

80th year

A Trusted Brand

Eight decades after coming into being out of an unparalleled merger with a vision to serve customers, stakeholders and the nation with dedication, the product of that amalgamation is respected as an organization that embodies fair business practices. Today, the name ACC represents not just a trademark for cement and concrete but a brand name that reposes on several promises:

- as a dependable supplier of high quality building materials;
- as a great place to work;
- as a reliable business associate; and
- as a good corporate citizen.

It is an organization that is counted among India's most sustainable companies.

It is commended by the Institute of Chartered Accountants of India for excellence in financial reporting.

Its scrip is felicitated by National Stock Exchange of India for being part of the original Nifty 50 Index.

It is an organization that imbibes global best practices from its strong alliance with LafargeHolcim, world leader in building materials.

It is a Superbrand, counted among India's most admired companies, ready to contribute in building the nation's future.

ANNUAL GENERAL MEETING

On Wednesday, April 13, 2016 at 3:00 pm
at Birla Matushri Sabhagar
19, Sir Vithaldas Thackersey Marg
Mumbai 400 020

Members are requested to kindly bring their copy of the Annual Report to the Meeting

Contents

02 - 03

Hallmark of Quality
- Cement & Concrete



04 - 05

Customer Excellence



06 - 07

Innovative &
Future Ready



08 - 09

Leadership &
Governance



10 - 11

A Brand that Cares



12

People
- Architects of Success



13 - 16

Performance Highlights



17 Financial Highlights

18 Value Added Statement

19 Notice

30 Board's Report and Management
Discussion & Analysis

50 Annexures A-G to Board's Report

74 Corporate Governance Report

105 Business Responsibility Report

117 Financial Analysis

126 Auditor's Report

130 Balance Sheet

131 Statement of Profit and Loss

132 Cash Flow Statement

134 Notes to Financial Statements

177 Form AOC-1

179 Consolidated Financial Statements

Subsidiary Companies

234 ACC Mineral Resources Limited

258 Bulk Cement Corporation (India)
Limited

282 Lucky Minmat Limited

301 National Limestone Company Private
Limited

320 Singhania Minerals Private Limited

Board of Directors

(as on February 10, 2016)

Mr N S Sekhsaria
Chairman

Mr Bernard Terver
Deputy Chairman

Mr Harish Badami
*Chief Executive Officer &
Managing Director*

Mr Eric Olsen

Mr Shailesh Haribhakti
Mr Sushil Kumar Roongta
Mr Ashwin Dani

Mr Farrokh K Kavarana
Mr Vijay Kumar Sharma
Mr Arunkumar R Gandhi
Mrs Falguni Nayar
Mr Christof Hassig

AUDIT COMMITTEE

Mr Arunkumar R Gandhi
Chairman

Mr Bernard Terver
Mr Sushil Kumar Roongta
Mr Ashwin Dani
Mr Farrokh K Kavarana

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr Bernard Terver
Chairman
Mr Shailesh Haribhakti
Mr Harish Badami

NOMINATION & REMUNERATION COMMITTEE

Mr Ashwin Dani
Chairman
Mr N S Sekhsaria
Mr Bernard Terver
Mr Shailesh Haribhakti
Mr Farrokh K Kavarana
Mr Eric Olsen

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr Shailesh Haribhakti
Chairman
Mrs Falguni Nayar
Mr Farrokh K Kavarana
Mr Bernard Terver
Mr Harish Badami

RISK MANAGEMENT COMMITTEE

Mr Shailesh Haribhakti
Chairman
Mrs Falguni Nayar
Mr Bernard Terver
Mr Harish Badami

COMPLIANCE COMMITTEE

Mr Farrokh K Kavarana
Chairman
Mr Bernard Terver
Mr Shailesh Haribhakti
Mr Harish Badami

CAPEX COMMITTEE

Mr Bernard Terver
Chairman
Mr Sushil Kumar Roongta
Mr Shailesh Haribhakti
Mr Harish Badami

EXECUTIVE COMMITTEE

Mr Harish Badami
CEO & Managing Director
(Chairman of Executive
Committee)

Mr Sunil K Nayak
Chief Financial Officer
Mr Naveen Chadha
*Chief Manufacturing
Officer*

Mr Jayanta DattaGupta
Chief Marketing Officer

Mr Behram Sherdiwala
Chief People Officer

Mr Pierre-Alexandre de
Lavallaz
Chief Procurement Officer

COMPANY SECRETARY & HEAD COMPLIANCE

Mr Burjor D Nariman

AUDITOR

S R B C & CO LLP

COST AUDITOR

N I Mehta & Co.

BANKERS

State Bank of India
Citibank NA
HDFC Bank Limited

REGISTERED OFFICE

Cement House
121 Maharshi Karve Road
Mumbai 400 020

Website:

www.acclimited.com

ACC



Hallmark of Quality

- Cement & Concrete

ACC Cement

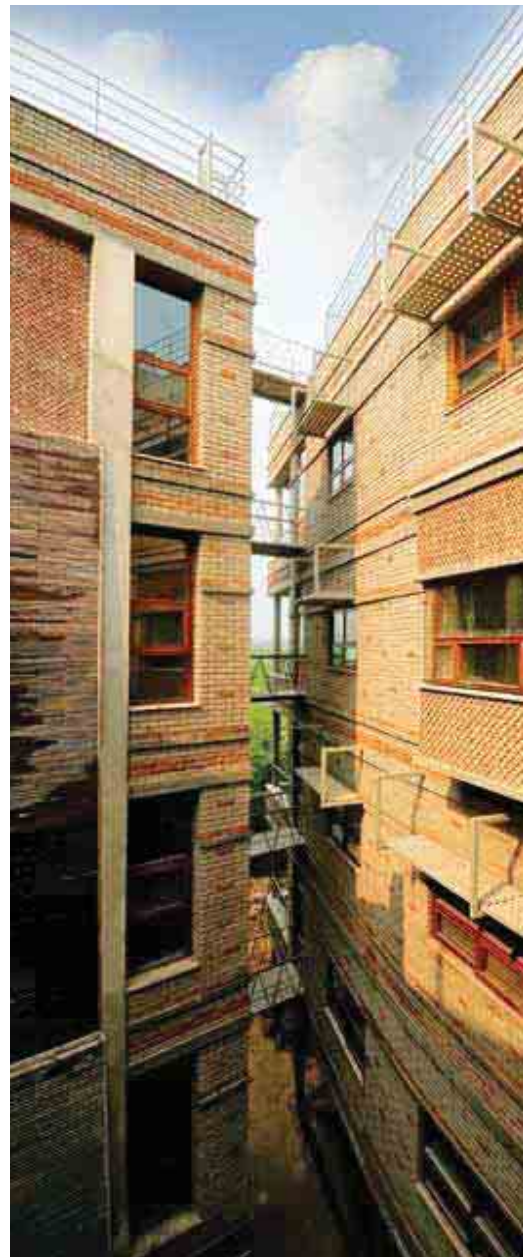
ACC has been a trendsetter in India's building materials industry, recalled as the first name in Cement and Ready Mixed Concrete. ACC has been the brand of choice in building homes for the masses of India in its cities and villages as well as enduring structures for infrastructure and industry. Our range of cements is marketed by a vast countrywide distribution network of over 9,000 dealers and 50,000 retailers.

Product Development

ACC manufactures various kinds of Ordinary Portland Cement and Blended Cements for general construction and special applications – supplied in bags and in bulk for large construction sites. We have an assortment of premium cements for special applications and climes. Product Development is a vital building block in our endeavour for customer excellence, enabled by a focus on applied research and innovation that drives quality, process improvement and application.

Quality

ACC demonstrates a tradition of providing trustworthy and consistent quality through the application of modern technology to meet the needs and preferences of a nationwide customer base and construction industry. All ACC factories have state-of-the-art process control instrumentation, quality control systems and testing laboratories manned by qualified personnel. As a result of this unwavering focus on quality, ACC cement specifications exceed statutory standards by a wide margin.



Endurance



National Presence

80th year



ACC Concrete

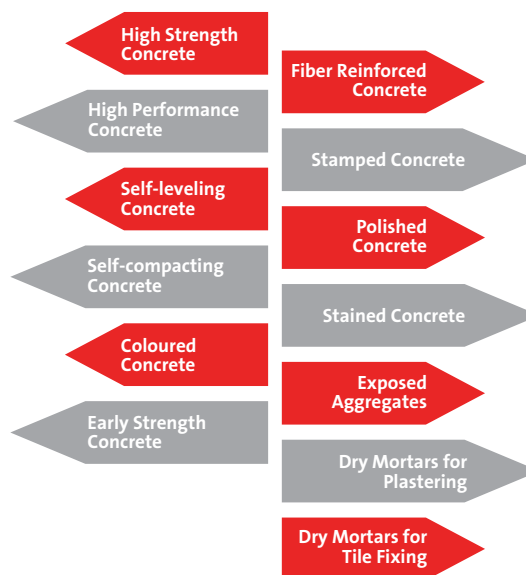
ACC's pioneering efforts in introducing Ready Mixed Concrete (RMX) in India in 1993 coupled with the promotion of Bulk cement handling facilities have been responsible for redefining the pace and quality of construction activity in metropolitan cities and in mega infrastructure projects. Today, ACC RMX is one of the largest manufacturers of concrete in India with over 50 modern plants in major cities.



Numerous landmark structures in India's metro cities have been built using ACC Concrete - mega housing projects, townships, commercial complexes, factories, bridges, flyovers, roads and railways. ACC Concrete also reaches out to small builders and individual home builders with the same sophistication.

ACC RMX is manufactured under computer-controlled operations, transported and placed at site using sophisticated equipment and methods. The use of RMX is an environment-friendly practice that is sophisticated, ensures high levels of quality assurance and value addition and causes minimal disturbance to its surroundings. This makes its utility more significant in crowded cities and localities.

ACC RMX is supplied in a variety of grades and compositions to meet specific demands of customized applications - from simple requirements for small homes to High Performance Concrete to meet the complex needs of mega projects.



Awards & Accolades

India Green Manufacturing Challenge 2014 award in Gold category to ACC Chanda by International Research Institute for Manufacturing

Customer Excellence

We do our utmost to create a unique experience for our customers. We do what it takes to see that the customer experiences value in everything we do – in our products, in our service, in our communication, in every transaction and in every interface involving the customer. This customer-centric approach demands that we offer Superior products, Superior logistics and Superior service.

A young and dynamic sales force manages the frontline engagement with customers. They work with a large contingent of dedicated channel partners who are in turn complemented by an extensive network of retailer outlets that makes it easy to reach the masses of India who make up our main customers.



Customer Service teams offer a range of Technical Services from providing basic product knowledge to retail buyers to customized and fee-based services for the large buyer such as concrete mix design, cement and concrete testing, good construction practices and site supervision. A variety of other technical seminars and training programmes conducted by our Customer Service teams allow useful engagements with construction engineers and contractors.



Besides our standard offering, we promote an assortment of Premium products that incorporates enhanced technical features appropriate for different local conditions. Premium products come packed in tamper-proof packaging.

A selection of routine studies and dipstick surveys ensures that we always have the pulse of our valued clientele. Frontline sales personnel spend time in retail outlets to gather insights into the buying process from In-store Consumer Behavior. Tools like Net Promoter Score (NPS) and the E3 Model (Economic, Emotional & Ego) helps gauge dealer satisfaction and understand their needs.





Awards & Accolades

Reader's Digest
Trusted Brand
2015 - Gold
award in Cement
category



The Company's vast network of channel partners plays a vital role in customer servicing and brand building.



Indian Merchants' Chamber
IT Award 2015 for
excellence in the
use of Information
Technology in the
Manufacturing
sector for Logistics



Innovative & Future Ready

In its 80-year journey, ACC has crafted a unique track record of innovative research and development, justly earning for itself the sobriquet of pioneer and trendsetter. The company's accomplishments have added value to the building materials industry – notably with the establishment of the country's first wholly indigenous cement plant at Chaibasa, the introduction of Bulk Cement distribution, Ready Mixed Concrete, environment-friendly blended cements and commissioning of the world's largest plant at Wadi.

Regular insights from our marketing and R&D teams help us discover new ways to address the urban and large customers' changing needs through enhancements in service delivery and product development. Our recent advancements including the adoption of technologies like Radio Frequency Identification Device (RFID) and Global Positioning Systems (GPS) have strengthened logistics.

We are mindful of the needs of other customer segments as well, such as enabling the setting up of Green Building Centres to address the demand for affordable housing in the smaller towns and villages.

Our technical teams are engrossed in pursuing continuous improvements in manufacturing operations and energy efficiency. We prepare ourselves to participate in the country's ambitious growth plans with the expansion of our capacity. The Jamul project in eastern India is helping us in sharpening project management skills to a high order.

These and other such efforts seek to shape for the company a future as noteworthy as its past – rendering it innovative and future ready in building sustainable solutions and enabling the people who can help make it happen.

The new Jamul Project



80th
year

Smart Cities

Infrastructure

Housing

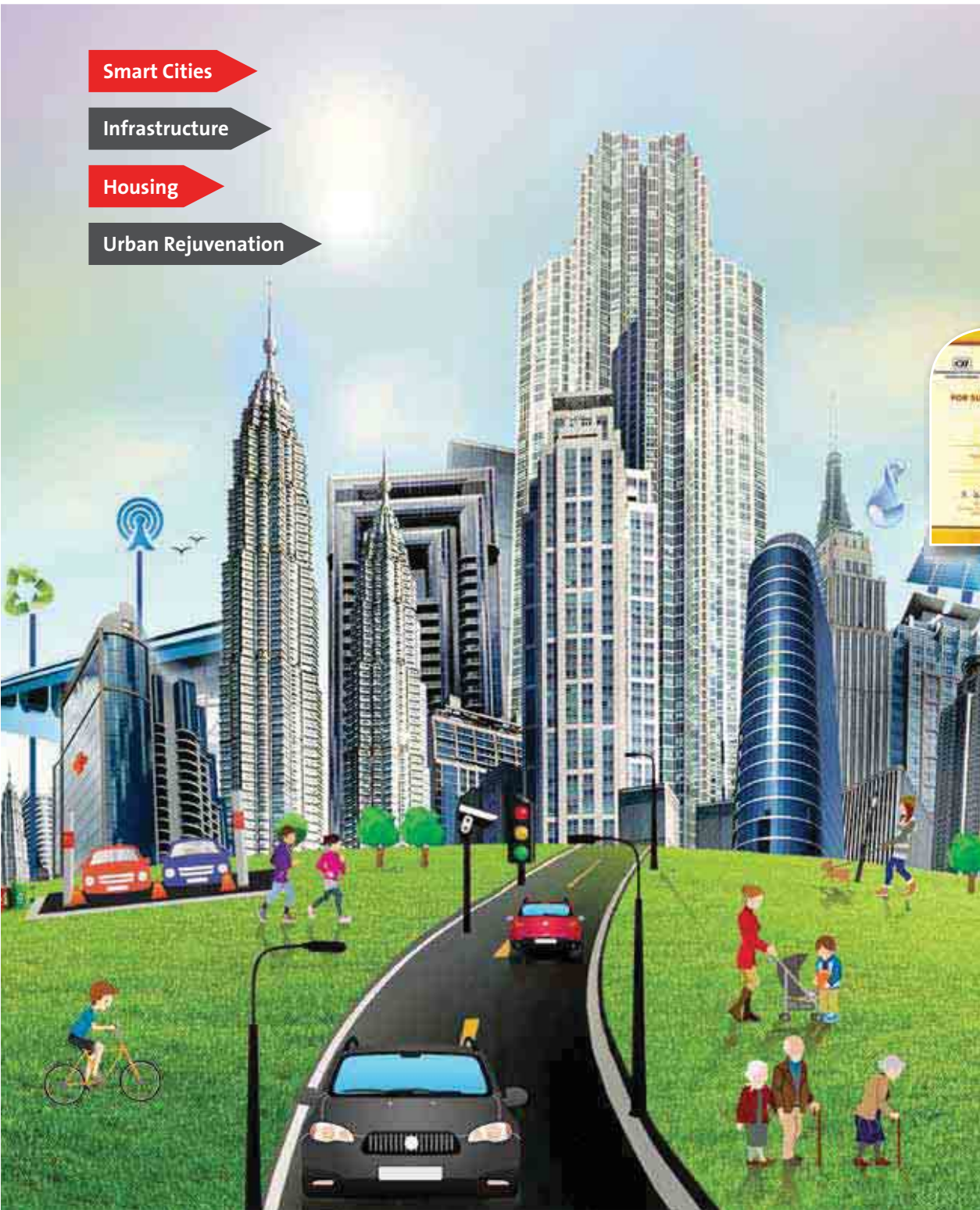
Urban Rejuvenation



Awards &
Accolades



CII Supply Chain
& Logistics
Excellence Award
(SCALE) 2015 in
Excellent category



Leadership & Governance



Board of Directors*



Seated (Left to Right)

1. Mr Eric Olsen
2. Mr N S Sekhsaria, *Chairman*
3. Mr Harish Badami, *CEO&MD*
4. Mrs Falguni Nayar

Standing (Left to Right)

5. Mr Vijay Kumar Sharma
6. Mr Christof Hassig
7. Mr Ashwin Dani
8. Mr Farrokh K Kavarana
9. Mr Bernard Terver, *Deputy Chairman*
10. Mr Arunkumar Ramanlal Gandhi
11. Mr Shailesh Haribhakti
12. Mr Sushil Kumar Roongta

ACC is a professionally managed company with its core values based on ethics and good corporate citizenship. The Board of Directors comprises eminent professionals of unquestionable integrity, a majority of who are Independent Directors. The Board endeavours to maintain the company’s tradition of upholding the highest standards of Corporate Governance. The Chief Executive Officer and Managing Director oversees day-to-day working and operations of the Company. He is assisted by the Executive Committee (ExCo) which includes the functional heads of Finance, Manufacturing, Marketing, Human Resources and Procurement. The ExCo is responsible and accountable for overall business deliverables.

80th
year

Seated (Left to Right)

1. Mr Sunil K Nayak
2. Mr Harish Badami
3. Mr Jayanta DattaGupta



Standing (Left to Right)

4. Mr Naveen Chadha
5. Mr Pierre-Alexandre de Lavallaz
6. Mr Behram Sherdiwala

Executive Committee*



Awards & Accolades

- “Silver Shield” for “Excellence in Financial Reporting” for Annual Report 2014 by Institute of Chartered Accountants of India
- ACC scrip commended by National Stock Exchange of India for being part of Nifty 50 Index from inception 20 years ago

* as on February 10, 2016

A Brand that Cares

Sustainable Business

We rejoice in greening the environs around us. A deep concern for conservation of the earth's precious resources is integrated into all activities of our value chain from mining to sales. We continuously explore ways to make our business more planet-friendly; from deploying clean mining techniques to transforming used mines into lush forests or useful water bodies. We minimize the use of limestone by promoting blended cements that gainfully utilize industrial wastes like slag and flyash. In pursuit of Alternative Fuel and Resources, we offer viable solutions for efficient disposal of hazardous and other wastes through co-processing in cement kilns. A large efficient captive power capacity together with three wind energy farms and a waste heat power generation system make up our energy efficiency and energy conservation portfolio.



All this helps cut our carbon footprint down to a level that is best-in-class. In receiving the CII-ITC Sustainability Award 2015, we have been singled out as being among India's most sustainable companies and adjudged as a benchmark in conducting sustainable business.

A water conservation project



80th
year

A Caring Company

We partner with the rural community living around our operations to improve the quality of their lives. In their well-being lies our license to operate. Through our meaningful interventions in Livelihood, Education, Water, Health and Sanitation, we strive to strengthen their subsistence. In 2015, the Company’s countrywide community development efforts reached out to 4 lakh people in 156 villages. Education initiatives addressed 35,000 students with scholarships and modern methods of learning. Women’s empowerment efforts saw 200 new women’s Self Help Groups being set up while the “ACC ki Ladli” programme provided education to 1,500 girl children. In other schemes, 58,000 people received health and nutrition assistance, about 8,000 children were nurtured in 156 anganwadi centres, we supported, while our Anti Retroviral Treatment (ART) Centres gave a renewed lease of life to 5,400 patients of HIV/AIDS.

ACC’s CSR engagement was ranked first in the Cement Sector and 12th among the top 100 listed companies in a survey by Economic Times and Institute of Management, Udaipur.



Awards & Accolades



CII-ITC Sustainability Award 2015 for Corporate Excellence in the category “Outstanding Accomplishment”

A Women’s Self Help Group



Awarded CII’s Sustainable Plus Platinum label, the world’s first Corporate Sustainability rating

People - Architects of Success



ACC is proud to retain its position as the Best Employer to work for in the cement sector. The company's Human Resource function incorporates effective engagements with all levels of employees with a view to ensure that the workforce is close-knit, motivated and ready to excel in the marketplace.

changing requirements of the industry. Our Shop Floor Associates endorsed this initiative as part of a remarkable common long-term accord signed by trade unions with the company.

The "India Manufacturing Transformation (IMT)" programme, initiated in 2015, aims to re-engineer the work culture in our manufacturing units such that they can become more responsive to address the

Efforts continued to make sure that training and leadership development processes are designed to enhance technical and functional capabilities, with special focus on nurturing young talent. This will help us meet emerging challenges and keep the organization's talent pool effervescent and future ready.

