HeidelbergCement India Ltd. (HCIL)

Investors‘ Presentation

Q2 FY 2017-18



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This presentation may contain certain forward-looking statements relating to the Company's future business, developments and economic performance.

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HCIL Highlights – Q2 FY 2017-18 vs. Q2 FY 2016-17

Volume Increased by 6.5%

Realization per t higher by 2.6%

Total Costs* per t lower by 3.8%

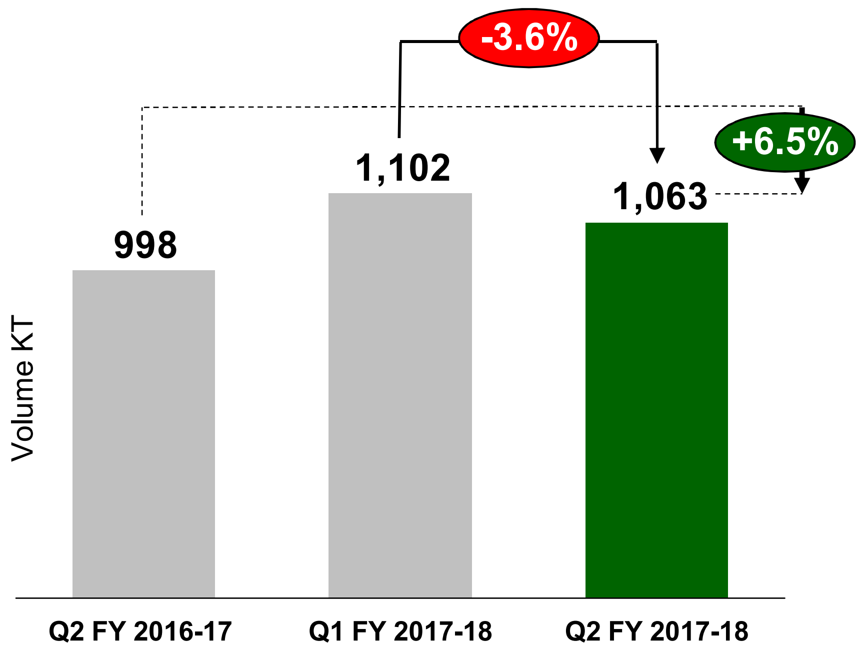
EBITDA increased by 45.0%

EBITDA per t higher by 36.1%

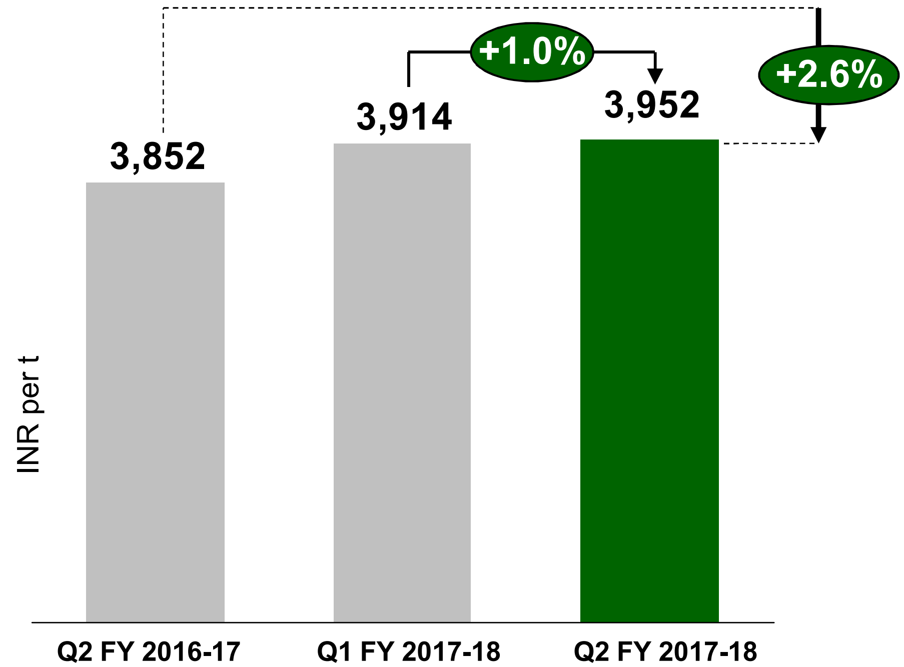
Net Profit higher by 101.5%

** Operating Costs including logistics*

Volumes and Price Development



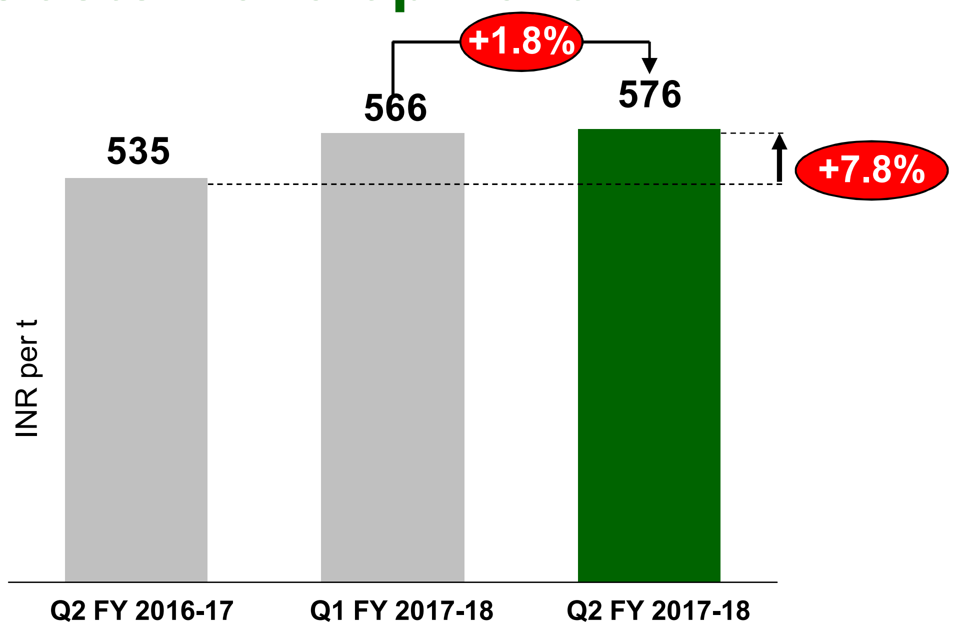
Volume Development



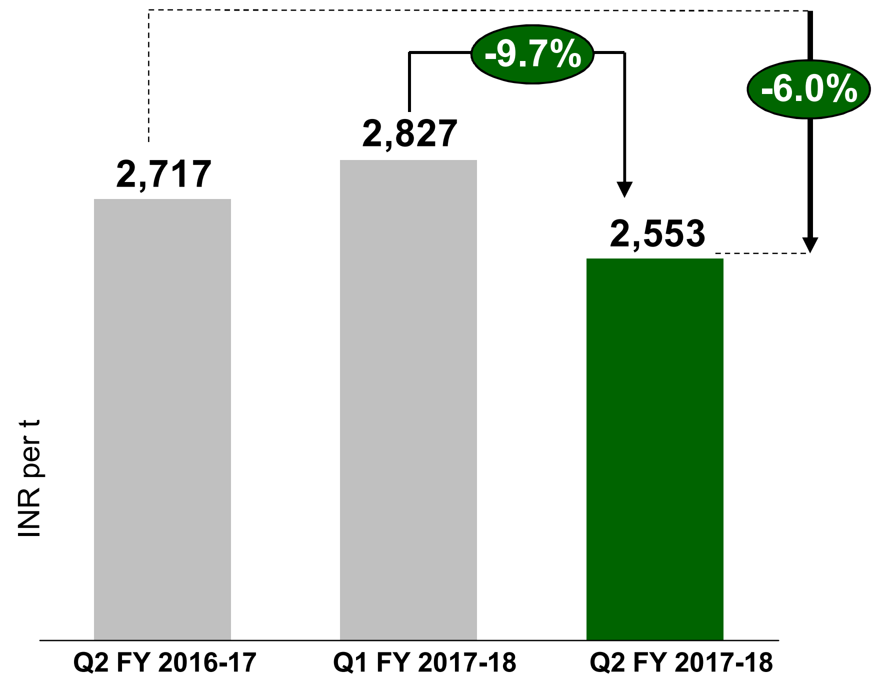
Gross Realisation per t

- *Markets continued to remain soft in general, primary factors at play being monsoons and shortage of sand/ aggregates in key markets of Uttar Pradesh.*
- *Increase in Gross realisation is supported by change in commercial terms from Ex-Works to FOR in some of the markets.*
- *Capacity Utilization for Q2 FY 2017-18 >80%*
- *Trade : Non Trade Mix ~ 80:20 for Central India*

Costs Development



Logistic Cost per t



Costs (excl. logistics) per t

- *Total operating costs (excl. logistics) were lower by 6.0% due to concerted efforts, savings primarily on account of improvement in power and fuel consumption despite hardening of petcoke costs during the quarter, petcoke usage maintained ~70%*
- *Logistics costs higher y-o-y due to increase in diesel costs and also due to change in commercial terms from Ex-Works to FOR in some of the markets.*
- *Other expenses were lower due to one-time reversal of provision towards District Mineral Fund for prior period, amount being ~ MINR 57*
- *Rail : Road Mix ~ 50:50, Avg. Lead Distance < 400 Kms*

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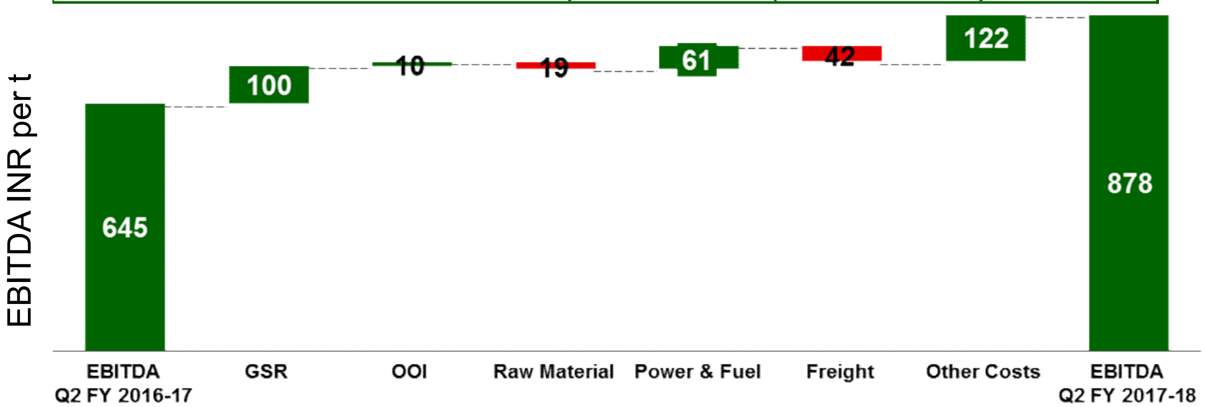
Financial Performance and EBITDA per t Bridge Q2 FY 2017-18

Caption	MINR		YoY
	Sept Qtr -17	Sept Qtr -16	Change%
Volumes (KT)	**1,063**	**998**	***6.5%***
Sales (net of excise)	4,200	3,842	*9.3%*
Other operating income	59	45	*30.5%*
Total income	**4,259**	**3,888**	***9.5%***
Total Expenses	**3,326**	**3,244**	***2.5%***
EBITDA	**933**	**644**	***45.0%***
Other income	23	91	*-74.3%*
Depreciation	255	250	*2.2%*
EBIT	**701**	**485**	***44.6%***
Finance costs	188	235	*-19.8%*
EBT	**513**	**250**	***104.9%***
Tax	181	85	*111.6%*
PAT	**333**	**165**	***101.5%***
EBITDA% of net sales	*22.2%*	*16.8%*	*5.5%*



- *Margin improvement led by concerted efforts on both fronts – markets and consumption parameters.*
- *Financing costs reduced as the company continued to deleverage – gross debt repaid during Q2 FY 2017-18 ~ MUSD 10*
- *Net Debt* at 30-09-2017 – MINR 6,726*

**Net Debt = Gross Long Term Debt + Short Term Borrowings – Cash & Cash Equivalents*

Gross Long Term Debt = Long Term Debt (LTD) including current potion of the LTD maturing in the next 1 year but excludes impact of Mark to Market on the USD External Commercial Borrowings (ECB) which were hedged using Cross Currency Swaps. Also full value of Interest Free Loan from State Government considered including portion classified as government grant under "Ind AS".

Thank You

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for better building

Safety is our foremost priority