

No. ACC/Sec./SE/21/051
July 19, 2021

ACC Limited
Registered Office
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Mumbai - 400 020, India

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of India Limited**
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Scrip Code: ACC

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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 Q2CY21 Results.

The said Investor Presentation will be simultaneously posted on the Company's website at www.acclimited.com.

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



Investor Presentation : Q2 2021

July 2021

ACC

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ACC at a Glance



Partner in India's Progress



ACC has emerged as one of the front-runners in India's building materials market with a pan-India presence



Consistently set new benchmarks with our relationship -first approach, breakthrough innovation and commitment to long-term sustainability



Legacy of active contribution to India's progress spanning over eight decades

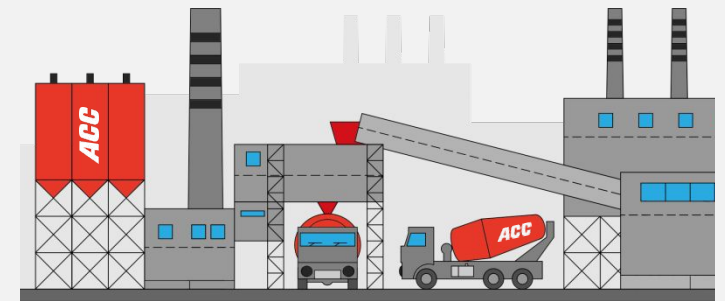


Focused on retail (contributes ~80% of revenue), driven by a robust distribution network

A brand that inspires confidence among customers and other stakeholders

34.45 MTPA

Installed cement capacity



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

Sustainable Value Creation through Scale and Innovation



Operational

17

Cement plants

79

Ready mix concrete plants

~77%*

Capacity utilisation

Social

~6,000

Employees

56,000

Channel partners

>2,00,000

Lives touched

Environment and governance

58%#

Clinker Factor

7%#

Thermal Substitution Rate

50%

Independent Directors

* Q2 2021; # H1 2021

Delivering Results through Optimization



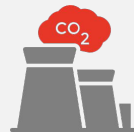
Focus on Premiumization through special application cements like Gold Water Shield, F2R Superfast; Strengthening brand positioning through enhanced consumer connect



RMX – ECOPact (*the advanced low Co2 concrete solution*) launched PAN India and scaled up significantly



Parvat – Efficiency measures such as clinker factor optimization, reduction in energy consumption, lead distance reduction, leveraging Master Supply Agreement



Industry leading CO2 emission; Continuous focus on Municipal Solid Waste and Refuse Derived fuel to drive TSR (Thermal Substitution Rate) journey



Strong performance in Accounts Receivable and Inventory, Working capital continues to stay negative, despite pandemic challenges



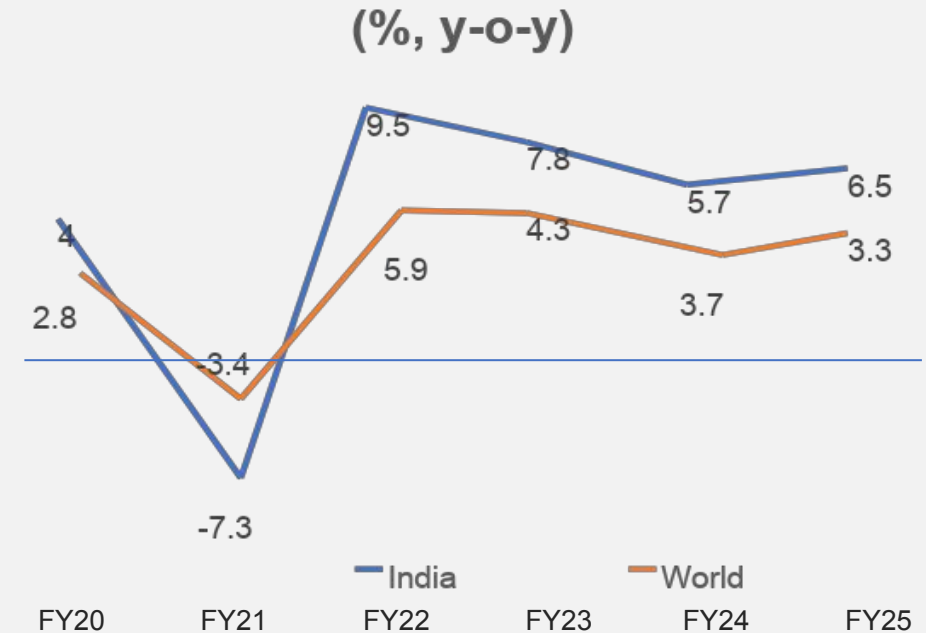
Digital marketing leveraged to generate higher leads; Adoption of digital assets viz. Dealer Connect, Contractor Loyalty; Digital Profiling of end consumers



Economy & Sector Update

GDP Growth likely to see a Sharp Rebound

- GDP forecast at 9.5% for fiscal 2022 (April'21 to Mar'22)
 - Largely on account of low base
 - Budgetary focus on capex to support growth in short term and also create platform for medium term growth
- India's GDP growth is expected to see base effect driven 'sharp rebound' until fiscal 2023
- In fiscal 2023, growth expected to remain strong and become more broad-based, as a sufficient proportion of population gets vaccinated by then
- Inflationary pressures persist: food inflation remains volatile, core inflation sticky



Source: Crisil

Source: S&P Global (June 2021), Global outlook is for calendar year (FY21= 2020 for World), NSO, CRISIL

Sectoral Outlook

Housing



- Second wave of pandemic impacted cement demand
- 19.5mn rural houses are targeted for construction between FY20 and FY22, with completion rate at~32%
- The budgetary allocation towards PMAY-U scheme for 2021-22 is Rs 8,000 crore.

Infrastructure



- Continued Govt. focus on infrastructure through increased budgetary allocation towards roads- NHAI & PMGSY
- Significantly higher budgetary allocation of Rs. 2.15 trillion to railways sector compared to previous budget
- Capital expenditure by State governments is also expected to keep infrastructure demand momentum healthy

Industrial /Commercial



Industrial construction demand to witness revival supported by:

- Deferred investments from last fiscal flowing into fiscal 22
- Large players announcing capex plans
- Implementation of time bound Production Linked Incentive scheme



Strategic Priorities



Accelerating our Journey Forward



Ametha Integrated Project

- Capacity expansion project at Ametha in Madhya Pradesh and associated grinding units have commenced



WHRs Projects

- Jamul (10 MW)
- Kymore (14MW)

Projects on track and likely to be commissioned by Q2 2022



Cost Efficiency Projects

- Wet Flyash dryer installation at Kymore, Galgal & Wadi on fast track
- Geocycle Projects
 - Chanda commissioned in Jun'21
 - Jamul & Kymore feasibility in progress

Innovation Engine Chugs Ahead



Green Cement

- Various environment friendly products under development, targeting:
 - Water saving by > 50%
 - CO2 footprints reduction by > 80%
 - Zero Clinker Binder



ECOPact

- ECOPact – Low Carbon Positive Impact
 - Rolled out Pan India; Excellent Volume Ramp-up
 - Appreciated by Green conscious customers



Admixture and Other Products & Solutions

- Cost effective Concrete Admixture developed in RMX
 - Ongoing supply at various RMX plants
 - Further expansion to Central India
- Cool walls : Special additive developed in Powder & Liquid form for performance enhancement

Leveraging Digitization to bring Efficiencies



Manufacturing - Plants of Tomorrow

- TIS (Technical Information System) & PACT (Performance & Collaboration Tool) implemented across plants
- Drones - Pilot project done
- Cement Fineness Prediction projects
- VRM (vertical roller mill) Failure Prediction - Pilot project ongoing



Logistics & Sourcing

- TAC (Transport Analytic Center) : Dashboard on secondary lead analysis & direct dispatch implemented
- Blue Yonder - Sales & Operations Planning (S&OP)
- Digitizing the process from EPOD to transport invoicing

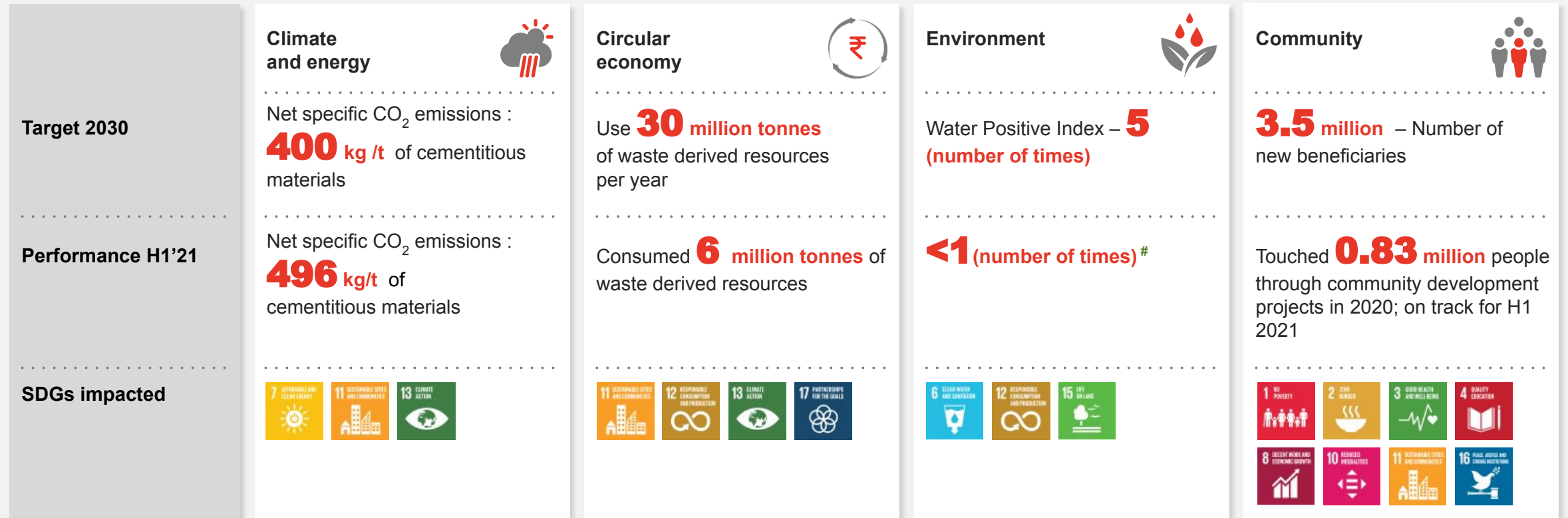


Commercial

- Adoption of digital assets
 - Dealer Connect: > 80% of volume being channeled
 - Contractor loyalty: ~ 32% of contractors use the solution for recording purchases
- Concrete Direct: from order booking to delivery, facilitating real-time communication

SD 2030 Goals are our Core Priority

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



- No rainwater harvesting (credit) till now in this year
Data for the period H1 2021

Community Remains Top Priority

Sustainable Livelihood



- 38,194 new beneficiaries added
- 9 watershed structures created
- 622 youth completed skilling courses
- 17 women self help group formed

Quality Education



- 7,532 children supported for education continuity during COVID-19
- 520 students attended online classes

WASH (Water, Sanitation, Health & Hygiene)



- 8,758 people provided drinking water facilities
- 1,085 people benefited through general and special health camps
- 399 persons with HIV, provided treatment at ART/STI

Malnutrition Mitigation



- 11,683 children below 5 years, benefited
- 293 Anganwadi centres (AWC) supported

Stepping Up Our Pandemic Response

Mask Distribution & Emergency Ration Kits



- 1,57,393 masks produced and 1,43,497 distributed
- 3,860 distressed community members supported through dry and cooked food packets

Awareness



- 11,907 people reached for tele-counselling (mental health awareness)
- 54,175 people made aware about COVID appropriate measures
- 1,64,731 people reached through disinfection drive

Community health infrastructure support



- 432 jumbo oxygen cylinder and 261 oxygen concentrators support to Government hospitals & COVID-care centers
- 6 dedicated COVID ambulance support
- 16 COVID-care centers supported with essential support items



Performance Review



Performance Highlights – Q2 2021 (Consolidated)

Strong performance delivery in a challenging quarter



Cement Sales Volume
6.84 mt
(44% YoY)



RMX Sales Volume
0.58 Mio m³
(293% YoY)



Net Sales
INR 3,810 crs
(51% YoY)



EBITDA
INR 869 crs
(65% YoY)



Op. EBIT Margin
19%
(4.6 pp YoY)



Profit After Tax
INR 569 crs
(110% YoY)

Performance Highlights – H1 2021 (Consolidated)

Cost efficiencies under 'Parvat' driving margin expansion



Cement Sales Volume
14.81 mt
(31% YoY)



RMX Sales Volume
1.41 Mio m³
(31% YoY)



Net Sales
INR 8,024 crs
(35% YoY)



EBITDA
INR 1,730 crs
(56% YoY)



Op. EBIT Margin
17.9%
(4.6 pp YoY)



Profit After Tax
INR 1,132 crs
(91% YoY)

Financial Results – Consolidated

Particulars (all amount in ₹ Crore)	Quarter Ended June 2021			Half-Year Ended June 2021		
	Q2 2020	Q2 2021	Change (%)	H1 2020	H1 2021	Change (%)
Net Sales	2,520	3,810	51%	5,953	8,024	35%
EBITDA	525	869	65%	1,112	1,730	56%
EBITDA Margin (%)	20.8	22.8	2.0pp	18.7	21.6	2.9pp
Op. EBIT	363	723	99%	791	1,440	82%
Op. EBIT Margin (%)	14.4	19.0	4.6pp	13.3	17.9	4.6pp
Profit After Tax (PAT)	271	569	110%	594	1,132	91%
EPS (₹/share)	14.4	30.3	110%	31.6	60.3	91%

Income Statement – Cement Business

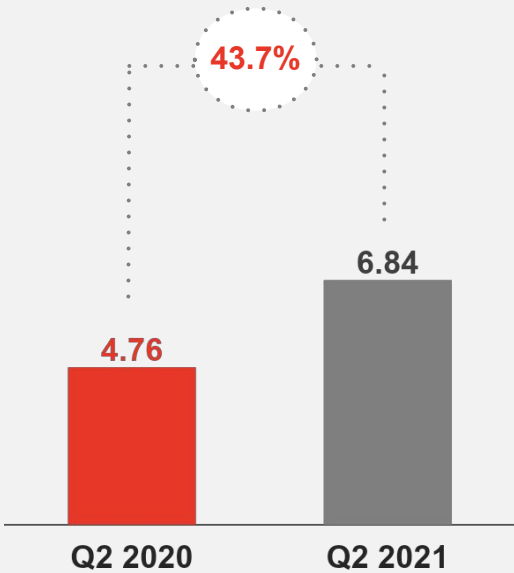
Particulars (Rs. / Ton)	Quarter Ended June 2021			Half-Year Ended June 2021		
	Q2 2020	Q2 2021	Change per ton	H1 2020	H2 2021	Change per ton
Sales Revenue	5,050	5,153	103	4,777	5,005	228
Other Operating Income	164	106	-58	127	101	-26
Total Operating Income	5,214	5,259	45	4,904	5,107	202
Expenses						
Cost of Materials Consumed	397	543	146	458	546	88
Power & Fuel Cost	932	1,183	251	1,019	1,085	66
Freight & Forwarding Cost	1,220	1,278	58	1,290	1,294	5
Employee Cost	326	274	-52	301	255	-47
Change In Inventory	257	-304	-560	-34	-183	-149
Other Expenses	636	753	117	705	728	23
Total Expenses	4,086	4,024	-62	3,968	3,982	15
EBITDA	1,128	1,235	107	937	1,124	188

Performance Analysis - Sales Volume

Strong growth despite 2nd wave of Covid

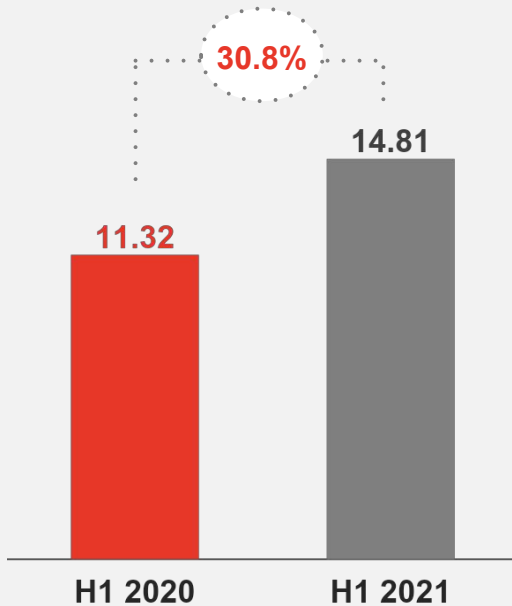
Cement Volume (Q2)

(Million tonnes)



Cement Volume (H1)

(Million tonnes)

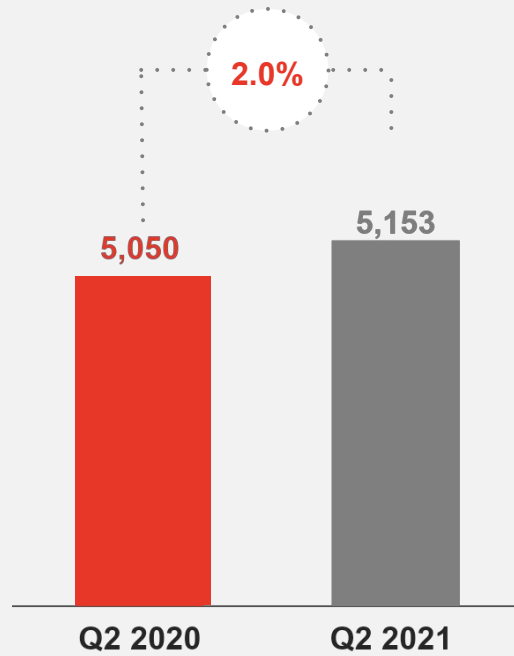


Performance Analysis – Net Selling Price

Improvement in realization driven by premium product and brand positioning

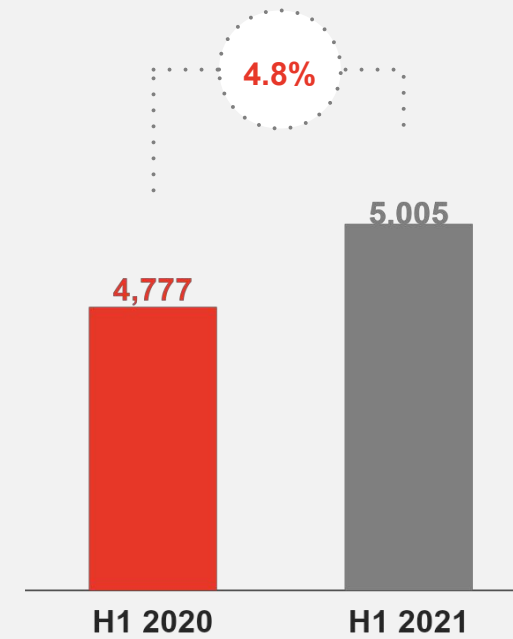
Net Selling Price (Q2)

(`Rs/ton)



Net Selling Price (H1)

(Rs`/ton)

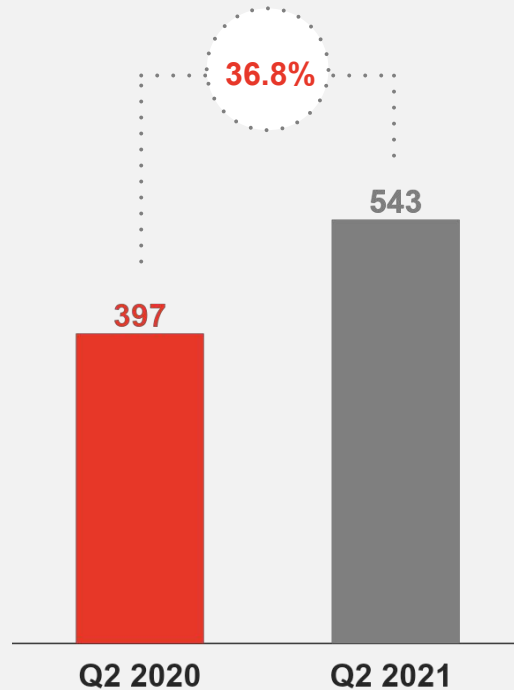


Performance Analysis – Cost of Materials Consumed

Impacted by reducing clinker factor and rising input costs, mitigated through project 'Parvat'

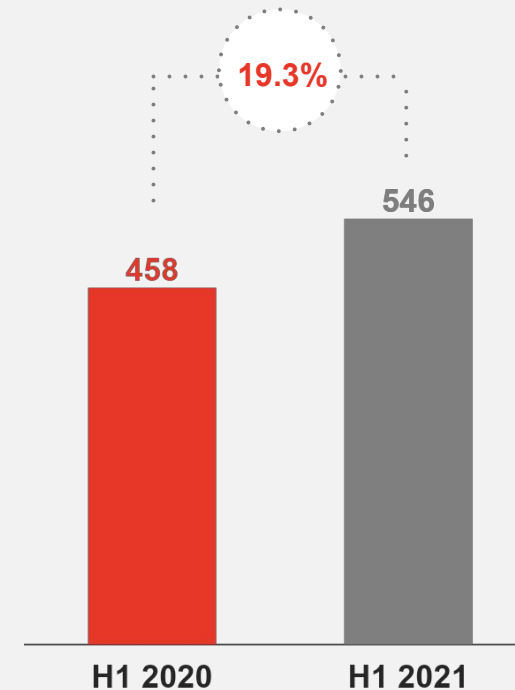
Raw Material Cost (Q2)

(Rs/ton)



Raw Material Cost (H1)

(Rs/ton)

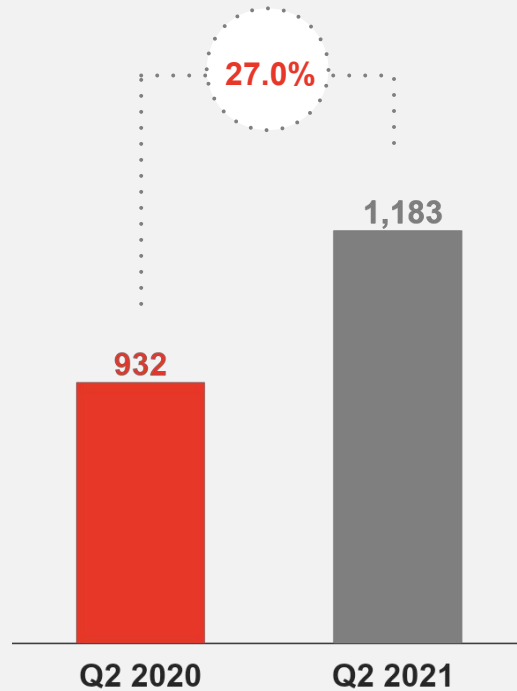


Performance Analysis – Power & Fuel Cost

Impact of higher fuel prices, various efficiency projects underway to drive cost down

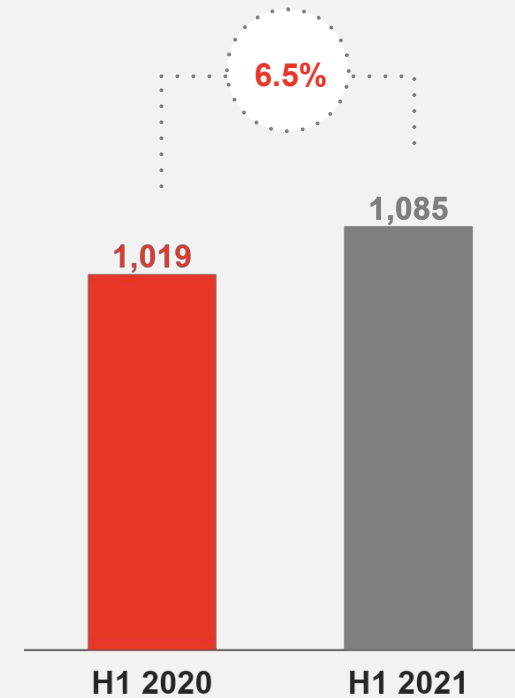
Power & Fuel Cost (Q2)

(Rs/ton)



Power & Fuel Cost (H1)

(Rs/ton)

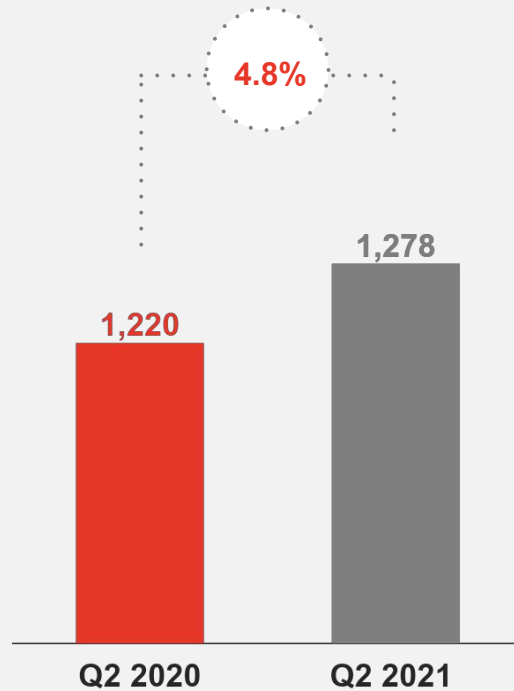


Performance Analysis – Freight & Forwarding Cost

Projects like geo mix and network optimization underway to mitigate fuel cost headwinds

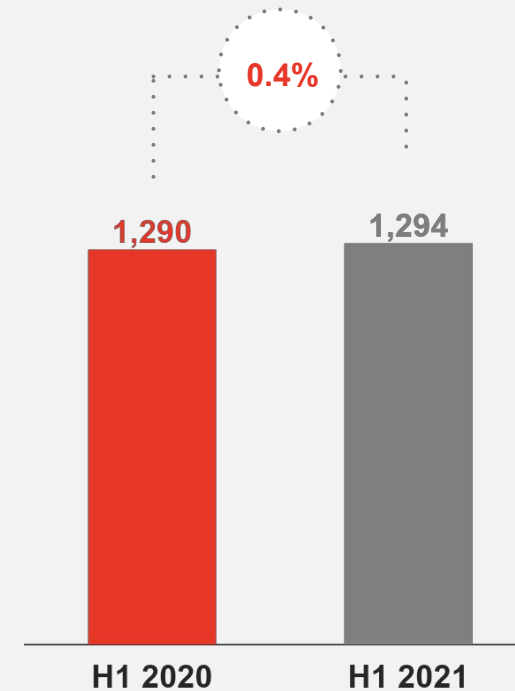
Freight & Forwarding Cost (Q2)

(Rs/ton)



Freight & Forwarding Cost (H1)

(Rs/ton)

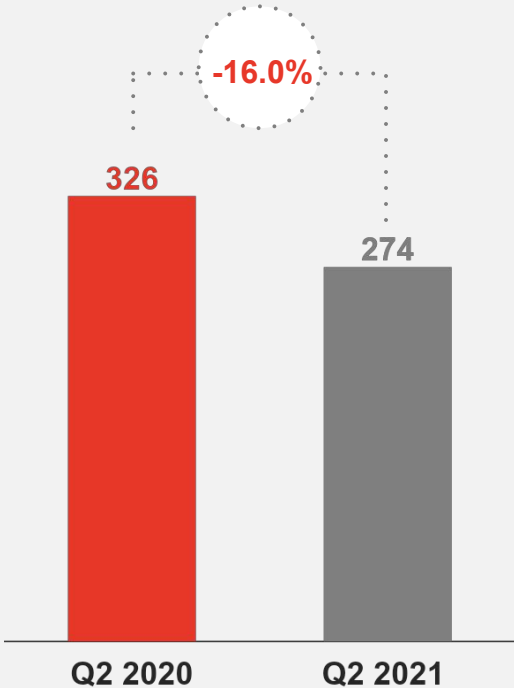


Performance Analysis – Employee Cost

Better absorption driven by higher volumes

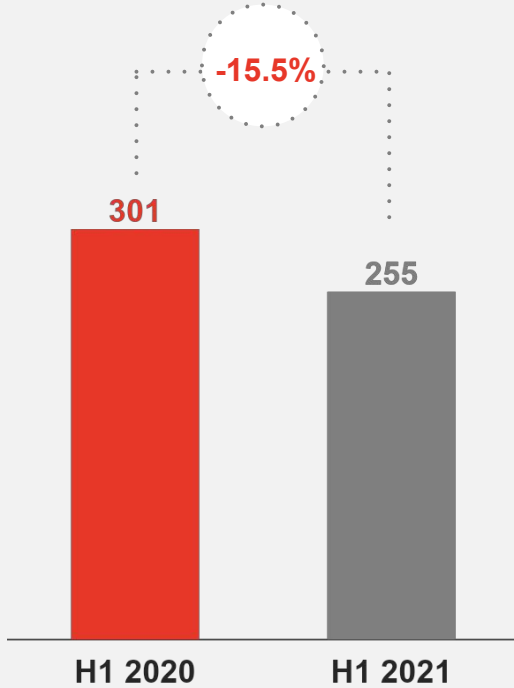
Employee Cost (Q2)

(Rs/ton)



Employee Cost (H1)

(Rs/ton)

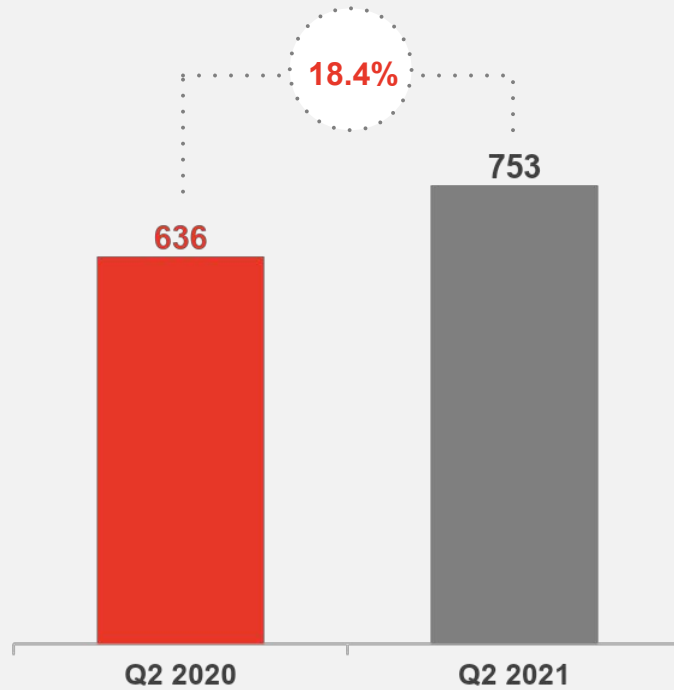


Performance Analysis – Other Expenses

Increase driven by higher cost of maintenance in plants

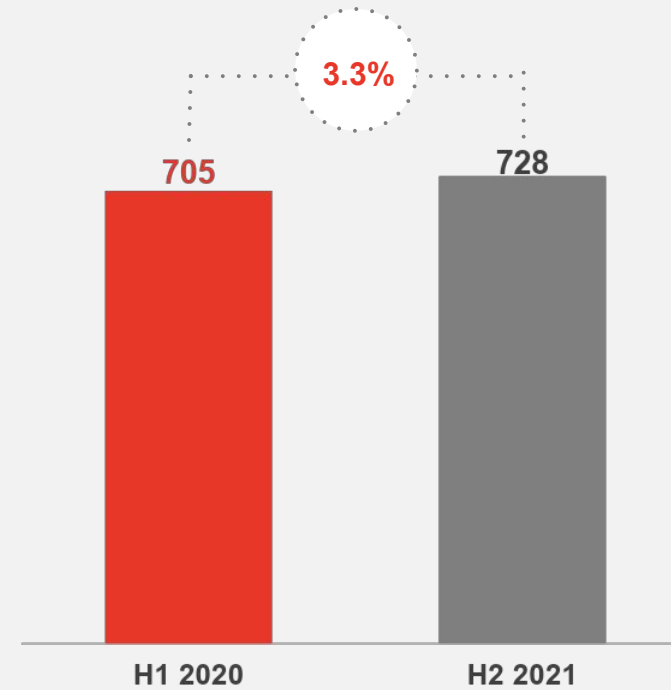
Other Expenses (Q2)

(Rs/ton)



Other Expenses (H1)

(Rs/ton)





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