

Media Release

Consolidated Results for the 2nd Quarter ended June 30, 2009

		Quarter Apr-Jun 2009	Quarter Apr-Jun 2008	Growth (%)	Cum Jan - Jun 2009	Cum Jan - Jun 2008	Growth (%)
Sales Volume – Cement	Million Tonnes	5.42	5.29	2	11.15	10.69	4
Sales Turnover	Rs. Crore	2188	1906	15	4352	3803	14
Profit before Tax	Rs. Crore	682	373	83	1259	837	50
Net Profit after Tax	Rs. Crore	471	255	85	870	579	50

ACC sold 5.42 million tonnes of cement in the second quarter (April-June) of 2009, up 2% as compared to the corresponding quarter of 2008. Consolidated turnover in the just-concluded quarter increased 15% from the same quarter in 2008 to Rs. 2,188 crore.

The company's Profit Before Tax was Rs. 682 crore, marking an improvement of 83% from the same quarter in 2008. Profit After Tax for the quarter rose 85% from the second quarter of 2008 to Rs. 471 crore.

Higher utilization of captive power, focused cost control and sustained demand due to the government's fiscal stimulus packages together helped improve ACC's profitability in the quarter under review.

Modernization/Expansion Projects

The expansion at Bargarh in Orissa is nearing completion, and the enhanced capacity will come on stream from August/September 2009. The new 30-MW captive power plant at Bargarh is doing trial runs. Karnataka's New Wadi expansion project, together with its satellite grinding plants at Thondebhavi near Kolar and Kudithini near Bellary, will be commissioned in phases from the third quarter of this year until March 2010. The other major project at Chanda in Maharashtra is running according to its mid-2010 completion schedule.

Allotment of Coal Blocks

In the quarter under review, ACC and Madhya Pradesh State Mining Corporation Limited entered into an arrangement that gives ACC four coal blocks for prospecting and mining. The mines are expected to become operational in four to five years. Based on their feasibility, the four mines will be optimally linked to supply coal to some of the company's cement plants, thus providing them cost-effective long-term energy supply assurance. Also, the Coal Ministry has allotted ACC, in a joint venture with five other partners, a coal mine at Moira-Madhujore in West Bengal. This mine has geological reserves of 685 million tonnes of coal.

Sustainable Development Report

ACC's Sustainable Development Report for 2008 has been released as an online update on the company's Website. Describing the economic, environmental and social impact of ACC's performance, the report recounts our continuous efforts at energy conservation and use of alternative fuels.

**Outlook**

The industry expanded about 10.7% in the first half of 2009 as compared to the corresponding period last year. While significant new capacity is expected to be added in the coming months, demand, led by housing, retail and infrastructure sectors, is expected to remain firm in the foreseeable future.

However, prices of major inputs for the cement industry, including coal, may rebound from recent lows because of an anticipated uptrend in the commodity business cycle. Also, below-normal monsoon rains may put pressure on the prices of certain commodities, potentially accelerating inflation.

Sumit Banerjee
Managing Director

July 23, 2009

ACC Limited is India's largest manufacturer of cement. Formerly called "The Associated Cement Companies Limited", ACC has a countrywide network of modern cement plants, sales offices, dealers and retailers. In the more than 70 years of its existence, ACC has been a pioneer and trend-setter in cement and sustainable development.

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