



ACC

Welcome to the
82nd Annual General Meeting

June 13, 2018

Sainj Hydro-Electric Power Project in Himachal Pradesh.

Engineering expertise and seamless teamwork led to pumping of concrete made of ACC cement to a world record distance

ACC



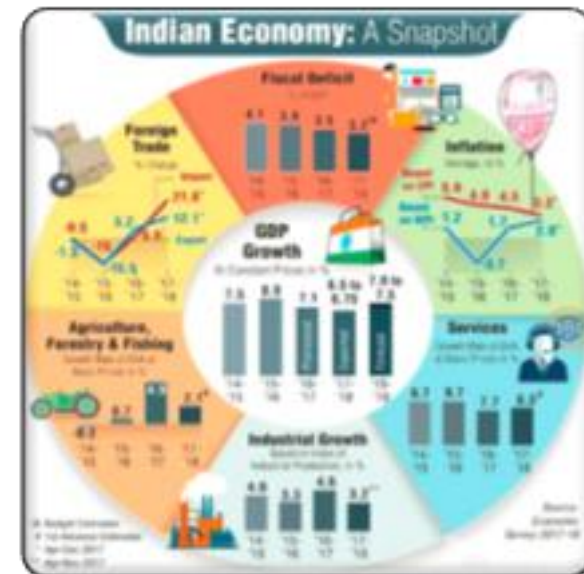
**Economic
Scenario**

ECONOMIC SCENARIO FY 2017-18

momentum in the later part of the year

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- Manufacturing growth 4.8%
- GDP 6.5% FY 17-18
- IIP improved in Qtr 4
- Rupee closed positive
- Normal monsoon
- Construction sector growth 5%
- Moody's sovereign rating upgrade



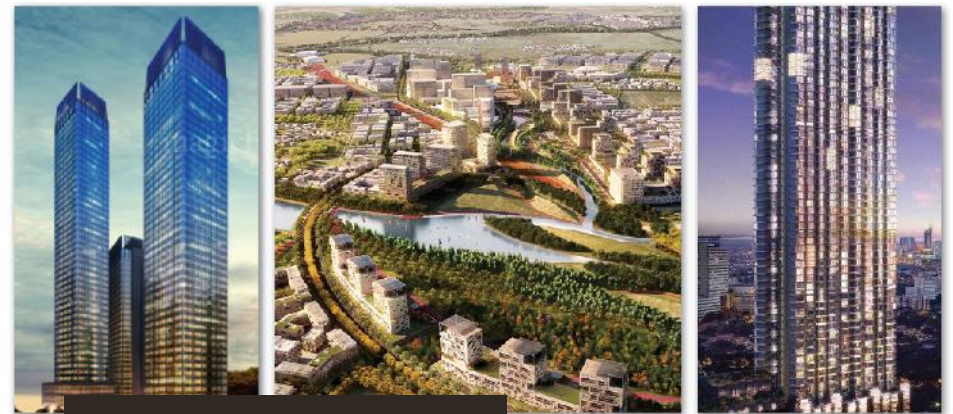
CEMENT INDUSTRY

~6% industry growth

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A year of opportunity

- Higher budget outlay on infrastructure and construction
 - BharatMala project investment of Rs 7 trillion in the next 5 years
 - Govt's urban low-cost housing scheme: 3.2 mn units approved over 3 years, construction started for 1.4 mn
 - Smart Cities Mission
- GST eased inter-state movement of cement



Built with ACC cement

CEMENT INDUSTRY

a challenging year

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- High GST rate of 28%
- Rising input costs of coal, slag, petcoke, and diesel
- Constraints of sand availability
- Inadequate availability of railway wagons led to higher distribution costs



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Performance Highlights

CEMENT VOLUME GROWTH OF 3+ MN TONNES

more than double the industry growth

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Strong top-line growth of 20%



Cement Volume
26.21 mt
+14% YoY



79% Capacity Utilization
PY 73%



Net Sales
Rs 12,909 Cr
+20% YoY

- Market share improved 1%*
- Consistent growth in consecutive quarters; in every region
- Increased focus on premium products; strong 20% volume growth
- Growth in large B2B segments like infrastructure, roads and metros
- Strengthened market presence through speedy ramp up of integrated capacity at Jamul

*Source: Internal estimates

OPERATING EBITDA & PROFIT AFTER TAX

strong double-digit performance

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Op. EBITDA
Rs 1912 Cr
29% YoY



PAT
Rs 925 Cr
40% up YoY

- Profitable growth through operational improvement
- Focused approach to innovation
- Higher usage of alternative fuels
- Reduced production fixed costs by ~3%
- SG&A expenses flat
- Higher growth of 20% in premium products


READY MIX CONCRETE BUSINESS

ranked one of the best RMX businesses across India

- 6 new commercial and 10 dedicated RMX plants added
- Total of 62 RMX plants
- Customised concrete solutions
- Value Added Products



READY MIX BUSINESS PERFORMANCE


RMX Volume
28.77 Lakh m3
+11% YoY
+18% revenue growth

- Best in class Operating EBITDA margin of 10.1%:
235 bps improvement



A FINANCIALLY STRONG BUSINESS 2017

ACC



Return on Capital Employed
14%
+300 bps



Dividend per Share
Rs 26 /share
+Rs 9 YoY



Basic Earning per Share
Rs 48.75 /share
+Rs 14.29 YoY



Cash & Cash Equivalents
Rs 2527 Cr
+Rs 749 Cr

INTEGRATED VALUE OFFERING

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BUILDING A NEW AND STRONG INDIA

The advertisement features five large bags of ACC cement products in the background, each with a distinct label and icon: ACC CONCRETE+ (Extra Strong), ACC F2R (Superfast), ACC GOLD (Water Shield), ACC SURAKSHA (Power), and ACC HPC (Long Life). In the foreground, there is a yellow jerrycan of ACC LeakBlock (LA-101) Waterproofing Technology and a white concrete mixer truck with a red drum labeled ACC RMX+. The scene is set on a wooden pier overlooking a city skyline at sunset.

ACC
Cementing Relationships

CEMENT ■ READY MIXED CONCRETE ■ CONSTRUCTION CHEMICALS

CEMENT ■ READY MIXED CONCRETE ■ CONSTRUCTION CHEMICALS

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Growth underpinned by our
innovative products and
customer engagement
**high performance cements and
solutions**



CONSUMER CENTRICITY

ACC



ACC Dream Home App
For Individual Home
Builders
10,000+ downloads on
Google Playstore

‘Construction Ka Doctor’

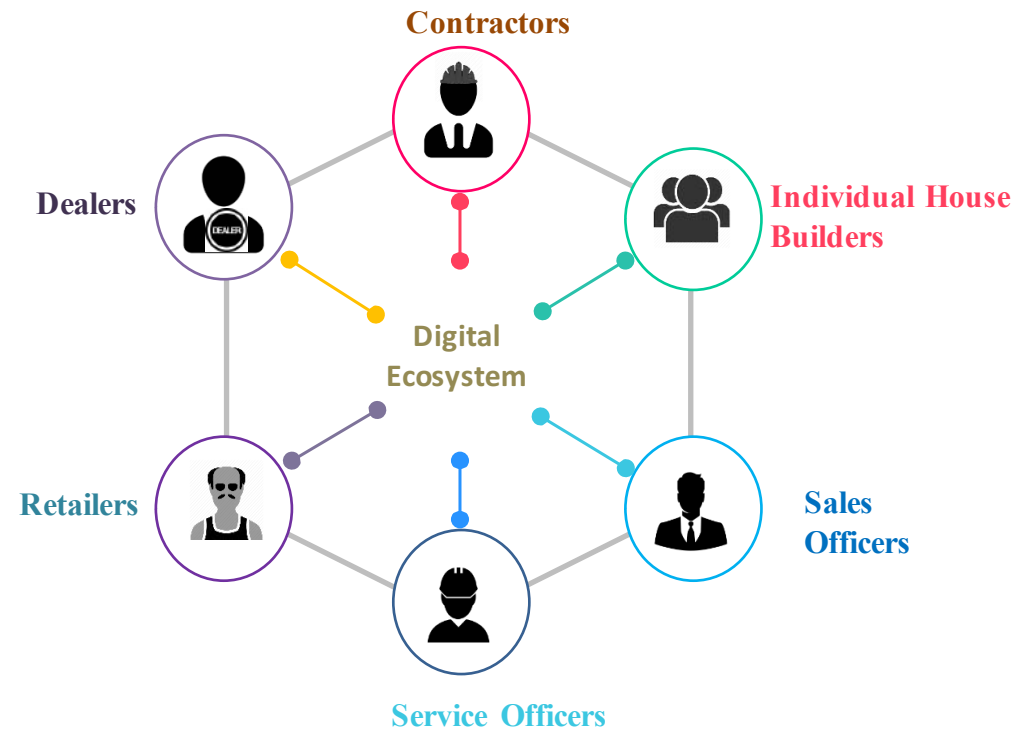
2000 assistance counters across India
Knowledge-sharing platform for
consumers, masons, contractors,
communities



MOVING TO A DIGITALLY CONNECTED WORLD

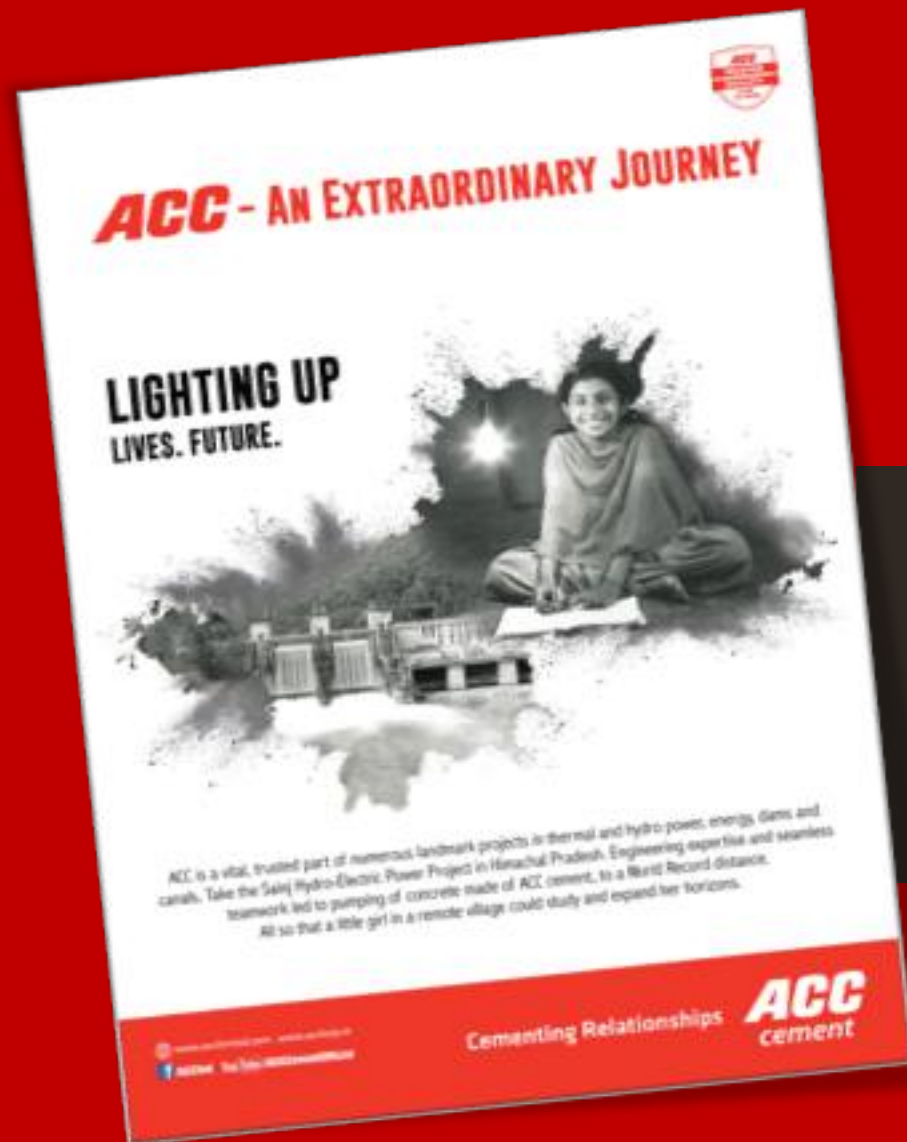


ACC Dealer Connect App: Web sales



80% Trade Volume conducted through digital mode

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Building a sustainable business

HEALTH & SAFETY – OUR PRIORITY

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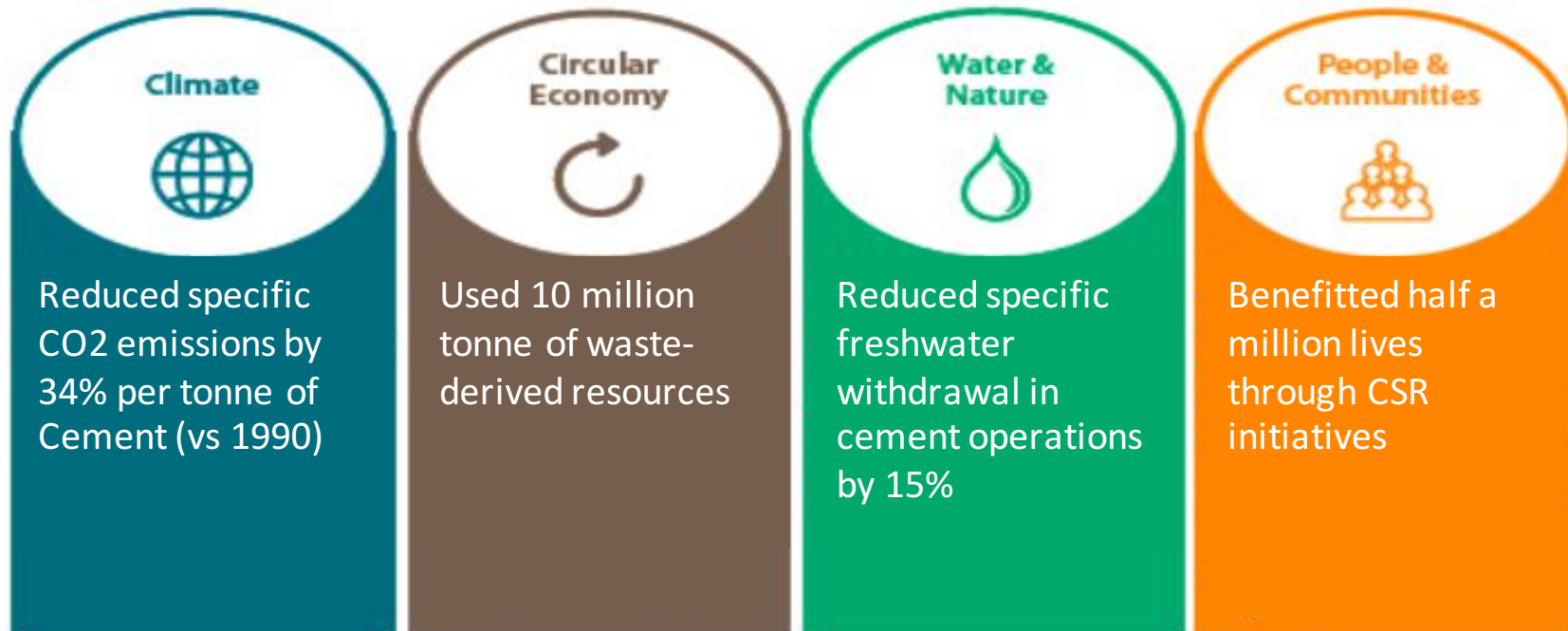


- Culture of compliance
- Goal of zero harm
- World-class practices
- Continuous training

SHAPING A SUSTAINABLE FUTURE



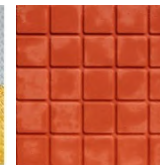
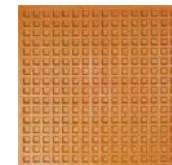
ACC will generate one-third of its turnover from enhanced sustainability solutions



GREEN BUILDING CENTRES

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- 53 Green Building Centres in 2017: 38 active, 15 under implementation
- 19,259 affordable homes built through GBCs



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BUILDING COMMUNITIES

ACC

- CSR spend of 2.33% of net profit
- Benefited 200+ villages
- Impacted nearly half a million lives



ACC ki LADLI

Transforming the lives of
1400+ girls across 6 states



DISHA

Benefited 20,761 lives through
alternate livelihood projects

CLEAN & GREEN INDIA: THE MADUKKARAI EXAMPLE

ACC

- 100% waste segregation and recycling
- Community involvement and pride
- 100% households participate
- Reduced landfills by 80%
- Plastic waste co-processed by ACC



AWARDS & ACCOLADES

ACC

- Golden Peacock Award for Corporate Social Responsibility 2017
- 2 Good' rating by Economic Times & KPMG
- ISC-FICCI award for 'Best Corporate Initiative in Sanitation'
- Clean & Green Madukkarai receives Chief Minister's memento for innovative solution for municipal waste
- Jamul and Kymore Limestone mines rated 5 Star for Sustainable Development at the 3rd National Conclave on Mines & Minerals
- Govari Limestone Mines, Chanda, received 5 Star rating for its Sustainable Development Framework at the 3rd National Conclave on Mines & Minerals



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**Our Strength:
Our Talent**

FUTURE-READY TALENT

- ACC ranked highest in Employee Engagement across LafargeHolcim
- In-house Training Academy
- Robust Performance Management System
- Regular Talent Review and Succession Planning
- Counseling service 'SPARSH' for mental wellness
- Encouraging gender diversity

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2018

ECONOMIC SCENARIO & OUTLOOK 2018



- Economy poised for an upswing in 2018, supported by buoyant consumption , normal monsoon and uptick in rural demand
- GDP growth estimated at ~7.5% in FY19
- Rise in crude prices – inflationary pressure
- Government's higher outlay for infrastructure and rural economy expected to boost consumption, production and investments
- Demand recovery driven by 'Housing for All' program, sustained infrastructure spends, rural housing
- Greater stability in GST, recovery in investment levels, ongoing structural reforms to support higher growth
- Revival of the construction sector could stimulate investment demand

SUPPORTING GROWTH

Master Supply Agreement

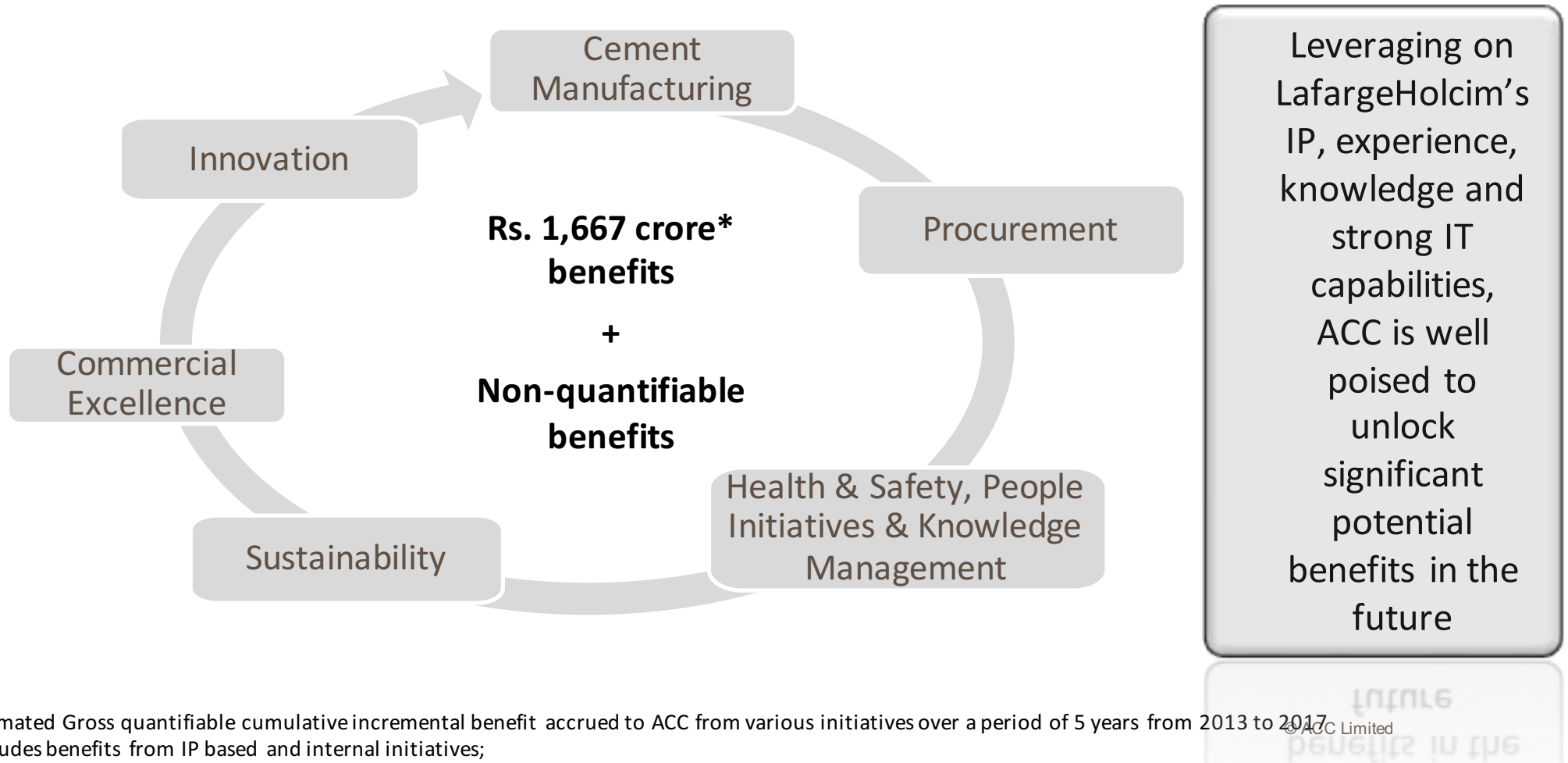


- 3-year Master Supply Agreement signed with Ambuja Cements for sale and purchase of material & services on a reciprocal basis
- **Expected Benefits:** Maximise synergies, economies of scale, reduce operational costs

SUPPORTING GROWTH

Renewal of Technology Know-How Agreement

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•Estimated Gross quantifiable cumulative incremental benefit accrued to ACC from various initiatives over a period of 5 years from 2013 to 2017

•Includes benefits from IP based and internal initiatives;

4 BUSINESS SEGMENTS



Cement

**Ready Mix
Concrete**

Aggregates

**Solutions &
Products**

AGGREGATES: MANUFACTURED SAND



- Entry into the business of Manufactured Sand
- Solution for States that are facing acute shortage of Natural Sand
- Limits ecological damage caused by River-Sand mining
- Leverage LafargeHolcim experience



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SOLUTIONS & PRODUCTS:

ACC

- Entry into the B2C Construction Chemicals category
- First offering: ACC LeakBlock, a Waterproofing Chemical
- High-performance Waterproofing for Concrete and Plaster for new home construction
- Suitable for all applications – foundation, columns, beams, walls, roofs, water tanks



ACC LeakBlock

SOLUTIONS & PRODUCTS

ACC

- ✓ No leakage
- ✓ No seepage
- ✓ Increases strength
- ✓ Easy workability
- ✓ 6 times higher resistance to water penetration
- ✓ Available in 5 sizes from 200ml to 20lt



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THANK YOU

ACC Wadi Plant