

No. ACC/ Sec./SE/22/054  
July 14, 2022

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

**BSE Limited**  
Corporate Relations  
Department  
P.J. Towers, Dalal Street  
Mumbai 400 001  
**Scrip Code: 500410**

ACC Limited  
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CIN: L26940MH1936PLC002515

Dear Sir/Madam,

**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 on Financial Results Q2 2022.

The said presentation will be simultaneously posted on the Company's website at [www.acclimited.com](http://www.acclimited.com).

You are requested to take note of the same.

Yours Sincerely  
For **ACC Limited**

**Rashmi Khandelwal**  
**Company Secretary & Compliance Officer**  
ACS-28839

*Encl.: as above*

# CHANGE THE STORY

**ACC** | Ambuja  
Cement | **HOLCIM**

Two cement giants join hands  
to produce their strongest product yet.

## Bubbles.



**Revolutionary bubble barrier technology that removes plastic and revives the Yamuna.**

## INVESTOR PRESENTATION

July 2022

**Q2 2022**

STOCK CODE

BSE: 500410 | NSE: ACC | Reuters: ACC.NS | Bloomberg: ACC:IN

# Safe Harbour Statement

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The Company undertakes no obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

# Index

**ACC at a Glance**

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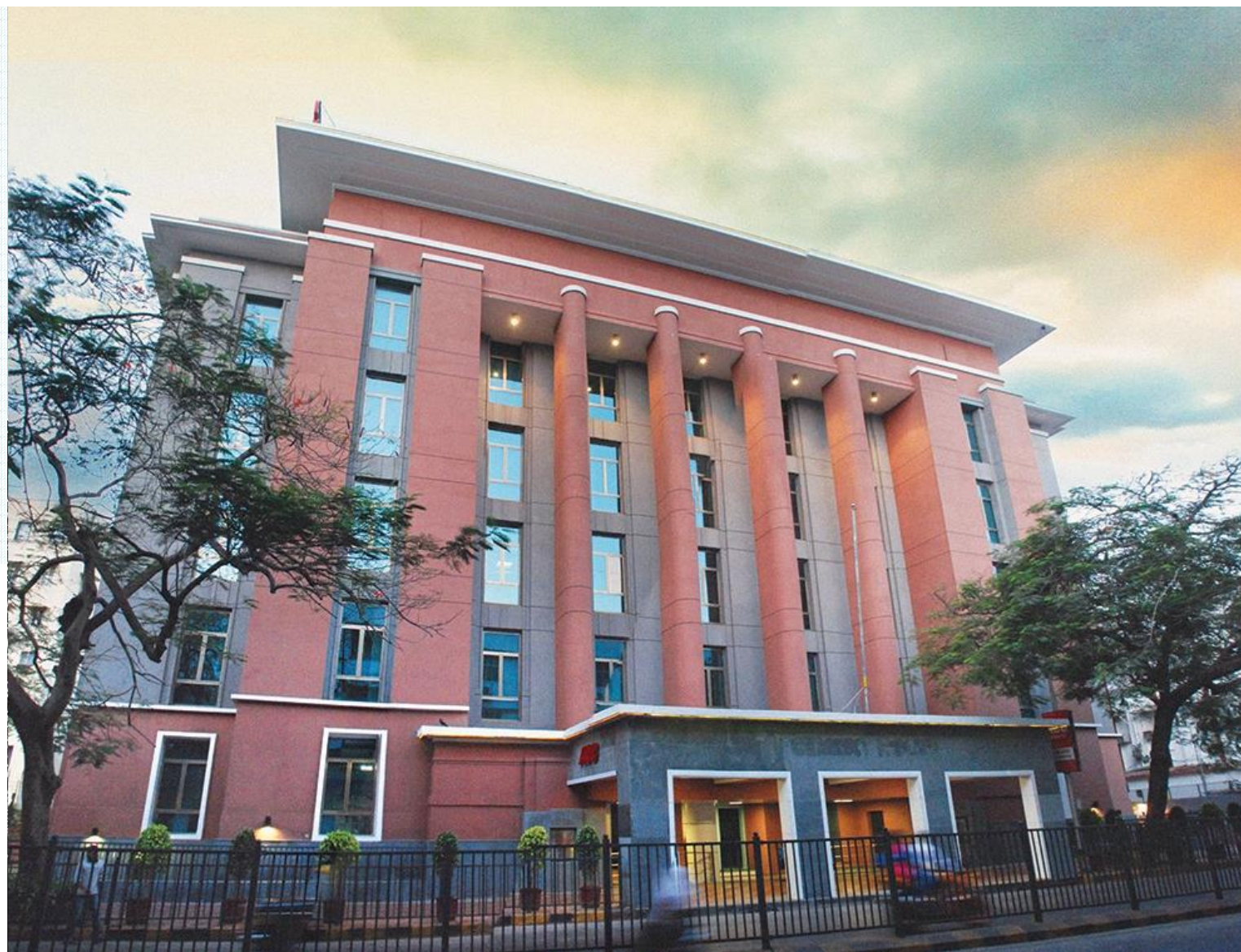
**Strategic Priorities**

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**Economy & Sector Update**

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**Performance Review**





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# ACC at a Glance

# Pioneers in Nation Building

Over eighty-five years  
of contribution towards  
India's progress

Setting new benchmarks  
with Sustainability  
Commitment

Driving excellence  
through innovation  
and digitalisation

Part of the global building products conglomerate Holcim

## Vision

To be one of the most  
respected companies in India;  
recognised for challenging  
conventions and delivering  
on our promises

## Purpose

To be a driving force in  
creating a confident future for  
our people, our customers, our  
shareholders and our nation

A brand that creates  
sustainable value for  
all stakeholders

**36** MTPA

Installed Cement Capacity

# Creating Value through Sustainability, Innovation and Inclusivity



## Operational

**17** Cement Plants

**82** Ready Mix Concrete Plants

**470** Warehouses



## Sustainability

**58%** Clinker Factor

**>90%** Share of Blended Cement

**9%** Thermal Substitution Rate



## Social

**>1,60,000** Lives Touched

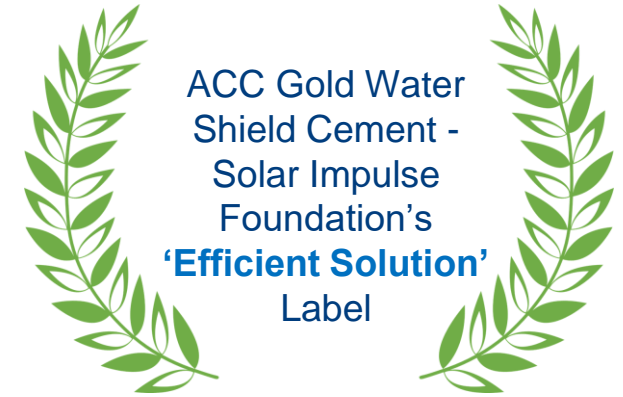
**~6,000** Employees

**>56,000** Channel Partners

All data for Q2 2022

# Awards and Accolades

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# Strategic Priorities

Accelerating Growth

Leading in Sustainability & Innovation

Delivering Superior Performance

# SUSTAINABILITY



# INNOVATION



# INCLUSIVITY





# Accelerating Growth

# Accelerating Growth

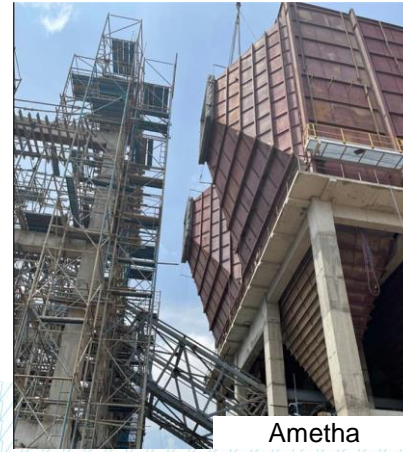
Strong moves towards rapid expansion



Tikaria

## Tikaria Brownfield Grinding Unit

Commissioned 1.6 MTPA grinding unit in Feb 2022, (executed in 9 months)



Ametha

## Ametha Greenfield Integrated Unit

Project implementation on track and commissioning expected in Q4 2022

- 2.7 MTPA Clinker
- 1.0 MTPA Cement
- 16.3 MW WHRS



Salai Banwa

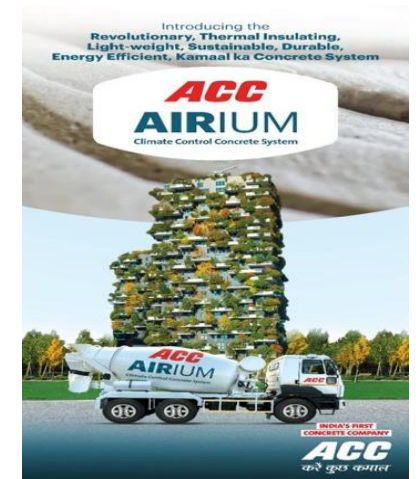
## Salai Banwa Greenfield Grinding Unit

Project implementation on track

- 2.2 MTPA Cement

# Accelerating Growth

## Product Portfolio Expansion



### Premium Products

**Concrete+ Xtra Strong**  
Higher strength

**F2R Superfast**  
Enables robust construction in quick time

**Gold Water Shield**  
India's first water-repellent cement

### Green Products

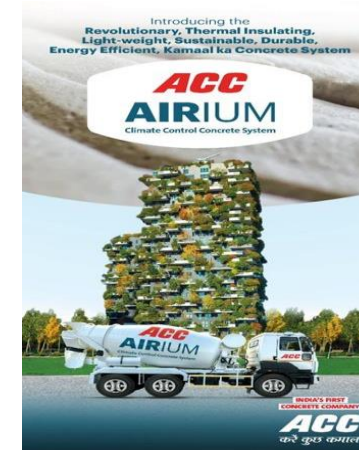
**Green Building Products**  
High strength, light weight cement bricks and blocks

**ECOPact**  
Concrete with significantly lower CO<sub>2</sub> emission

**AIRIUM**  
Climate Control Concrete Insulation System  
**DYNAMax**  
Ultimate performance Concrete

# Accelerating Growth

## Ready Mix Concrete business poised for significant growth



### Strong Demand Outlook

- Low penetration
- Rapid urbanisation
- Focus on Infrastructure development

### ACC Well Positioned

- 82 plants across India
- Industry leading products
- Strong brand equity
- Wide network

### Growth Ambition

- Strong expansion plans
- Portfolio of valued added services
- Scale up of global products

### Green Products

- Faster scaling-up of ECOPact
- 'AIRIUM', being scaled up
- 'DYNAMax', launched during the quarter

# Accelerating Growth

## Solutions & Products business - Aspiring for leapfrog growth

### LeakBlock range of waterproofing solutions

Integral waterproofing compound for concrete and plaster with advanced polymer technology

### Xtra Strong Tile Adhesive

- Ready to use adhesive made with a special formula to fix floor tiles
- A polymer modified white cement based cementitious adhesive designed to fix marbles, stones and tiles with long-lasting strength

### LeakBlock Waterproof Plaster

A ready-to-use cementitious waterproof mortar designed to meet all your internal and external plastering work needs

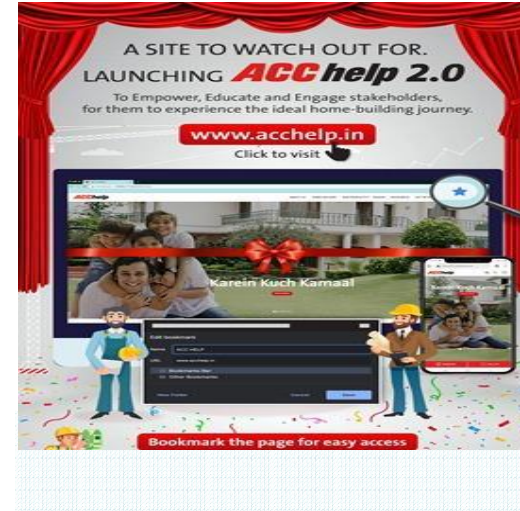
### Admixtures range of products

Enhances usability and strength of Ready mix concrete



# Accelerating Growth

## Continue to Strengthen Brand



Atoot Bandhan

Saliency with BCCI partnership

Sustainability

Premiumisation

LBNW (Leave Behind no Waste)

Houses of Tomorrow

Expanding Digital, ACCHELP.in

Green Cement & Concrete



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**Leading in  
Sustainability  
and  
Innovation**



# Leading in Sustainability and Innovation

## Net Zero Future

First Indian Cement Company to Sign Net Zero Pledge with Science based Targets



ACC has become the **first and only** Indian cement company to sign the **Business Ambition for 1.5°C** along with Science Based Targets.

ACC has committed to reduce

- Scope 1 GHG emissions **21.3%** per ton of cementitious material by 2030 from a 2018 base year
- Scope 2 GHG emissions **48.4%** per ton of cementitious material within the same timeframe.

The target boundary includes biogenic emissions and removals from bioenergy feedstocks

# Leading in Sustainability and Innovation

## Industry Recognition

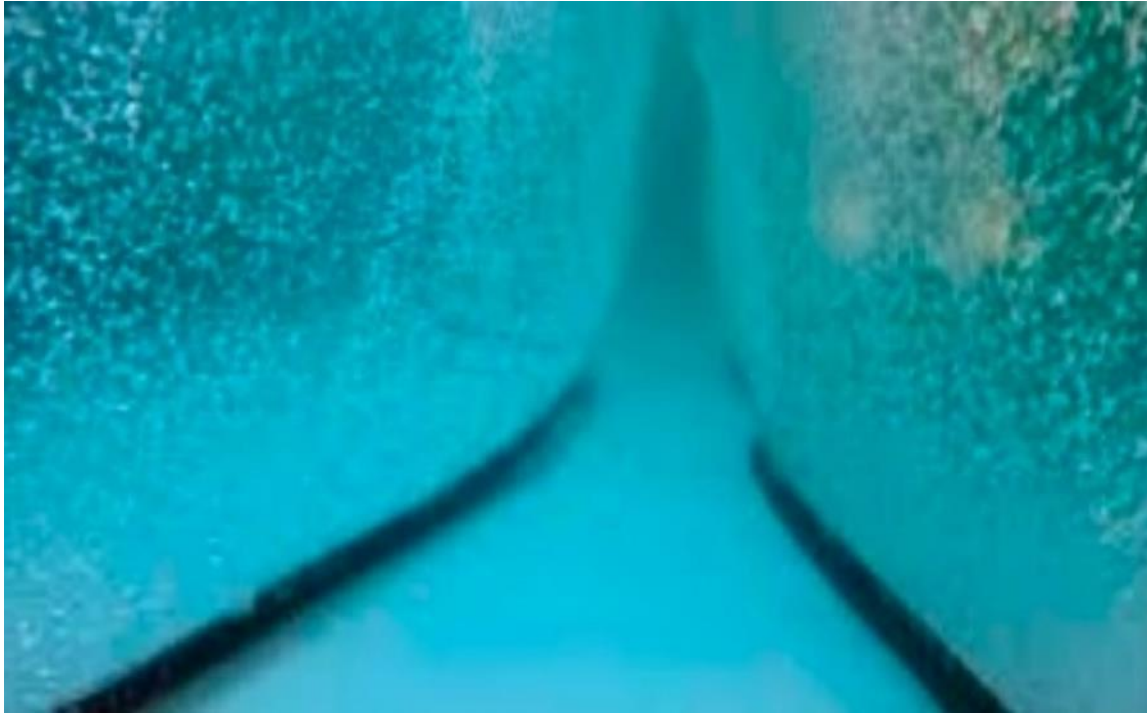


**ACC Limited recognized with prestigious  
'A' score for climate change by global  
environmental non-profit CDP**



# Leading in Sustainability and Innovation

## Bubble Barrier Technology – Initiative towards cleaner rivers



### Building cleaner India

Non-invasive technology through bubble curtains generated by perforated tubes placed at the bottom of the water bodies, powered through solar energy

### First pilot project on Mantola Canal, Agra City in 2021

**500** Tons / Month  
of Plastic Waste Leakage prevented from entering Yamuna River

# Leading in Sustainability and Innovation

## Green Energy for a Greener Tomorrow



### WHRS Projects



### Renewables



### Geocycle Initiatives

- Jamul, Kymore and Ametha projects on track
- Orders placed for Chanda and Wadi
- Total capacity to reach 75 MW
- Study in progress for other plants

- Journey of increasing share of green power on course
- 82 MW of solar energy capacity
- 19 MW of wind power
- Mix of On-site as well as Off-site facilities

- Single-use plastics management with Leave Behind No Waste, Zero Plastic, reuse of packaging material
- Introduced Bubble Barrier technology to address marine pollution.
- Geocycle projects at Jamul and Kymore progressing as planned

# Leading in Sustainability and Innovation

## Structured framework to address social concerns



### Water Governance & Management

**57,000+** beneficiaries reached through water harvesting structures like check dams, ponds desilting, long term watershed development

SHG: Self Help Group



### Sustainable Livelihoods

**42,000+** beneficiaries reached out by skill training programs, self entrepreneurship, SHGs and farm based interventions



### Social Inclusion

**1,82,000+** beneficiaries, reached out through COVID Response program, health, education and rural infrastructure development

# Leading in Sustainability and Innovation

## Conservation of Natural Resources



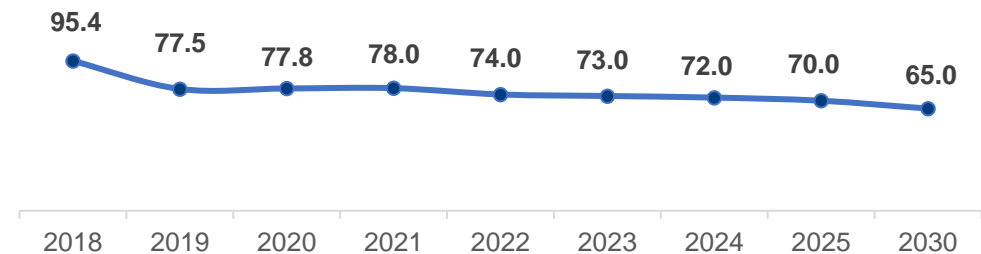
**Target to achieve the Water Positivity Index of at least 5 times by 2030**  
**Aim to further strengthen our “Positive Impact on Biodiversity” by 2030**

### Focused Action for biodiversity conservation

- Implementing BMP or WCP for enhancing Biodiversity and protecting wildlife
- Green Belt Development in and around premises
- Higher use of recycled water and rainwater harvesting

BMP - Biodiversity Management Plans; WCP - Wildlife Conservation Plan























### Freshwater Withdrawal in cement (Litre/Ton of Cementitious material)



# Leading in Sustainability and Innovation

6% Reduction in specific CO<sub>2</sub> emission

Our sustainability strategy is led by our Sustainable Development (SD) 2030 Plan and aligned with Holcim

	 <b>Climate and energy</b>	 <b>Circular economy</b>	 <b>Environment</b>	 <b>Community</b>
<b>Target 2030</b>	Net specific CO <sub>2</sub> emissions <b>400 kg /t</b> of cementitious materials	Use <b>30 million tons</b> of waste derived resources per year	Water Positive Index <b>5</b> (number of times)	<b>3.5 million</b> Number of new beneficiaries
<b>Performance H1 2022</b>	Net specific CO <sub>2</sub> emissions <b>469 kg /t</b> of cementitious materials	Consumed <b>6 million tons</b> of waste derived resources	<b>&gt;1</b> (number of times)	<b>1.7 million</b> (cumulative till H1'22) people benefited through community development projects
<b>SDGs impacted</b>	  	   	  	       



**Delivering  
Superior  
Performance**



# Delivering Superior Performance

## People - Pillars of Performance



**Talent &  
Succession**

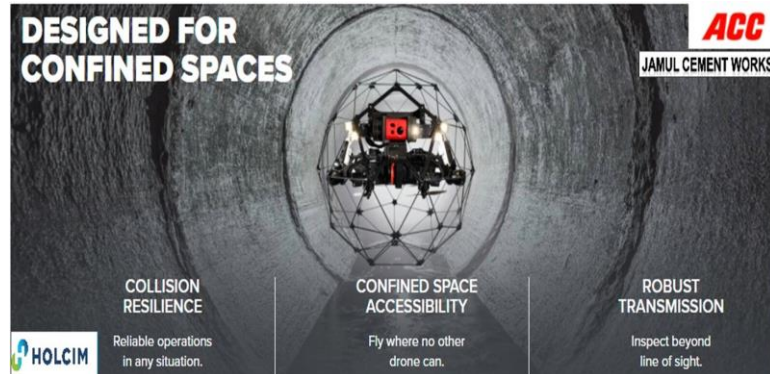
**Diversity &  
Inclusion**

**Learning for  
Growth**

**Performance  
Culture**

# Delivering Superior Performance

## Digitalisation – Business processes enabled by digital core



### Manufacturing-Plants of Tomorrow

- **Data & Analytics Infrastructure:** TIS, PACT, EDGE AI
- **Drones** in operation
- **Advanced Data Analytics**
- **Digital Eye:** Video analytics
- **Mines of Tomorrow**

### Logistics & Sourcing

- **Transport Analytics Center**
- **Fleet Management**
- **E-Tendering, reverse auction tool and Vendor Portal**
- **Leveraging BlueYonder**

### Commercial

- **Dealer Connect**
- **Concrete Direct for RMX**
- **Revenue Management**
- **Sales Force Automation**
- **Unified CRM**

# Delivering Superior Performance

## Project Parvat – Leveraging efficiencies to mitigate cost headwinds



Reduce Blind Spot – After Adjusting of Mirrors



### Manufacturing Excellence

- Improvement in Clinker Factor
- Higher share of WHRS power
- Scaling up renewable power
- Improving TSR through Geocycle initiatives
- Fuel flexibility

### Logistics Excellence

- Network Optimisation - MSA
- Improvement in Direct dispatch
- Warehouse footprint optimisation
- Transport Analytics Center
- Enhancing Logistics infrastructure

### Commercial Excellence

- Driving premiumisation
- Higher share of blended cement
- Channel expansion
- Revenue & margin management
- Enabling digitisation of Channel & Field force

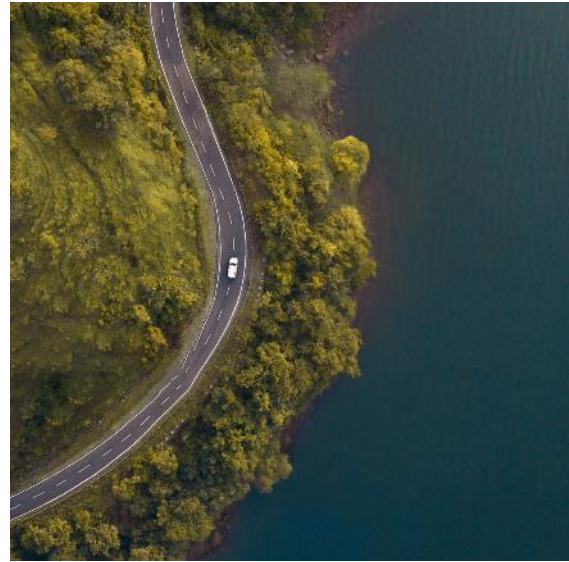
MSA – Master Supply Agreement; TSR – Thermal Substitution Rate, WHRS - Waste Heat Recovery Systems



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# Economy & Sector Update

# Global sustainability trends



Decarbonisation to rise across industry, transport and buildings segments, supported by innovative technologies

Customer awareness and activism pushing the environment, social and governance (ESG) agenda

Digital tools to shape the evolution of sustainable processes leading to reduction of CO<sub>2</sub> emissions

Design for environment and supply chain sustainability to include an emphasis on the Scope 3 decarbonisation strategy

Sustainability as a service emerging as a strong business model to drive behavioural change and providing purpose-driven outcomes for customers

# Macro-Economy Outlook

- **FY23 GDP growth estimated at 7.2% (CRISIL)**

- Downside risk to growth due to volatile crude price, inflation and geopolitical risk
- Traction from private sector led by PLI scheme & improved capacity utilisation
- Hinges on infrastructure led Capex by Government
- Normal monsoon expected for 4th year in a row
- Rebound in urban consumption

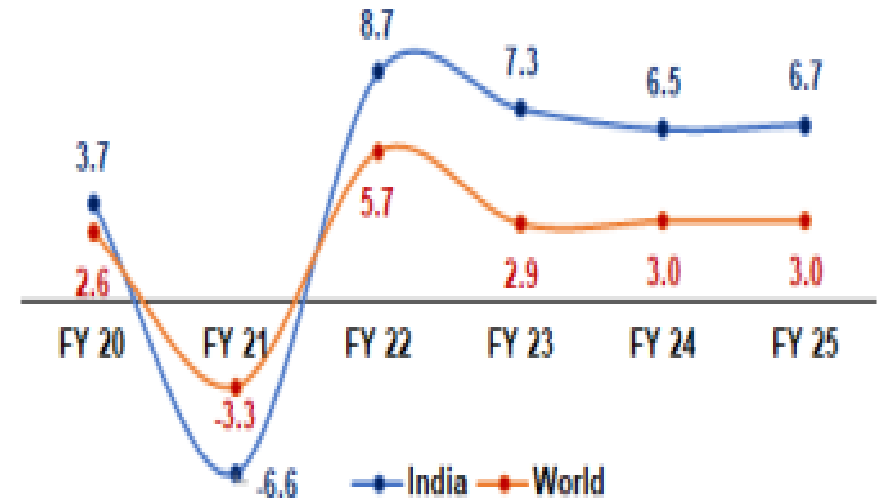
- **Inflation remain an elevated risk in FY23**

- Consumer Price Index (CPI) inflation projected at 6.8% for FY23, persistently above RBI's medium term upper ceiling 6% during Jan-May'22

- **Fiscal deficit projected at 6.4% of GDP in FY23; and gradual reduction to 4.5% by FY26**

- Government committed to broad path of fiscal consolidation
- Current account deficit to widen to 2.4% of GDP in FY23 from estimated 1.6% for FY22

## GDP – Forecast (% , y-o-y)



Note: FY23 onwards are forecasts

Source: India Forecast - S&P Global

World forecast – World Bank,

World GDP is for calendar year (FY21= 2020 for World), NSO, CRISIL

# Sectoral Outlook



## Housing

- Focus on PMAY scheme (Urban and Rural)
- Demand expected in real estate
  - Over 185-195 million sq. ft of real estate projects to be launched in FY23
- Good agri production, healthy reservoir levels & buoyant farm income to drive demand for rural housing



## Infrastructure

- 18,000 km highway construction @50 km/day
- 47,000 kms rural roads targeted
- Momentum to continue Urban infra, Bharatmala and Metro projects
- Significant infra outlay in State budgets



## Industrial/ Commercial

- Implementation of PLI scheme to boost domestic demand
- Demand for warehousing space to be strong on back of e-commerce and retail growth
- Fresh capex uptick in mature capital intensive sectors (steel and cement)
- 13-14% increase expected in office space demand in 2022



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# Performance Review




# Performance Highlights – Q2 2022

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**7.56** MT

Cement Sales Volume

10.5% YoY 


**0.83** Mio m<sup>3</sup>

RMX Sales Volume

44% YoY 

**₹ 4,393** CRS

Net Sales

15% YoY 


**₹ 426** CRS

EBITDA

-51% YoY 


**9.7%**

Op. EBIT Margin

-13 pp YoY 

**₹ 227** CRS

Profit After Tax

-60% YoY 

# Financial Results – Consolidated

Particulars						
( ₹ Crore)	Q2'21	Q2'22	Change %	H1 21	H1 22	Change %
Net Sales	3,810	4,393	15%	8,024	8,715	9%
EBITDA	869	426	-51%	1,730	1,061	-39%
EBITDA Margin (%)	22.8	9.7	-13.1 pp	21.6	12.2	-9.4 pp
Op. EBIT	723	262	-64%	1,440	742	-48%
Op. EBIT Margin (%)	19.0	6.0	-13.0 pp	17.9	8.5	-9.4 pp
Profit After Tax	569	227	-60%	1,132	624	-45%
EPS (₹/share)	30.3	12.1	-60%	60.3	33.2	-45%

# Income Statement – Cement Business

Particulars						
(₹/Ton)	Q2 21	Q2 22	Change per ton	H1 21	H1 22	Change per ton
Sales Revenue	5,153	5,337	4%	5,005	5,223	4%
Other Operating Income	106	97	-8%	101	114	13%
<b>Total Operating Income</b>	<b>5,259</b>	<b>5,434</b>	<b>3%</b>	<b>5,107</b>	<b>5,337</b>	<b>5%</b>
<b>Expenses</b>						
Cost of Materials Consumed	543	662	22%	546	644	18%
Power & Fuel Cost	1,183	1,708	44%	1,085	1,514	40%
Freight & Forwarding Cost	1,278	1,359	6%	1,294	1,326	2%
Employee Cost	274	256	-7%	255	240	-6%
Change In Inventory	-304	-247	-19%	-183	-159	-13%
Other Expenses	753	735	-2%	728	734	1%
<b>Total Expenses#</b>	<b>4,024</b>	<b>4,908</b>	<b>22%</b>	<b>3,982</b>	<b>4,692</b>	<b>18%</b>
<b>EBITDA</b>	<b>1,235</b>	<b>526</b>	<b>-57%</b>	<b>1,124</b>	<b>645</b>	<b>-43%</b>

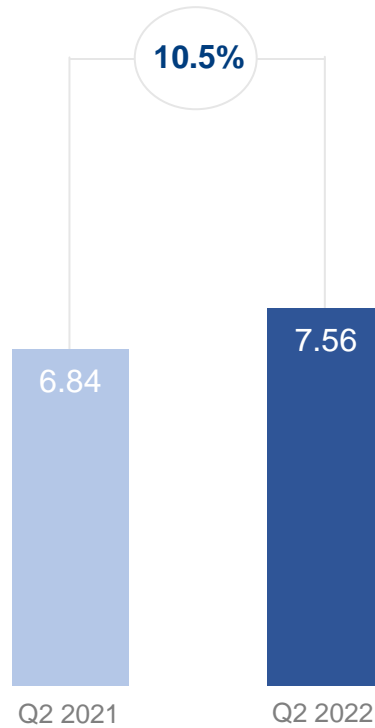
#Includes purchase of traded Cement

# Performance Analysis - Sales Volume

Strong volume growth vs. previous year

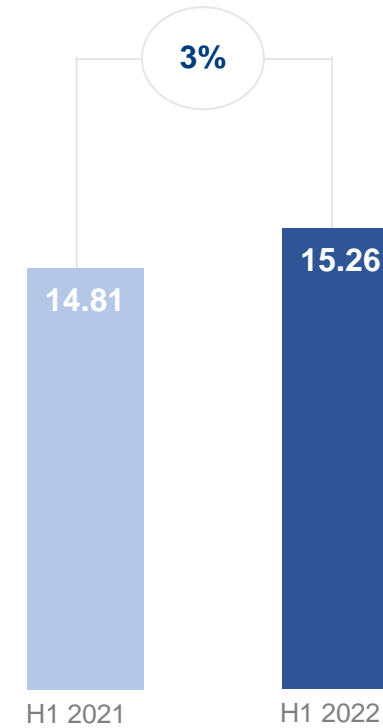
## Cement Volume (Q2)

(Million tons)



## Cement Volume (H1)

(Million tons)

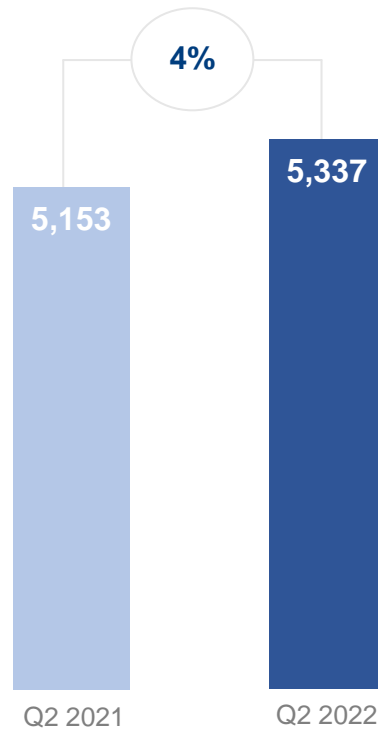


# Performance Analysis – Net Selling Price

## Price increase to marginally offset cost inflation

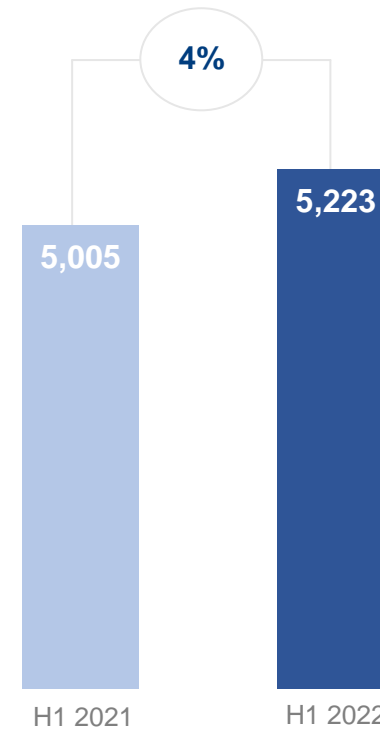
### Net Selling Price (Q2)

(₹ / ton)



### Net Selling Price (H1)

(₹ / ton)

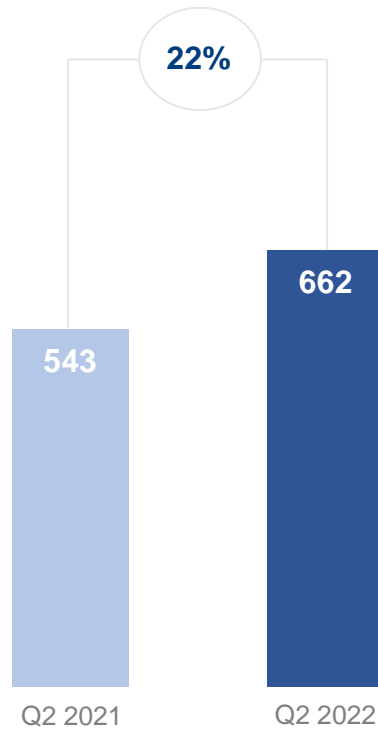


# Performance Analysis – Raw Material Cost

Raw material cost impacted by inflationary headwinds

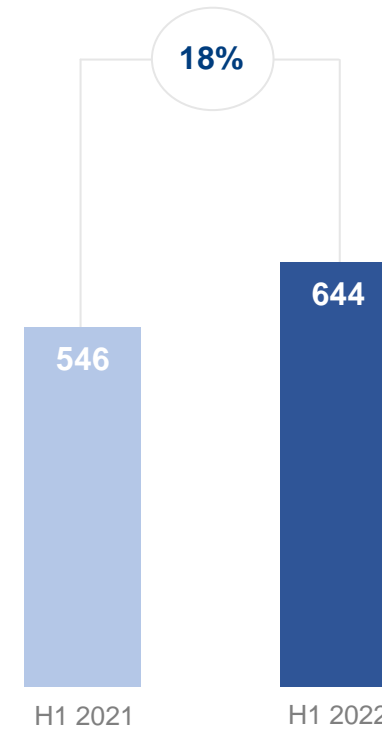
## Raw Material Cost (Q2)

(₹ / ton)



## Raw Material Cost (H1)

(₹ / ton)

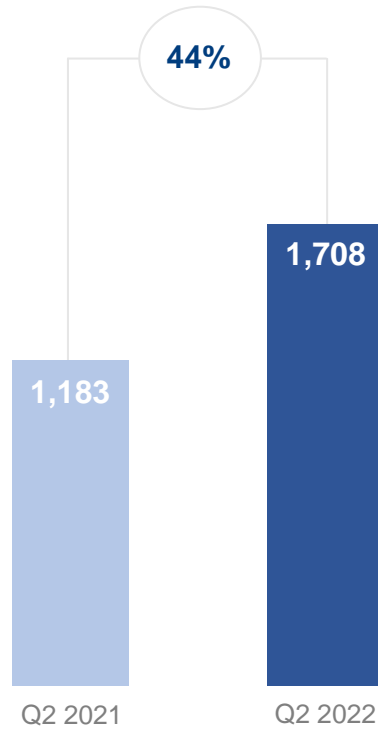


# Performance Analysis – Power & Fuel Cost

## Soaring global energy prices led to significant cost increase

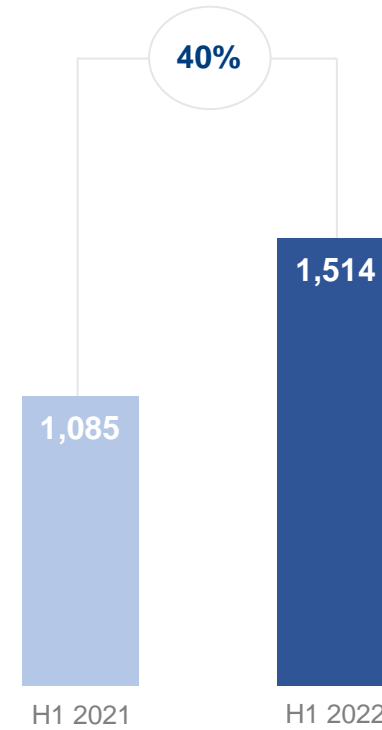
### Power & Fuel Cost (Q2)

(₹ / ton)



### Power & Fuel Cost (H1)

(₹ / ton)

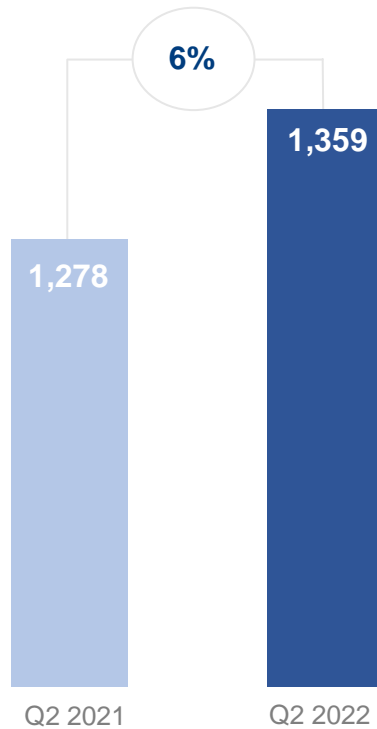


# Performance Analysis – Freight & Forwarding Cost

'Parvat' actions partially mitigated diesel inflation impact

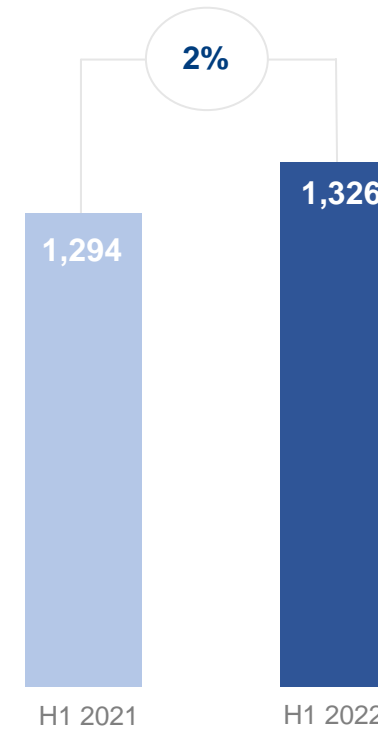
## Freight & Forwarding Cost (Q2)

(₹ / ton)



## Freight & Forwarding Cost (H1)

(₹ / ton)

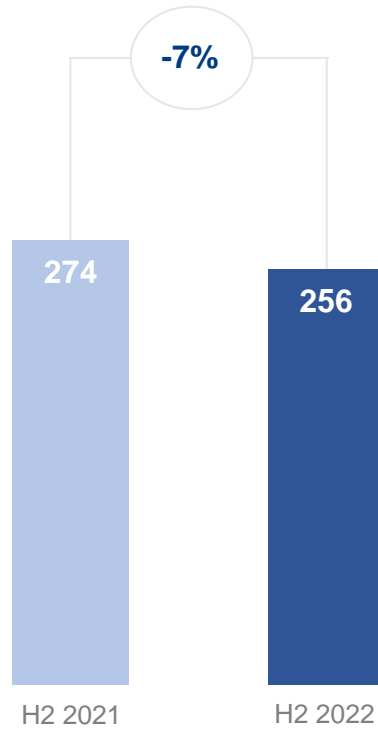




# Performance Analysis – Employee Cost

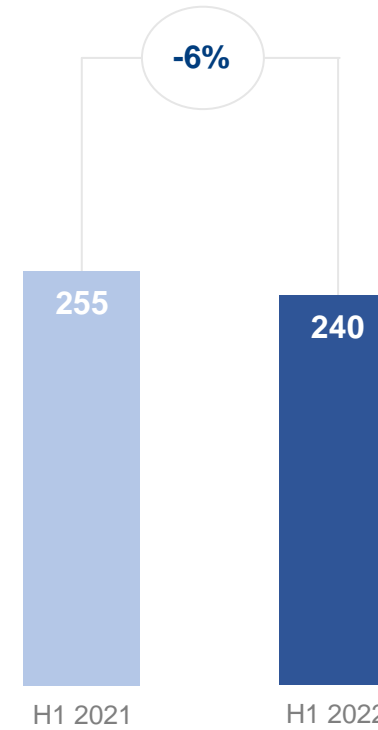
## Employee Cost (Q2)

(₹ / ton)



## Employee Cost (H1)

(₹ / ton)

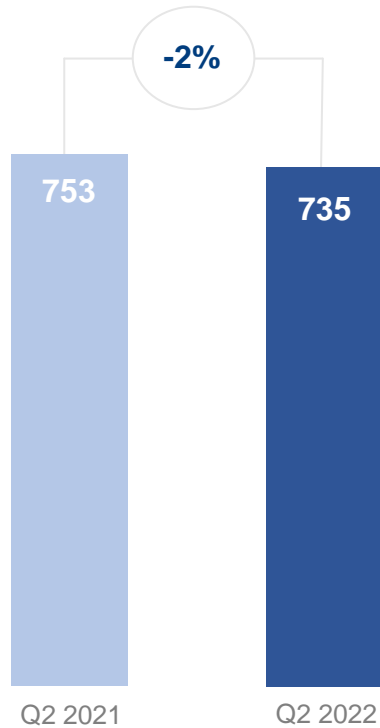


# Performance Analysis – Other Expenses

## Continued focus on fixed costs optimisation

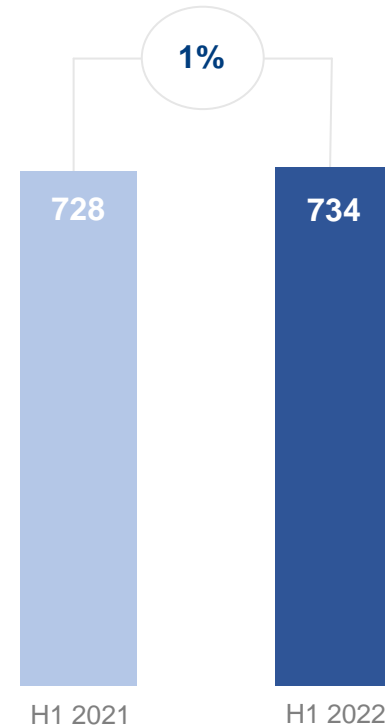
### Other Expenses (Q2)

(₹ / ton)



### Other Expenses (H1)

(₹ / ton)





# ***ACC***

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