



Finance

Delivering value to shareholders

A healthy top-line and a robust bottom-line. Taking challenges like GST implementation and switchover to Indian Accounting Standards in its stride, our company turned in a solid performance quarter-on-quarter to cap the year with robust revenue growth.

Internal Control Systems

The company calibrates its business processes and operations framework to continuously improve efficiencies. These include automated internal business workflow and controls.

There is a robust system of internal audit and automated control procedures to ensure discipline and compliance, backed by a robust Internal Audit framework.

Corporate Governance

ACC's rich legacy of ethical governance, strong sense of values and business practices have earned the trust and goodwill of its investors and stakeholders. The objective is to assure the long term value, successful fulfilling of aspirations and interests of all stakeholders.



Net Sales

₹ 12,909
Crore



Consolidated Profit after tax

₹ 925
Crore



AAA rating
by CRISIL



Consolidated Operating EBITDA

₹ 1,912
Crore



Awards



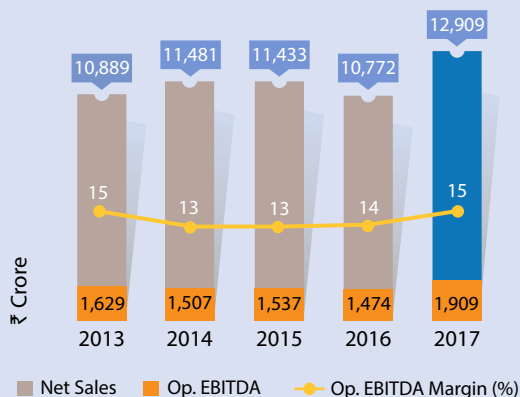
ACC's annual report for 2016 was awarded the 'Certificate of Merit' in the 'Manufacturing Sector' category by the South Asian Federation of Accountants.



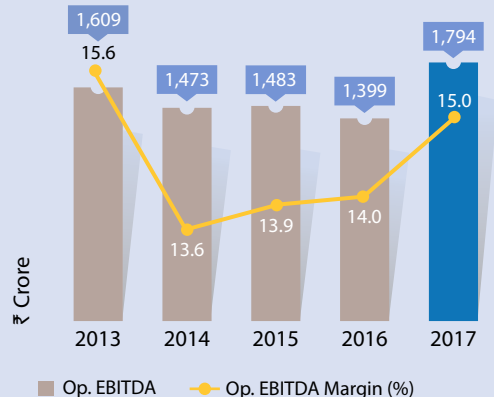
Performance Highlights

Performance Highlights* (Standalone Financial)

Net Sales, Operating EBITDA & Operating EBITDA Margin



Cement Operating EBITDA & Operating EBITDA Margin

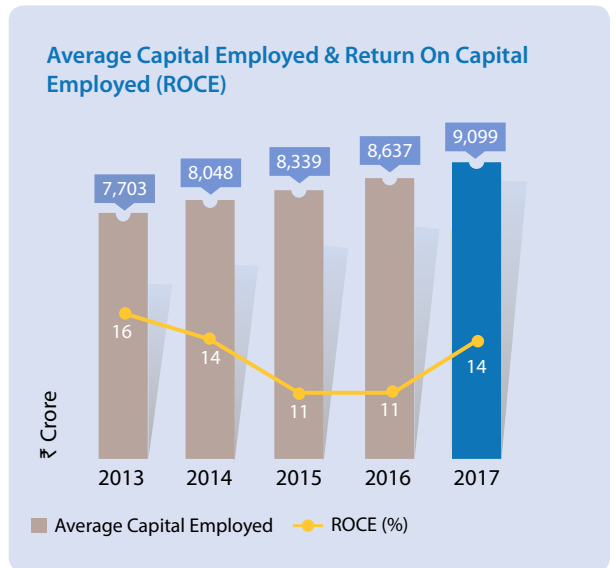
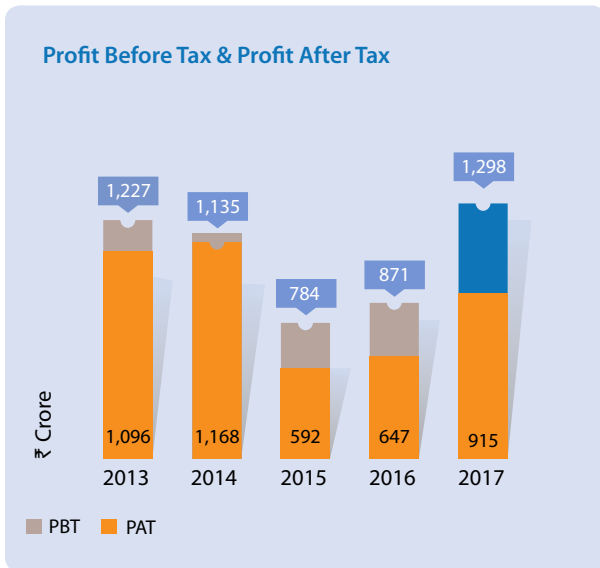
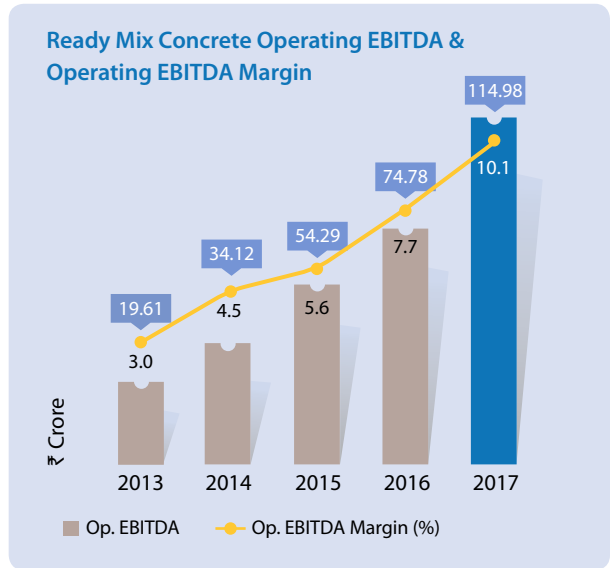
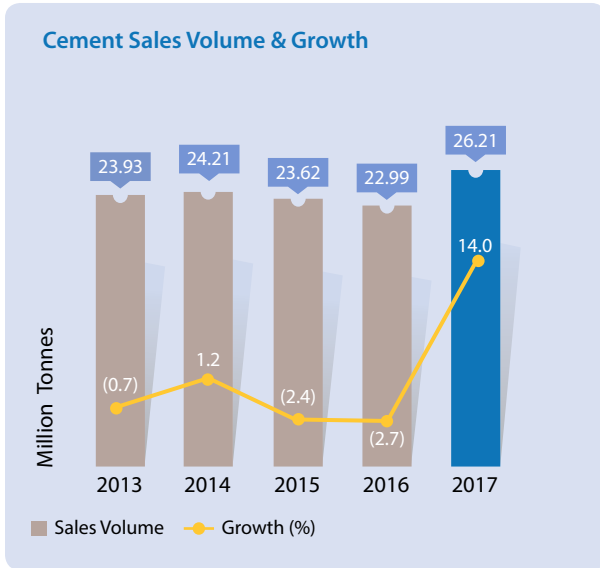


*Figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP



Performance Highlights*

(Standalone Financial)



*Figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP

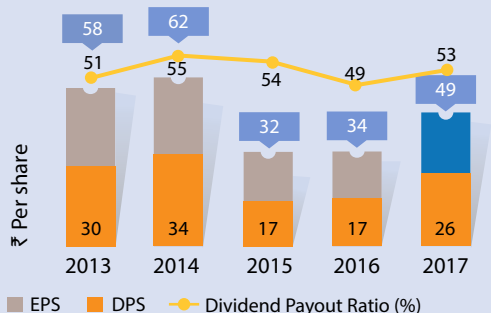


Performance Highlights

Performance Highlights*

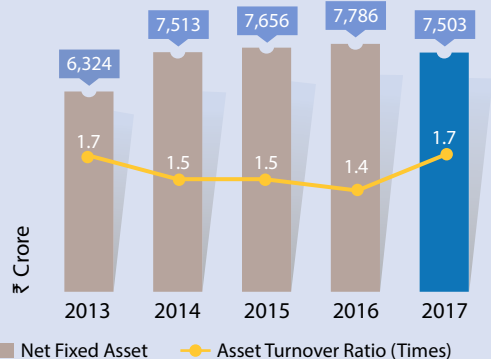
(Standalone Financial)

Dividend Per Share, Earning Per Share and Dividend Payout Ratio*

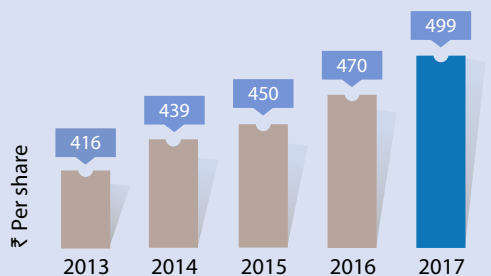


*Dividend payout ratio is calculated without considering dividend distribution tax

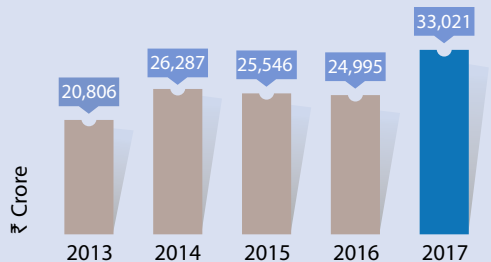
Net Fixed Assets & Asset Turnover Ratio



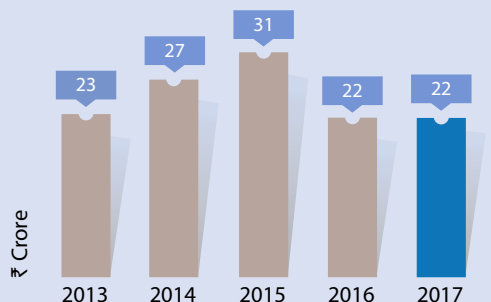
Book Value Per Share



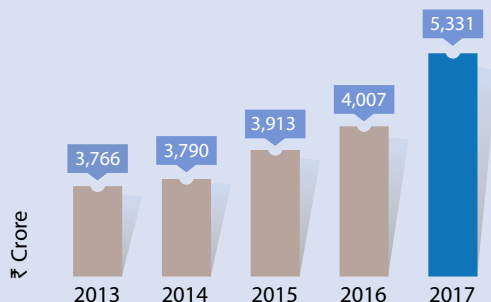
Market Capitalisation at Year End



Corporate Social Responsibility Expenditure



Contribution to Exchequer

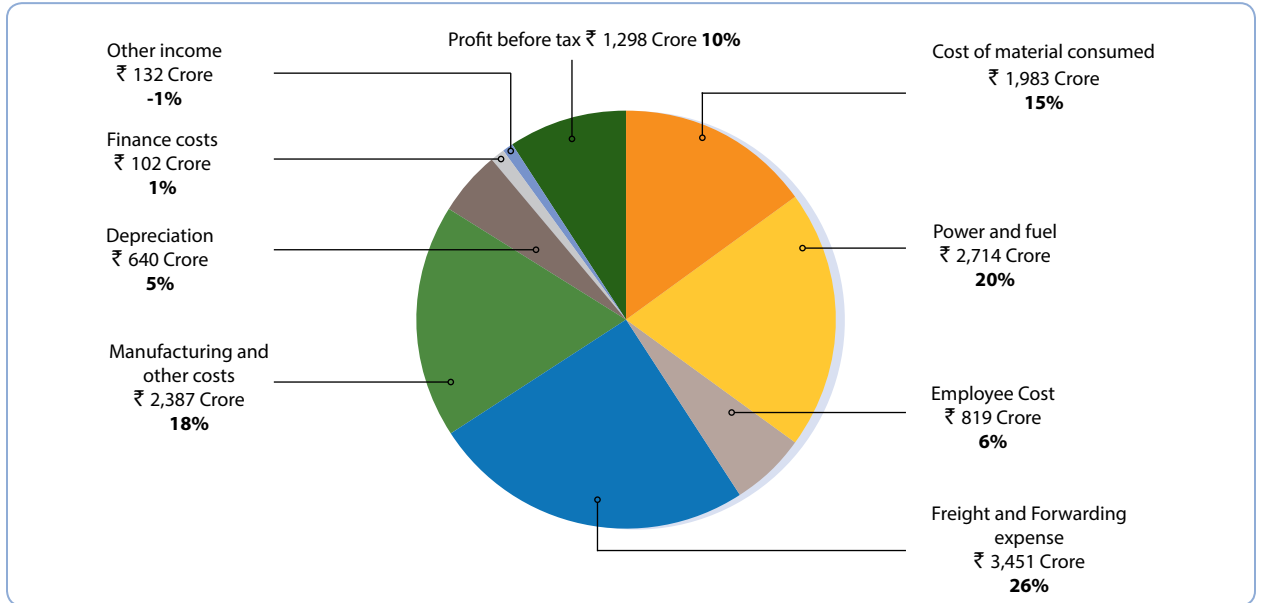


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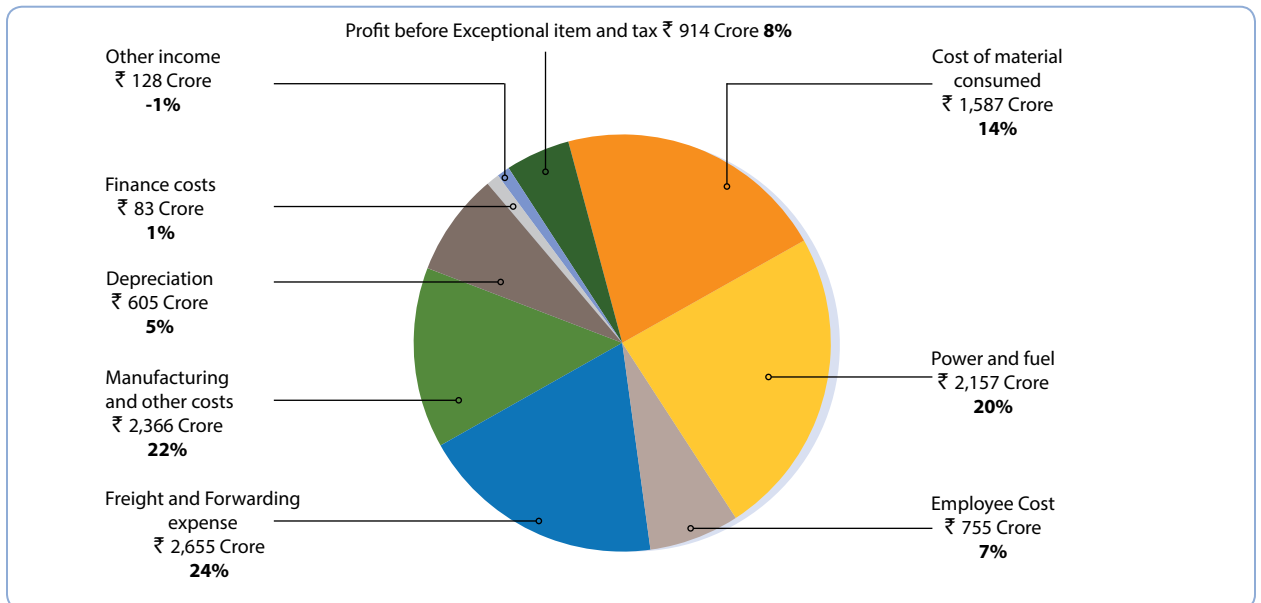


Cost & Profit as a Percentage of Revenue from Operations (Net)

2017



2016



STANDALONE FINANCIAL HIGHLIGHTS

Particulars	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Cement Production (Million Tonne)	26.56	23.18	23.84	24.24	23.86	24.12	23.46	21.14	21.37	20.84
Cement Sales (Million Tonne)	26.21	22.99	23.62	24.21	23.93	24.11	23.73	21.29	21.50	21.01
Capacity utilisation	79%	73%	77%	78%	78%	79%	81%	77%	91%	93%
INCOME STATEMENT - ₹ Crore										
Net Sales	12,909	10,772	11,433	11,481	10,889	11,130	9,430	7,710	7,967	7,126
Operating EBITDA	1,909	1,474	1,537	1,507	1,629	2,196	1,921	1,812	2,644	1,899
Profit before exceptional item and tax	1,298	914	937	1,135	1,227	1,787	1,540	1,461	2,294	1,688
Profit before Tax	1,298	871	784	1,135	1,227	1,451	1,540	1,461	2,294	1,737
Profit after Tax	915	647	592	1,168	1,096	1,061	1,325	1,120	1,607	1,213
BALANCE SHEET - ₹ Crore										
Net Worth	9,365	8,832	8,443	8,236	7,825	7,383	7,192	6,469	6,016	4,928
Long-term borrowings	-	-	-	-	35	163	511	524	567	482
Net Fixed Assets (Including CWIP)	7,503	7,786	7,656	7,513	6,324	6,175	6,573	6,548	6,113	4,717
Cash and cash equivalents	2,527	1,778	1,389	1,686	2,621	3,137	2,932	2,388	1,876	1,438
Current Assets	5,339	3,726	3,609	3,485	3,476	3,098	3,691	2,751	2,458	3,116
Current Liabilities	4,923	4,110	3,893	3,900	3,726	3,863	3,768	3,746	3,114	2,766
Capital Employed	9,365	8,832	8,443	8,236	7,860	7,546	7,703	6,993	6,583	5,410
SIGNIFICANT RATIOS										
Operating EBITDA margin	15%	14%	13%	13%	15%	20%	20%	24%	33%	27%
Average Return on Capital Employed	14%	11%	11%	14%	16%	24%	22%	22%	39%	35%
Return on Net Worth	10%	7%	7%	14%	14%	14%	18%	17%	27%	25%
Current Ratio (Times)	1.08	0.91	0.93	0.89	0.93	0.80	0.98	0.73	0.72	1.00
Debt Equity Ratio (Times)	-	-	-	-	0.004	0.02	0.07	0.08	0.09	0.10
Price Earning Ratio (Times)	36.08	38.39	43.07	22.56	18.91	25.15	16.29	18.04	10.23	7.39
Net worth per Share (₹)	499	470	450	439	416	393	385	345	320	263
Dividend per share (₹)	26	17	17	34	30	30	28	30.50	23	20
Basic Earnings per Share (₹)	48.75	34.46	31.51	62.23	58.36	56.52	70.59	59.66	85.60	64.63
Cash Earnings per Share (₹)	82.84	66.69	74.40	91.93	88.93	104.15	95.90	80.57	103.83	80.31
CASH FLOWS - ₹ Crore										
Net cash provided by / (used in)										
Operating activities	1,556	1,381	1,461	1,332	1,056	1,577	1,571	1,935	2,397	1,708
Investing activities	(385)	(539)	(948)	(1,437)	(858)	(311)	(258)	(812)	(1,505)	(1,170)
Financing activities	(422)	(420)	(681)	(837)	(834)	(1,066)	(768)	(621)	(455)	(297)

Financial figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP.

Notes:

1. Cash and cash equivalents includes Cash and bank balances, investment in short term deposits and mutual funds
2. Current maturities of Long-Term Borrowings have been included in Borrowings and excluded from current liabilities
3. Operating EBITDA: Profit from operations before other income, finance cost and Depreciation and amortization expense
4. Average Return on Capital Employed: EBIT/ Average Capital Employed
(Capital Employed: Net worth + Long-term borrowings + Current maturities of Long-Term borrowings)
(EBIT: Profit before exceptional items and tax + interest on Long-term borrowings)
5. Return on Net worth: Profit after Tax / Net Worth
6. Debts Equity Ratio: (Long-term borrowings + Current maturities of Long-Term borrowings) / Shareholders' funds
7. Price Earning Ratio: Market Price per share / Basic Earnings per share
8. Net worth per share: Net Worth / Number of Equity Shares
9. Current Assets : Total assets - Fixed assets - Investments
10. Current Liability: Current liability excluding Short-term borrowings + Long-term provisions

STATEMENT OF DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

	2017 ₹ Crore	2016 ₹ Crore
WEALTH GENERATED		
Gross Income*	18,867	14,453
Operating costs	(11,289)	(8,554)
	7,578	5,899
WEALTH DISTRIBUTION		
As remuneration including retirement benefits to Employees	819	755
Contribution to Government as taxes and other levies	5,331	4,008
As dividend to Shareholders	319	319
Community investments	22	22
Finance Cost	102	83
Retained with the Business	985	712

*Inclusive of sales tax / value added tax (VAT) / goods and service tax (GST)

VALUE ADDED STATEMENT

(₹ in Crore)

	2017	2016	2015	2014	2013
Equity	9,365	8,832	8,443	8,236	7,825
Long-term Debts	-	-	-	-	35
Capital employed	9,365	8,832	8,443	8,236	7,860
Average Capital Employed	9,099	8,637	8,339	8,048	7,703
Value added					
Net operating profit after taxes *	915	690	692	1,168	1,096
Add: interest on Long-term borrowings, after tax	-	-	-	1	4
Net operating profit after taxes (NOPAT)	915	690	692	1,169	1,100
Cost of Capital	1,106	973	1,074	1,038	1,017
Value added	(191)	(283)	(382)	131	83
NOPAT / Average Capital employed (%)	10.06	7.99	8.30	14.53	14.28
Weighted Average Cost of Capital (%)	12.16	11.26	12.88	12.90	13.20
Value added / Average Capital Employed (%)	(2.10)	(3.28)	(4.58)	1.63	1.08
Enterprise Value					
Market Capitalisation (As at December, 31)	33,021	24,995	25,546	26,287	20,806
Add: Long-term Debts	-	-	-	-	35
Less: Cash and Cash Equivalents	2,527	1,778	1,389	1,686	2,621
EV (Enterprise Value)	30,494	23,218	24,157	24,601	18,220
EV / Year End Capital Employed (Times)	3.26	2.63	2.86	2.99	2.32

* Net Operating profit is excluding exceptional item and tax impact on the same.

Financial figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP.

HORIZONTAL ANALYSIS OF STANDALONE BALANCE SHEET

Particulars	₹ Crore									
	2017	2017 Vs 16 (%)	2016	2016 Vs 15 (%)	2015	2015 Vs 14 (%)	2014	2014 Vs 13 (%)	2013	
ASSETS										
Non-current assets										
Fixed assets	7,503	(3.63)	7,786	1.70	7,656	1.90	7,513	18.80	6,324	
Non-current investments	230	(10.85)	258	(6.18)	275	(5.50)	291	64.41	177	
Non-current - loans and other financial assets	216	16.76	185	(15.53)	219	1.39	216	6.40	203	
Non-Current Tax Assets (Net)	295	(2.96)	304	(0.33)	305	30.90	233	106.19	113	
Other non-current assets	1,027	22.99	835	(17.73)	1,015	32.33	767	(10.71)	859	
	9,271	(1.04)	9,368	(1.08)	9,470	4.99	9,020	17.51	7,676	
Current assets										
Inventories	1,404	14.71	1,224	2.94	1,189	(5.33)	1,256	12.04	1,121	
Financial Assets	-	-	-	(100.00)	4	-	-	-	-	
Investments	668	24.63	536	10.74	484	17.76	411	3.53	397	
Trade receivables	2,527	42.05	1,779	31.19	1,356	(12.85)	1,556	(37.74)	2,499	
Cash and cash equivalents	169	1.20	167	406.06	33	(74.42)	129	5.74	122	
Bank balances other than Cash and Cash Equivalents loans	41	41.38	29	45.00	20	33.33	15	(66.67)	45	
Other financial assets	9	80.00	5	(37.50)	8	33.33	6	(25.00)	8	
Other current assets (Including assets held for sale)	800	140.96	332	19.86	277	(0.36)	278	23.01	226	
	5,618	37.97	4,072	20.80	3,371	(7.67)	3,651	(17.36)	4,418	
TOTAL	14,889	10.78	13,440	4.66	12,841	1.34	12,671	4.77	12,094	
EQUITY AND LIABILITIES										
Equity										
Equity Share capital	188	-	188	-	188	-	188	-	188	
Other Equity	9,177	6.17	8,644	4.71	8,255	2.57	8,048	5.38	7,637	
	9,365	6.03	8,832	4.61	8,443	2.51	8,236	5.25	7,825	
Liability										
Non-current liabilities										
Provisions	142	0.71	141	17.50	120	3.45	116	9.43	106	
Deferred tax liabilities (Net)	541	21.03	447	(4.69)	469	(12.50)	536	5.72	507	
	683	16.16	588	(0.17)	589	(9.66)	652	6.36	613	
Current liabilities										
Financial Liability										
Borrowing	59	18.00	50	42.86	35	-	-	-	-	
Trade payables	1,810	43.99	1,257	43.82	874	16.53	750	17.37	639	
Other financial liabilities	719	(13.48)	831	1.84	816	787	658			
Other current liabilities	1,734	22.89	1,411	(2.29)	1,444	10.31	1,309	1.08	1,295	
Provisions	51	(1.92)	52	(71.89)	185	(66.67)	555	6.32	522	
Current Tax Liabilities (Net)	468	11.69	419	(7.91)	455	19.11	382	(29.52)	542	
	4,841	20.42	4,020	5.54	3,809	0.69	3,783	3.47	3,656	
TOTAL	14,889	10.78	13,440	4.66	12,841	1.34	12,671	4.77	12,094	

Financial figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP.

VERTICAL ANALYSIS OF STANDALONE BALANCE SHEET

Particulars	₹ Crore									
	2017	(%)	2016	(%)	2015	(%)	2014	(%)	2013	
ASSETS										
Non-current assets										
Fixed assets	7,503	50.39	7,786	57.93	7,656	59.62	7,513	59.30	6,324	52.30
Non-current investments	230	1.54	258	1.92	275	2.14	291	2.30	177	1.46
Non-current - loans	216	1.45	185	1.38	219	1.71	216	1.70	203	1.68
Non-Current Tax Assets (Net)	295	1.98	304	2.26	305	2.38	233	1.84	113	0.93
Other non-current assets	1,027	6.90	835	6.21	1,015	7.90	767	6.05	859	7.10
	9,271	62.27	9,368	69.70	9,470	73.75	9,020	71.19	7,676	63.47
Current assets										
Inventories	1,404	9.42	1,224	9.10	1,189	9.25	1,256	9.91	1,121	9.27
Financial Assets										
Investments	-	-	-	-	4	0.03	-	-	-	-
Trade receivables	668	4.49	536	3.99	484	3.77	411	3.24	397	3.28
Cash and cash equivalents	2,527	16.97	1,779	13.24	1,356	10.56	1,556	12.28	2,499	20.66
Bank balances other than Cash and	169	1.14	167	1.24	33	0.26	129	1.02	122	1.01
Cash Equivalents										
loans	41	0.28	29	0.22	20	0.16	15	0.12	45	0.37
Other financial assets	9	0.06	5	0.04	8	0.06	6	0.05	8	0.07
Other current assets (Including assets held for sale)	800	5.37	332	2.47	277	2.16	278	2.19	226	1.87
	5,618	37.73	4,072	30.30	3,371	26.25	3,651	28.81	4,418	36.53
TOTAL	14,889	100.00	13,440	100.00	12,841	100.00	12,671	100.00	12,094	100.00
EQUITY AND LIABILITIES										
Equity										
Equity Share capital	188	1.26	188	1.40	188	1.46	188	1.48	188	1.55
Other Equity	9,177	61.64	8,644	64.31	8,255	64.29	8,048	63.52	7,637	63.15
	9,365	62.90	8,832	65.71	8,443	65.75	8,236	65.00	7,825	64.70
Liability										
Non-current liabilities										
Provisions	142	0.95	141	1.05	120	0.93	116	0.92	106	0.88
Deferred tax liabilities (Net)	541	3.63	447	3.33	469	3.66	536	4.23	507	4.19
	683	4.58	588	4.38	589	4.59	652	5.15	613	5.07
Current liabilities										
Financial Liabilities										
Borrowing	59	0.40	50	0.37	35	0.27	-	-	-	-
Trade payables	1,810	12.16	1,257	9.35	874	6.81	750	5.92	639	5.28
Other financial liabilities	719	4.83	831	6.18	816	6.35	787	6.21	658	5.44
Other current liabilities	1,734	11.65	1,411	10.50	1,444	11.25	1,309	10.33	1,295	10.71
Provisions	51	0.34	52	0.39	185	1.44	555	4.38	522	4.32
Current Tax Liabilities (Net)	468	3.14	419	3.12	455	3.54	382	3.01	542	4.48
	4,841	32.52	4,020	29.91	3,809	29.66	3,783	29.85	3,656	30.23
TOTAL	14,889	100.00	13,440	100.00	12,841	100.00	12,671	100.00	12,094	100.00

Financial figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP.

HORIZONTAL ANALYSIS OF STATEMENT OF PROFIT AND LOSS

Particulars	2017	2017 Vs 16 (%)	2016	2016 Vs 15 (%)	2015	2015 Vs 14 (%)	2014	2014 Vs 13 (%)	2013
Revenue from operations (net)	13,263	20.63	10,994	(6.81)	11,797	0.50	11,738	5.27	11,150
Other Income	131	2.58	128	7.85	119	(55.60)	268	(6.29)	286
Total Income	13,394	20.43	11,122	(6.66)	11,916	(0.75)	12,006	4.98	11,436
Cost of materials consumed	1,983	24.90	1,587	(8.78)	1,740	(2.68)	1,788	11.12	1,609
Purchase of traded goods	1	(66.83)	2	(97.67)	108	(44.33)	194	20.50	161
Changes in inventories	(15)	(187.70)	17	-	-	(100.00)	(11.00)	(257.14)	7
Employee benefits expense	819	8.53	755	(2.00)	770	3.08	747	13.01	661
Power and fuel	2,714	25.84	2,157	(9.90)	2,394	(1.97)	2,442	2.78	2,376
Freight and Forwarding expense	3,451	30.00	2,655	(2.51)	2,723	4.81	2,598	12.52	2,309
Finance costs	102	23.81	83	23.33	67	(19.28)	83	(27.19)	114
Depreciation and amortization expense	640	5.78	605	(7.18)	652	16.85	558	(2.79)	574
Other expenses	2,401	2.28	2,347	(7.04)	2,525	2.14	2,472	3.09	2,398
Total expenses	12,096	18.49	10,208	(7.02)	10,979	0.99	10,871	6.48	10,209
Exceptional items	-	(100.00)	43	(72.02)	153	-	-	-	-
Profit before tax	1,298	48.99	871	11.16	784	(30.93)	1,135	(7.50)	1,227
Tax expenses	383	70.62	224	16.89	192	(681.82)	(33)	(125.19)	131
Profit for the year	915	41.48	647	9.30	592	(49.32)	1,168	6.57	1,096

VERTICAL ANALYSIS OF STATEMENT OF PROFIT AND LOSS

Particulars	2017	(%)	2016	(%)	2015	(%)	2014	(%)	2013	(%)
Revenue from operations (net)	13,263	100.00	10,994	100.00	11,797	100.00	11,738	100.00	11,150	100.00
Other Income	131	0.99	128	1.17	119	1.01	268	2.28	286	2.57
Total Income	13,394	100.99	11,122	101.17	11,916	101.01	12,006	102.28	11,436	102.57
Cost of material consumed	1,983	14.95	1,587	14.44	1,740	14.75	1,788	15.23	1,609	14.43
Purchase of traded goods	1	0.01	2.52	0.02	108	0.92	194	1.65	161	1.44
Changes in inventories	(15)	(0.11)	16.99	0.15	-	-	(11.00)	(0.09)	7	0.06
Employee benefits expense	819	6.17	755	6.86	770	6.53	747	6.36	661	5.93
Power and fuel	2,714	20.47	2,157	19.62	2,394	20.29	2,442	20.80	2,376	21.31
Freight and Forwarding expense	3,451	26.02	2,655	24.15	2,723	23.08	2,598	22.13	2,309	20.71
Finance costs	102	0.77	83	0.75	67	0.57	83	0.71	114	1.02
Depreciation and amortization expense	640	4.82	605	5.51	652	5.53	558	4.75	574	5.15
Other expenses	2,401	18.10	2,347	21.35	2,525	21.39	2,472	21.07	2,398	21.51
Total expenses	12,096	91.20	10,208	92.85	10,979	93.06	10,871	92.61	10,209	91.56
Exceptional items	-	-	43	0.39	153	1.30	-	-	-	-
Profit before tax	1,298	9.79	871	7.93	784	6.65	1,135	9.67	1,227	11.01
Tax expenses	383	2.89	224	2.04	192	1.63	(33)	(0.28)	131	1.17
Profit for the year	915	6.90	647	5.88	592	5.02	1,168	9.95	1,096	9.84

Financial figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP.