

ACC Limited
Registered Office
Cement House
121, Maharshi Karve Road
Mumbai - 400 020, India

July 20, 2020

**National Stock Exchange
of India Limited**
Exchange Plaza, 5th Floor
Plot No.C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Tel.: 2659 8235/36 8458
Scrip Code: ACC

BSE Limited
Corporate Relations
Department
P.J. Towers, Dalal Street
Mumbai 400 001
Tel.: 2272 8013/15/58/8307
Scrip Code: 500410

CIN: L26940MH1936PLC002515

Phone: +91 22 3302 4321
Fax: +91 22 6631 7458
www.acclimited.com

Dear Sirs,

**Sub: Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements)
Regulations, 2015 - Investor Presentation**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, please find enclosed the Investor Presentation Q2CY20 Results.

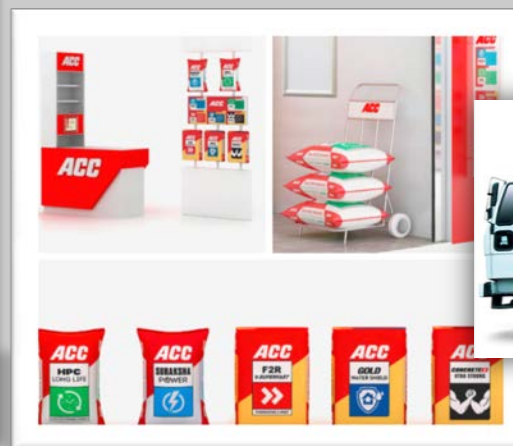
You are requested to take note of the same.

Yours Sincerely
For **ACC Limited**

Rajiv Choubey
Chief Legal Officer & Company Secretary
ACS-13063

Encl.: As Above

ACC



Investor Presentation: Q2CY20 Results

Jul 20, 2020

Economy & Industry Update

Performance Highlights

Performance Analysis

Leadership In Sustainability



Economy & Industry Update



Macro-Economic Update

- COVID-19 has been a black swan event leading to super VUCA* situation
 - Uncertainty on peak and rate of spread of Covid
 - Lockdowns have disproportionate impact on economy and life
- Economy was already under stress when COVID-19 struck, with real GDP growth at 4.2% for FY20
- Current consensus GDP forecast is ~5% de-growth in FY 21, with the following assumptions:
 - Peaking of pandemic in July-Sept
 - Normal monsoons
 - Soft crude prices

Industry Update

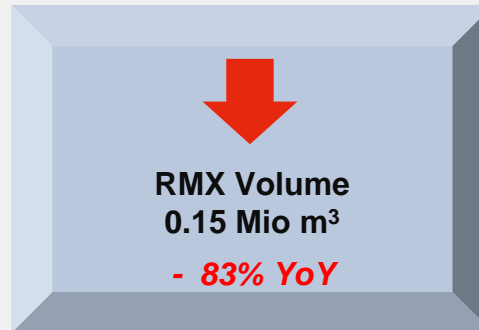
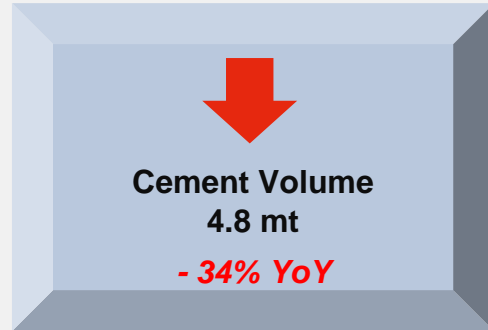
- Current year would mark the steepest fall in demand for India's cement industry
- Government support through direct cash transfer and NREGA to aide rural housing
- PMAY Affordable Housing likely to continue as government focuses on "housing for all" initiative and spur employment for labour class
- Investment cycle looks to slow down considerably due to demand contraction
- Slowdown in commercial space construction and increasing trends of work from home to impact demand from commercial segment
- Resumption of infra construction will aid to kick start the economy, a move to limit downside risk

* volatility, uncertainty, complexity, and ambiguity



Performance Highlights





- Nationwide lockdown impacted volume, revenue and profitability
- Greater impact on RMX volumes due to higher presence in urban centres

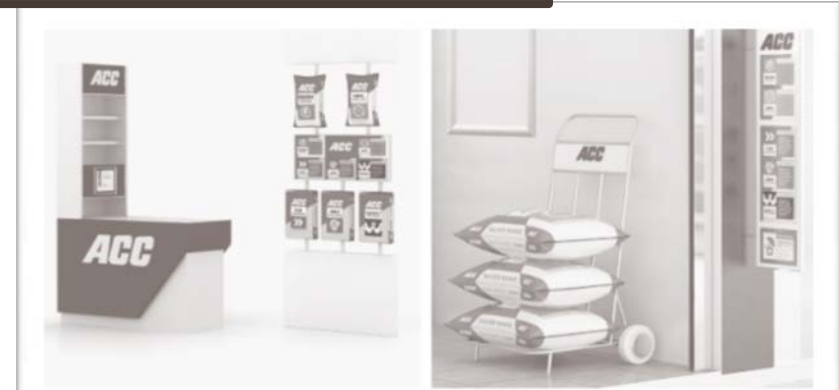


Financial Results – Consolidated

| Particulars <i>(all amt in Rs. Crs)</i> | Q2'19 | Q2'20 | Change (YoY) |
|---|-------|-------|--------------|
| Net Sales | 4,059 | 2,520 | - 38% |
| Op. EBITDA | 783 | 525 | -33% |
| EBITDA Margin (%) | 19.3 | 20.8 | 1.6pp |
| Profit Before Tax (PBT) | 673 | 403 | - 40% |
| Tax Expenses | 217 | 132 | - 39% |
| Profit After Tax (PAT) | 456 | 271 | - 41% |
| EPS <i>(Rs/share)</i> | 24.3 | 14.4 | - 41% |

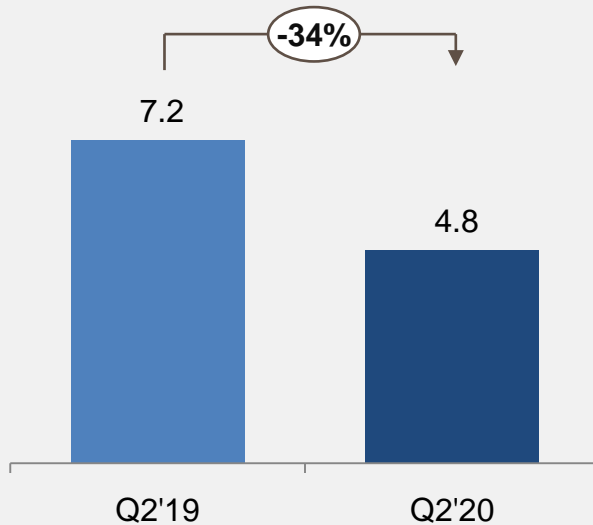
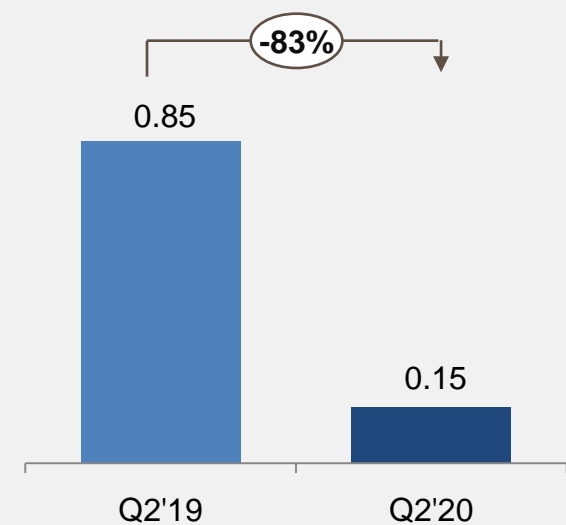


Performance Analysis

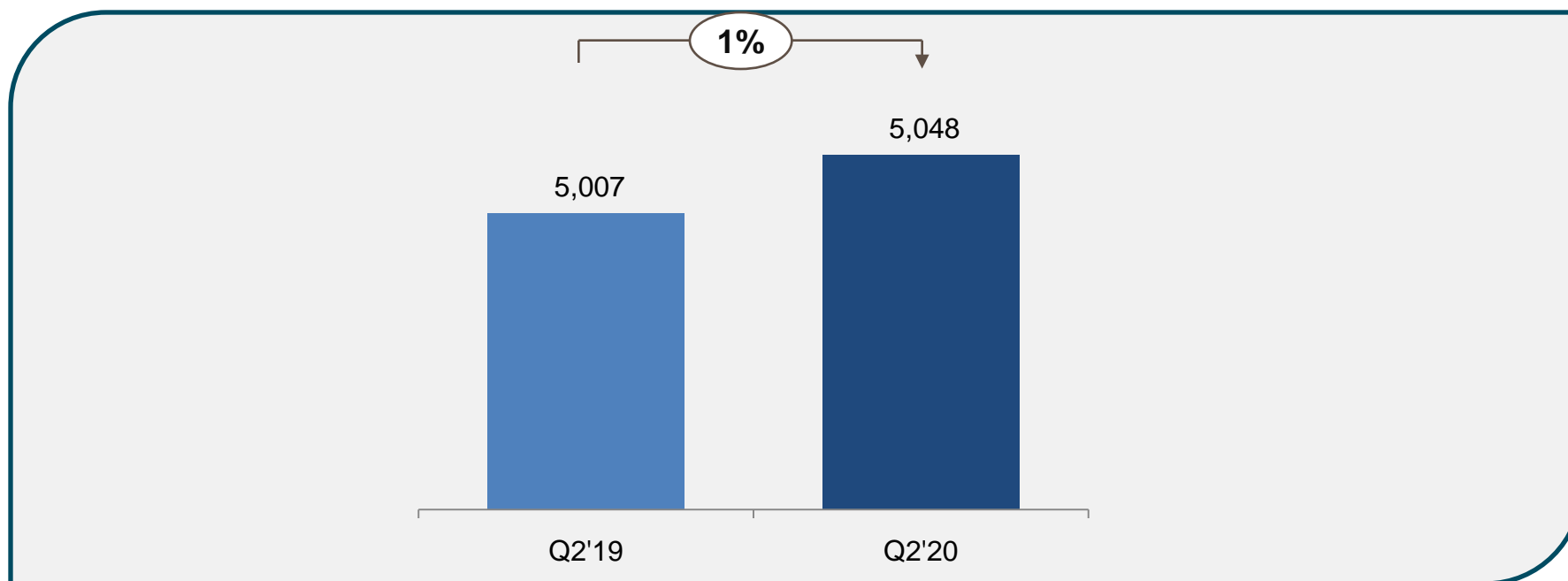


| Particulars | Q2'19 | Q2'20 | Change YoY |
|-----------------------------------|--------------|--------------|------------|
| Sales Revenue | 5,007 | 5,048 | 41 |
| Other Operating Income | 119 | 164 | 44 |
| Total Operating Income | 5,127 | 5,212 | 85 |
| Expenses | | | |
| Raw Material Consumed | 535 | 397 | -138 |
| Power & Fuel Cost | 1,083 | 931 | -151 |
| Logistics Cost | 1,341 | 1,220 | -122 |
| Employee Cost | 247 | 326 | 79 |
| Other Expenses | 795 | 636 | -159 |
| Total Expenses[#] | 4,111 | 4,085 | -26 |
| EBITDA | 1,016 | 1,127 | 112 |

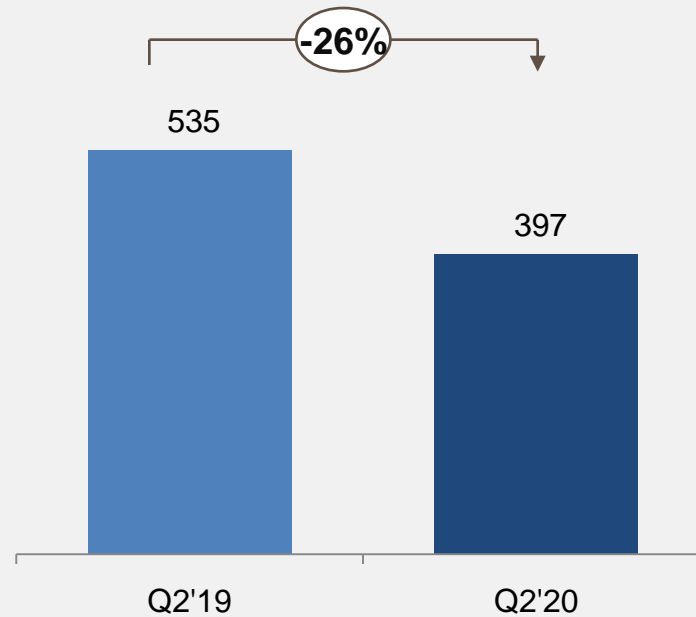
[#] includes changes in inventories of finished goods, work-in-progress and stock-in-trade & Purchase of traded Cement

Cement Volume (Mio ton)**RMX Volume (Mio m³)****Q2 YoY**

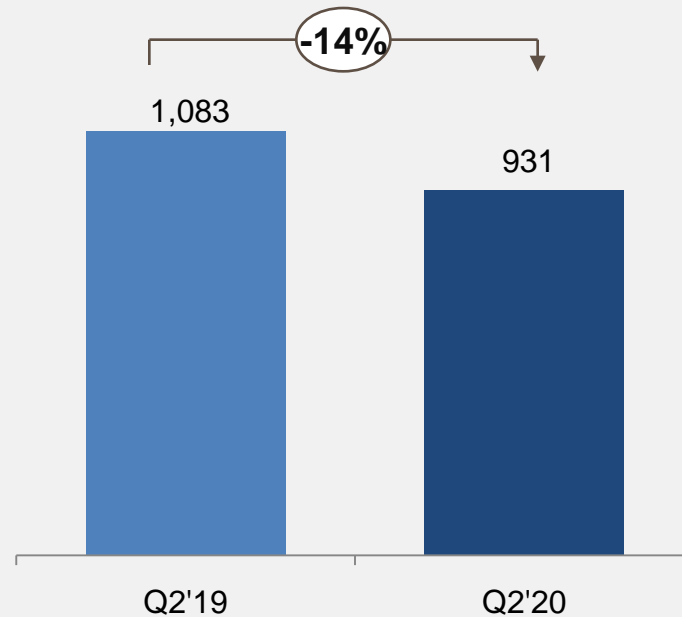
Volumes impacted due to COVID-19 which resulted in shutdown of operating activities under governments' directive

**Q2 YoY**

Realisation in line with the market trend and regional dynamics

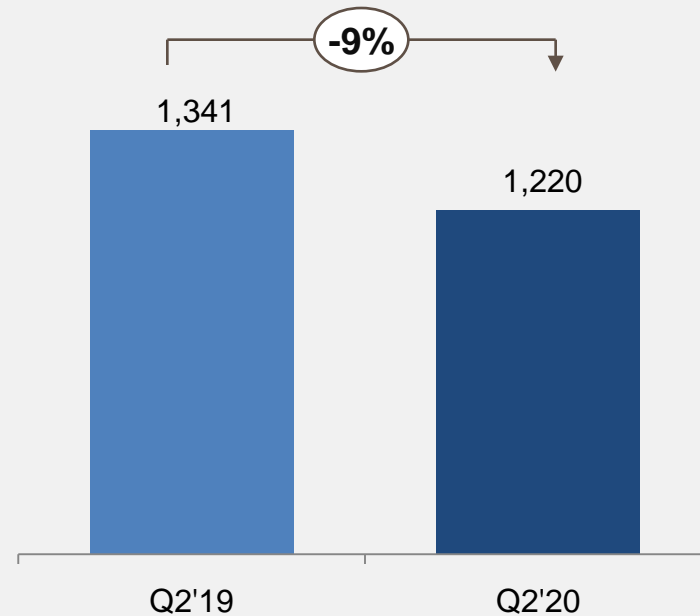
**Q2 YoY**

Decline in raw material cost due to source mix optimization, better negotiation and supply chain management



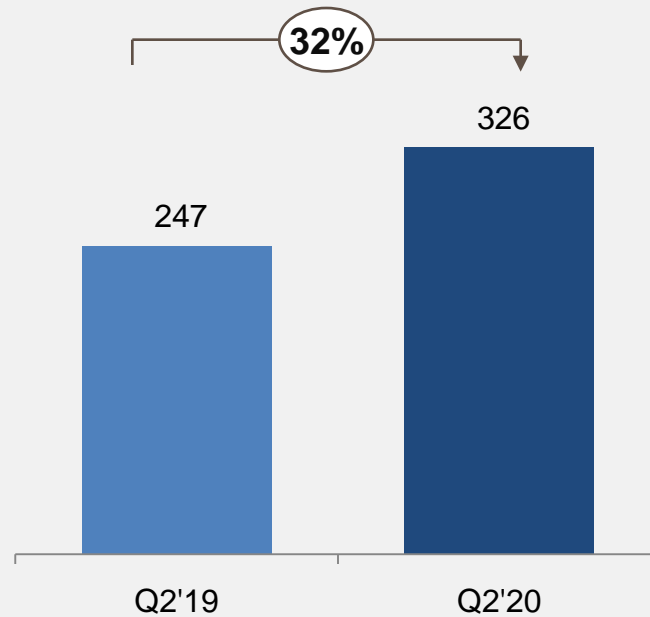
Q2 YoY

Power & Fuel cost decreased due better fuel mix with higher proportion of low cost coal and improvement in thermal energy efficiency

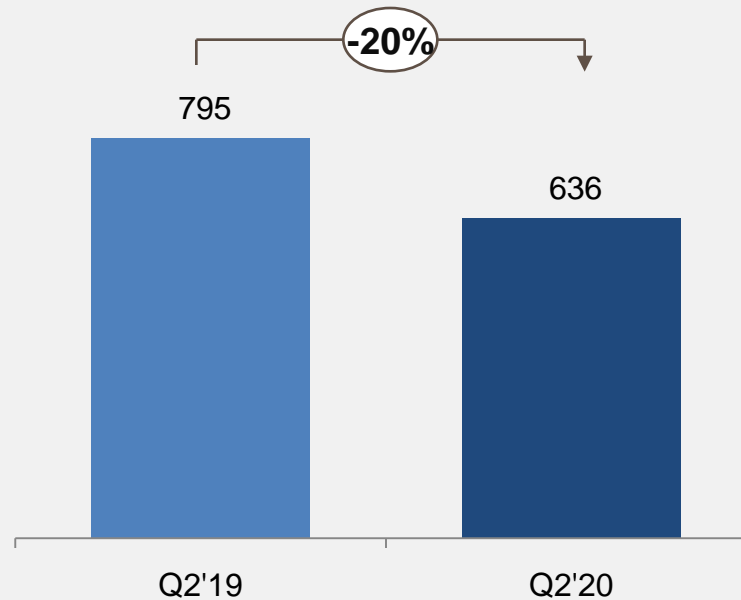


Q2 YoY

- Reduction in primary rail freight through better planning
- Secondary freight & warehousing cost rationalisation
- Lower sales volume negatively impacted freight & forwarding cost

**Q2 YoY**

Margin decline in employee cost on absolute basis however per ton cost increased due to lower volumes



Q2 YoY

- **Despite negative leverage there is substantial reduction in fixed cost :**
 - Stricter cost control in discretionary fixed cost
 - Negotiation led saving
 - Rationalisation of various cost items



Leadership in Sustainability





Covid 19 – Communities - ACC Trust

Working round-the-clock to aid half a million people across 125 villages & 14 Municipalities in 11 states; facilitating 2000+ SHG leaders



Sanitisation: Disinfecting & sanitizing village areas using tankers modified to spray disinfectant. Provided 7 ventilators to Government hospitals in Maharashtra

125 villages | 11 municipalities | 15 districts | 11 states | 6.6 lakh people impacted

Masks: Facilitated 138 SHGs & DISHA centers to produce triple-layered face-masks to protect frontline workers

Engaged 233 women | ~ 2,70,034 masks | 30,000 ongoing



Social Distancing: Educating communities and villages on social distancing, hand washing techniques, and respiratory hygiene

11 Municipalities & 125 villages | Tele-calling | Mobile vans with loud-speakers | Posters

Food Distribution: Distributing food and provisions of rice, sugar, oil and pulses to migrant labour and needy people

2,81,405 cooked food packets | 28,746 dry ration packets



- 125 students supported with scholarships for higher & technical studies at Kymore
- 170 farmers supported with paddy seeds & demonstration of modern cultivation technique at Kymore
- 223 youth provided livelihood through placement linked employability programs
- Leveraged 2nd phase Partnership Project with DMF to train 140 youth – Wadi plant
- 157 truck drivers benefited through health screening tests – Gagal plant
- 37 Anganwadi Center renovated and made child friendly
- 9872 malnourished children reached out through 200 Anganwadi Centers
- 24 New Self Help Groups created for 2410 rural women



ACC has achieved the highest recognition of
'Outstanding Accomplishment' in Corporate Excellence
at the CII-ITC Sustainability Awards 2019



The award has been given in recognition of the comprehensive efforts made by ACC in excelling at sustainable business practices, integrating them into corporate governance and strategy, which in turn has made a substantial impact on our operations and stakeholders



THANK YOU

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.