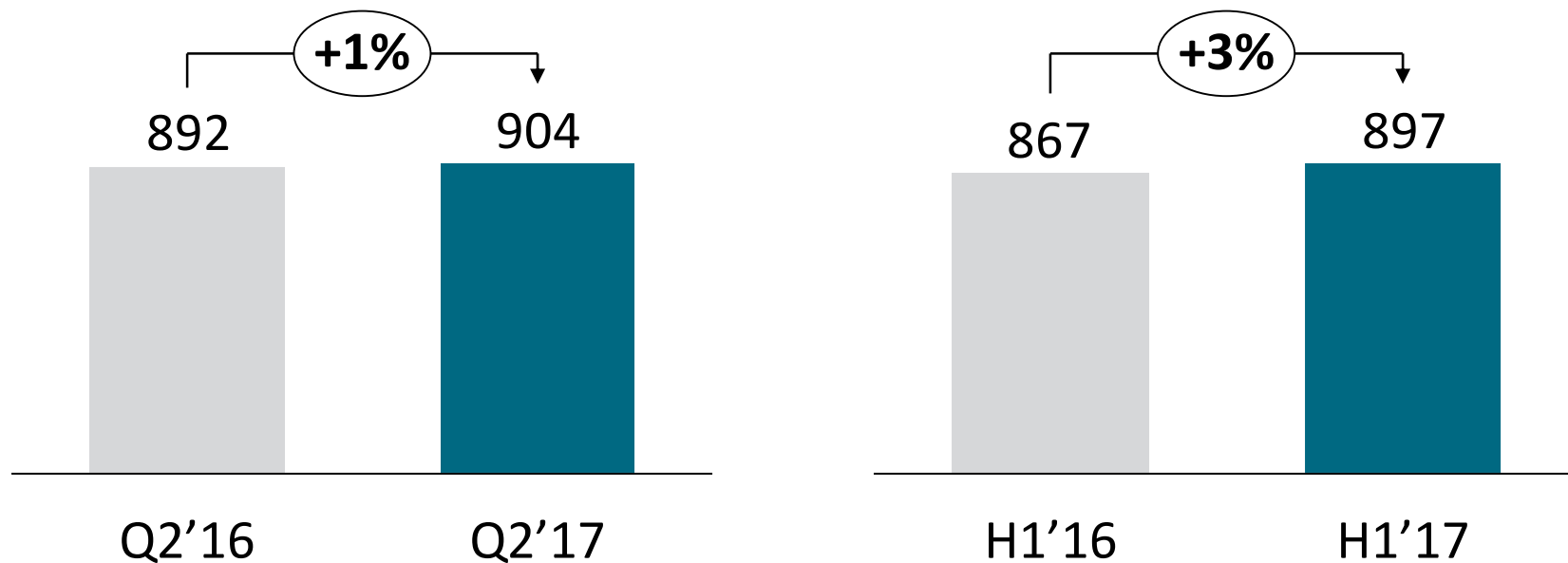


Increase in Diesel Price by ~ 12% - Road Freight impacted

Despite Busy season surcharge waiver of Railway not available during the period, Freight increase restricted through various logistic improvement initiatives

Clinker freight increased due to additional clinker sourced to bridge the Flyash and Slag supply demand imbalance

* impact of change in commercial terms (Ex to FOR delivered) during Q2'17 & H1'17



Packing material cost increased due to increase in price of PP granules

Cautionary statement regarding forward looking statements

This presentation may contain certain forward-looking statements relating to the Company's future business, developments and economic performance

Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressures; (2) legislative and regulatory developments; (3) global, macroeconomic and political trends; (4) fluctuations in currency exchange rates and general Financial market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigation; (8) adverse publicity and news coverage, which could cause actual developments and results to differ materially from the statements made in this presentation. ACC assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.