

HeidelbergCement India Limited

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HCIL:SECTL:SE:2020-21

4th June 2020

BSE Ltd.
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai - 400001

National Stock Exchange of India Ltd
Listing Department,
Exchange Plaza, C/1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051

Scrip Code:500292

Trading Symbol: Heidelberg

Dear Sir,


Sub: Presentation for Conference Call – Regulation 30(6)

This has reference to our letter dated 1st June 2020 sent earlier informing about conference call being organised by PhillipCapital (India) Pvt. Ltd. Further to our aforesaid letter please find attached a presentation to be made to analysts and the institutional investors at the conference call scheduled today.

After the conference call, a transcript of the discussion shall also be posted on the website of the Company, www.mycemco.com for information of the investors.

Thanking you,

Yours faithfully,
For HeidelbergCement India Ltd.p



Rajesh Relan
Legal Head & Company Secretary

Investor Presentation

Q4FY20 and FY20 results

June 2020



1. Indian Cement Industry

2. Financial and operational highlights

3. Volume and capacity utilization trend

4. Capacity increase in Central India

5. Income statement and EBITDA per tonne bridge

6. Share of volume

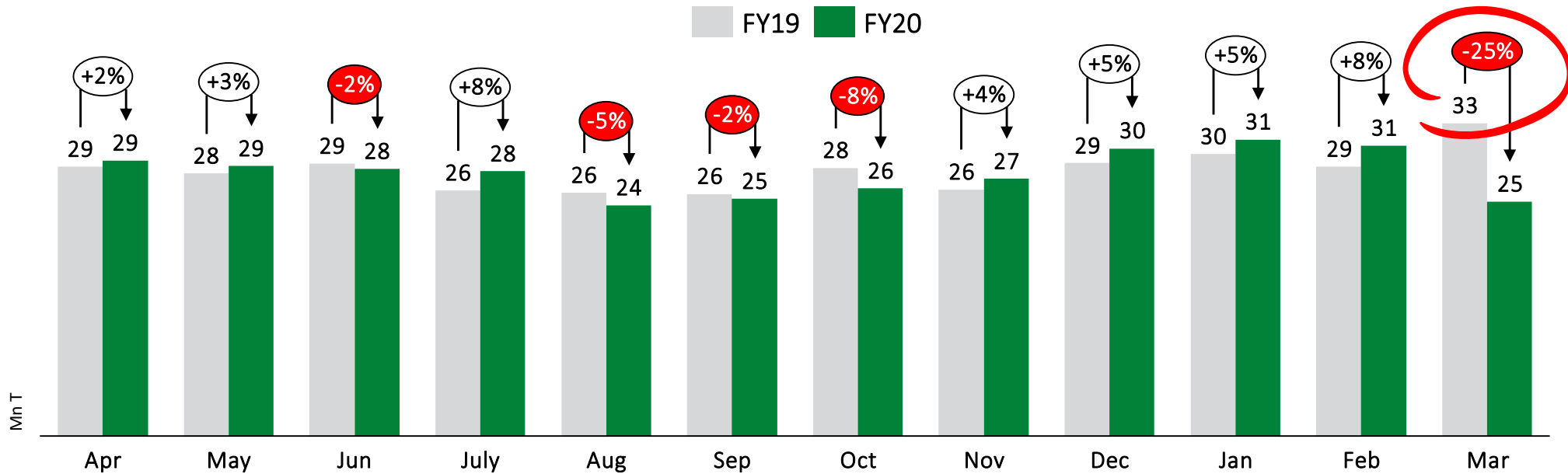
7. Balance sheet

8. Debt repayment and credit rating

9. COVID19 Activities and Outlook

Indian cement industry operated at 2/3rd capacity utilization

- All India installed cement capacity estimated to be c. 500 Mn T.
- During fiscal year 2019-20, cement Industry reported production volume decrease of c. 1%.



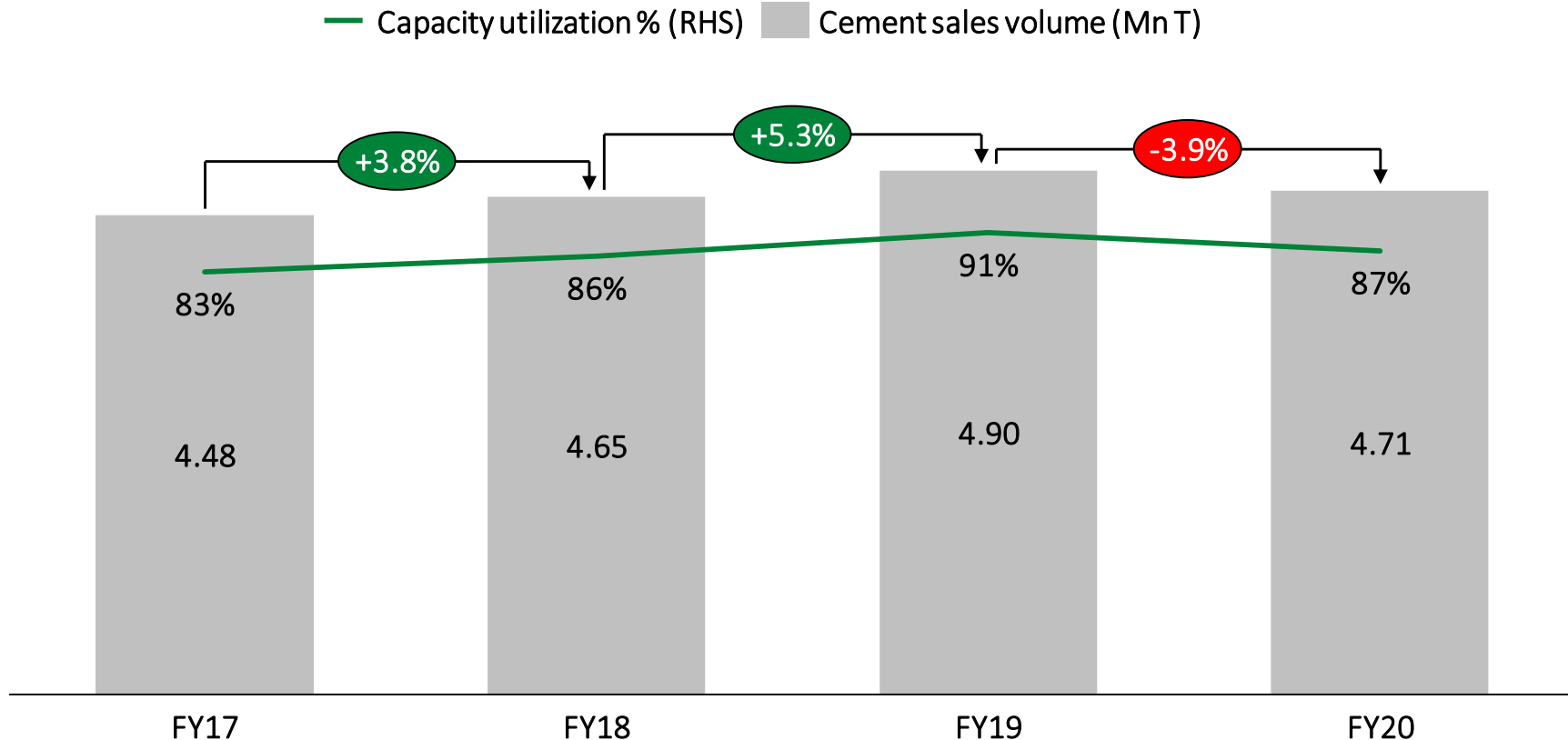
Source: Cement Section, Department of Industrial Policy & Promotion – Cement Production

FY20 Financial and operational highlights

- Capacity utilization of c. 87%
- 100% blended cement
- Dependence on grid power reduced to 66%
- EBITDA of ₹ 1,122 per tonne, up 14% y/y
- Repaid first tranche of NCD ₹ 1.25 bio
- Bank balances almost equal to borrowings
- Paid interim dividend of ₹ 1.5 per share
- Final dividend of ₹ 6 per share recommended by the Board
- Capacity increased to 6.26 million tonnes
- Outlook uncertain due to COVID-19



FY20 volume decrease mainly due to nationwide lockdown and no clinker sale



Central India plants were running at > 95% capacity utilization

Caption	Imlai Plant (M.P.)	Jhansi Plant (U.P.)
FY19 Capacity utilisation	94.5%	99.6%
Previous Capacity	2.00 Mio Tonnes	2.70 Mio Tonnes
Capacity increase through de-bottlenecking	0.50 Mio Tonnes	0.55 Mio Tonnes
Capacity as at Mar'20	2.50 Mio Tonnes	3.25 Mio Tonnes

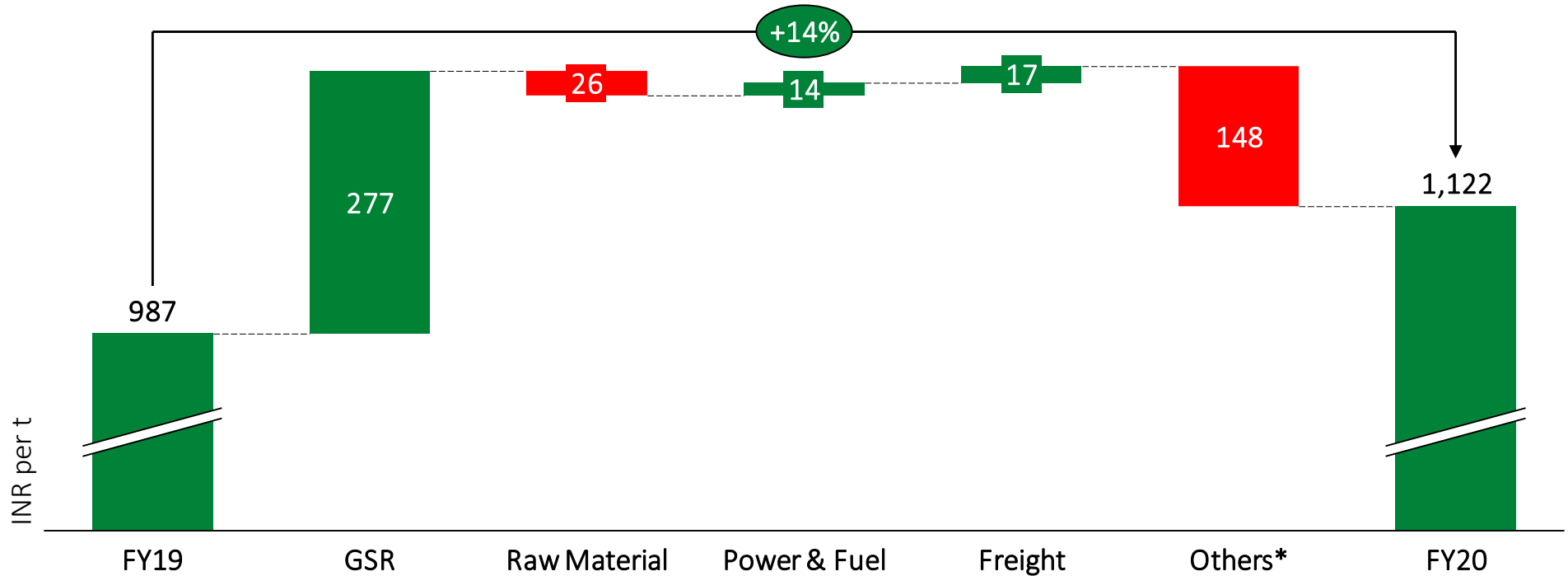
Company's total capacity increased to 6.26 million tonnes p.a.

Strong performance despite decrease in volumes

Mio ₹

Particulars	Quarter ended		Change	Fiscal year ended		Change
	Mar'20Q	Mar'19Q		Mar'20	Mar'19	
Total Income (net of taxes)	5,098	5,434	-6%	21,696	21,334	2%
Operating expenses	3,824	4,185	-9%	16,418	16,500	0%
EBITDA	1,273	1,249	2%	5,278	4,833	9%
Depreciation/amortization	275	254	8%	1,086	1,018	7%
Other Income	170	115	48%	527	348	51%
EBIT	1,168	1,110	5%	4,719	4,164	13%
Interest and financial charges	163	160	1%	739	748	-1%
Profit Before Tax	1,006	949	6%	3,981	3,416	17%
Tax Expenses	343	340	1%	1,300	1,210	7%
Profit After Tax	663	609	9%	2,681	2,207	21%
KPIs						
Sales Volume (KT)	1,090	1,211	-10.0%	4,705	4,897	-3.9%
Gross realization (INR/t)	4,672	4,416	5.8%	4,585	4,308	6.4%
Total Cost (INR/t)	3,509	3,456	1.5%	3,489	3,370	3.5%
EBITDA (INR/t)	1,168	1,032	13.2%	1,122	987	13.6%
EBITDA % of revenue	25.0%	23.4%	164 bps	24.5%	22.9%	155 bps
PAT % of revenue	13.0%	11.4%	163 bps	12.4%	10.5%	196 bps

FY20 – Increase in EBITDA mainly driven by increase in realization



Note: Change in inventory has been apportioned 50% each in Raw Material and Power and Fuel expenses.

*Others include other operating income, employee cost and miscellaneous expenses.

FY20 Share of volume : Continuously optimize the favorable mix



46% road
volume,
-2% y/y



39% coal,
-655 bps
y/y



13% of trade
vol.,
+38% y/y



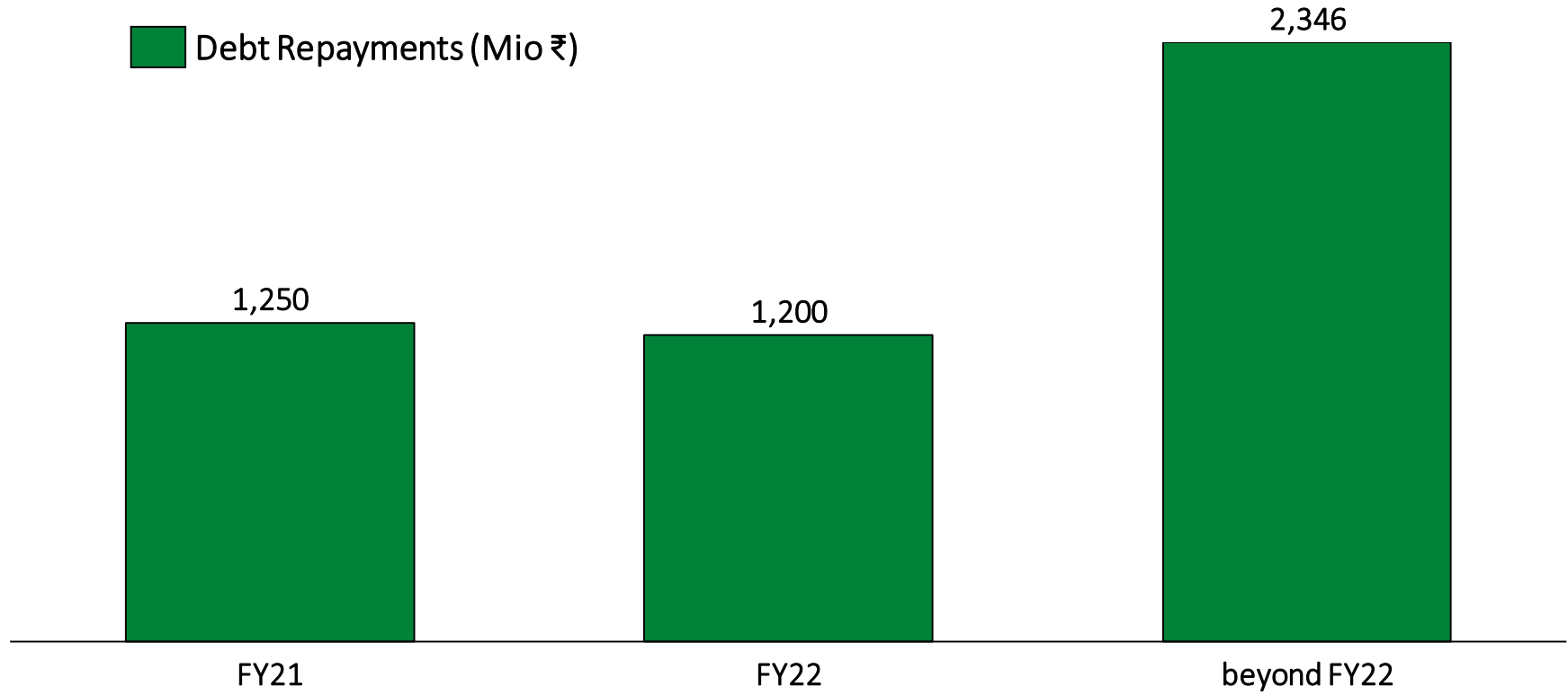
85% trade
sales,
+36 bps y/y

Continue to operate on negative net operating working capital

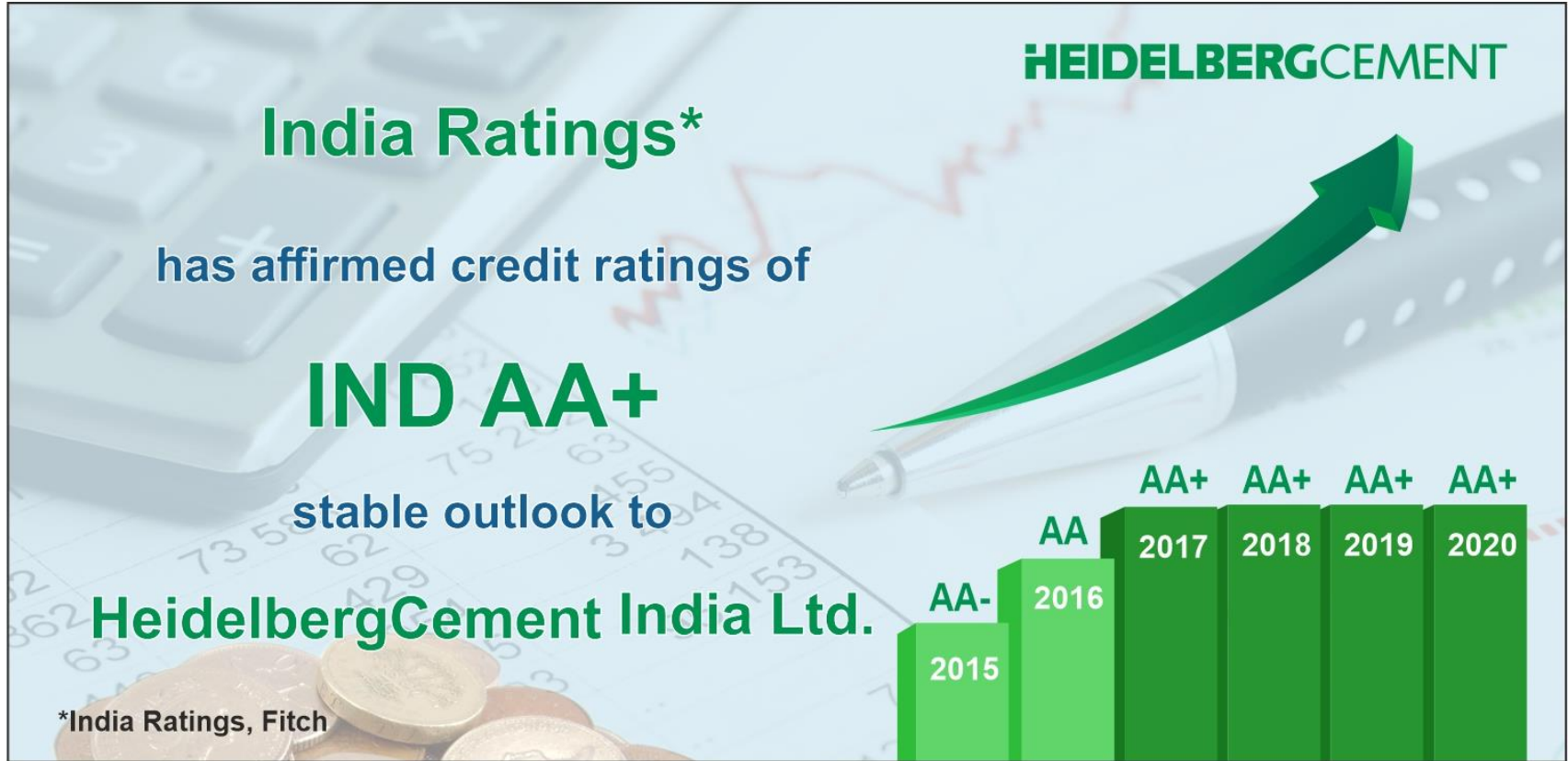
Particulars	31 Mar 2020	31 Mar 2019
	MINR	MINR
Assets		
Non-current assets		
a) Property, plant and equipment	16,809	17,363
b) Right of use of asset	119	-
c) Capital work-in-progress	160	172
d) Intangible assets	2	6
e) Financial assets		
(i) Security deposits	288	285
f) Other non-current assets	309	255
	17,687	18,081
Current assets		
a) Inventories	1,458	1,674
b) Financial assets		
(i) Security deposits	138	145
(ii) Trade receivables	257	253
(iii) Cash and cash equivalents	4,697	3,371
(iv) Bank Balances other than (iii) above	9	6
(v) Other financial assets	671	658
c) Other current assets	3,012	2,767
	10,241	8,874
Total assets	27,928	26,955

Particulars	31 Mar 2020	31 Mar 2019
	MINR	MINR
Equity		
a) Equity share capital	2,266	2,266
b) Other equity	10,880	9,446
	13,146	11,712
Non-current liabilities		
a) Financial liabilities		
(i) Borrowings	2,801	3,918
(ii) Other financial liabilities	40	41
b) Provisions	167	197
c) Government grants	505	650
d) Deferred tax liabilities (net)	1,903	1,303
e) Lease Liability	77	-
	5,492	6,110
Current liabilities		
a) Financial liabilities		
(i) Trade payables		
-Dues of micro and small enterprises	4	1
-Dues of creditors other than MSME	2,580	2,777
(ii) Other financial liabilities	3,270	3,045
b) Other current liabilities	619	822
c) Government grants	145	145
d) Provisions	2,672	2,342
	9,290	9,133
Total liabilities	14,782	15,243
Total equity and liabilities	27,928	26,955

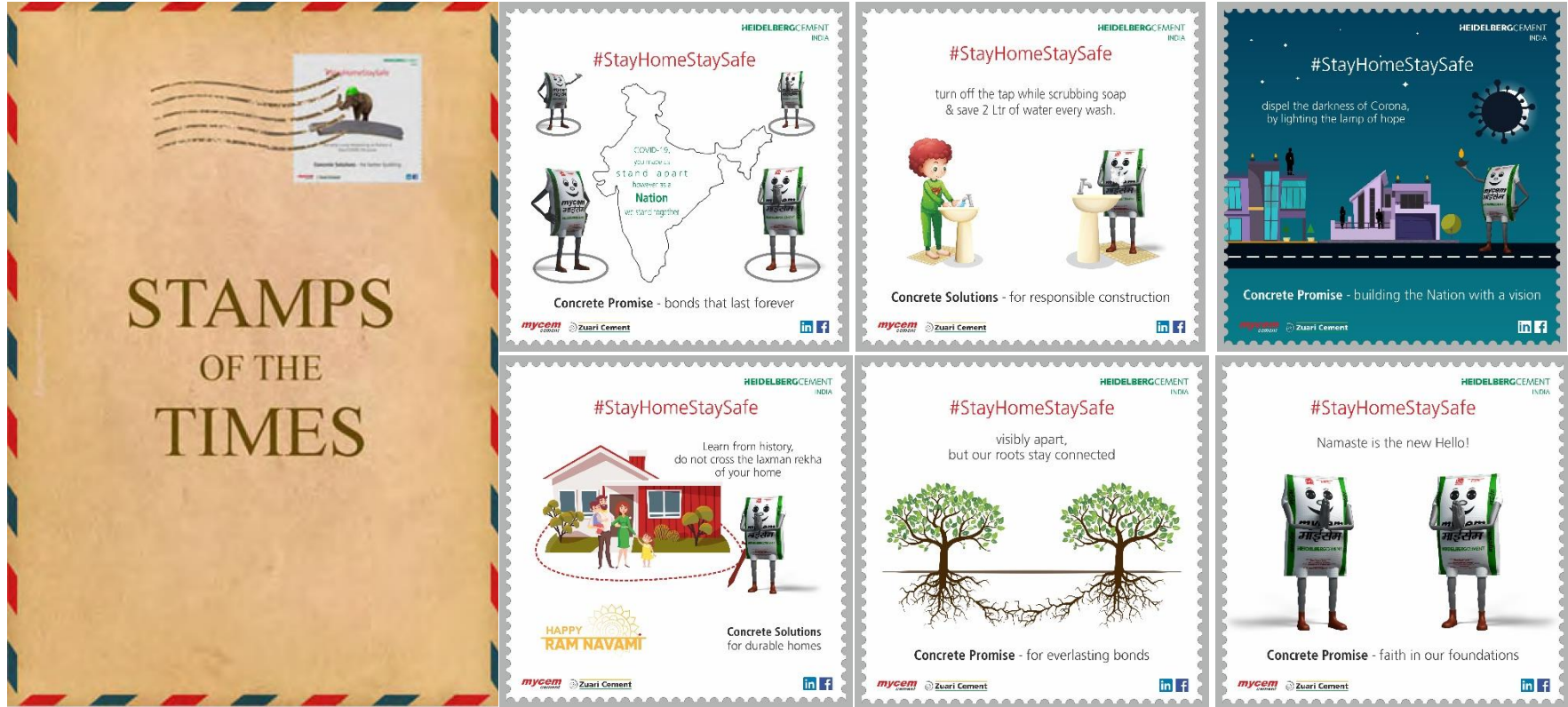
Bank balances almost equal to borrowings



Stable outlook



Digital media campaign during lockdown 1.0



Catering to societal needs



Mask & Sanitizer Distribution near Jhansi Plant



Food Packets Distribution near Jhansi Plant



Sanitization of NGH Police Station, Damoh



Sanitization in near by villages with fire tender



Sanitization in nearby villages



Sanitizer dispenser at Medical Centers

“annam” – Serving the society



The advertisement is enclosed in a green border. In the top right corner, it says "HEIDELBERGCEMENT INDIA". On the left, the "mycem Annam" logo is displayed with a yellow leaf graphic and the tagline "serving the society". The central illustration shows a character shaped like a cement bag with a smiling face, arms, and legs. The bag has "mycem" and "माईसेम" written on it. The character is holding a plate of food and offering it to two children sitting on the ground. Above the character's head, a green hand is shown dropping a gold coin with the Indian Rupee symbol (₹) into a slot on the bag. Below the illustration, the text reads: "Every bag of mycem cement you buy, company will contribute ₹.1 towards feeding the under privileged". At the bottom left is the "mycem cement" logo, and at the bottom right are the LinkedIn and Facebook social media icons.

FY21 outlook uncertain due to COVID-19

- Demand reduction in urban areas due to labour exodus and rural demand showing improvement
- Working capital - Liquidity crunch in the channel network
- Reduced availability of truck drivers impacting inward and outward logistics
- Lower energy prices may sustain in short term
- Input raw materials may have to be sourced from longer leads
- Reduced availability of manpower at railway yards may impact turnaround of rolling stock
- Optimization of the operational and capital expenditures

Contact information

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Website: www.mycemco.com

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- Important factors that could make a difference to the Company's operations include global and Indian political, economic and demand-supply conditions, finished goods prices, raw materials cost and availability, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Policies, tax regimes, economic developments within India besides other factors such as litigation and industrial relations as well as the ability to implement strategies.
- The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.