



ACC Limited 75th Annual General Meeting



April 13, 2011
Chairman's Opening Remarks

Dear Friends,

I am delighted to welcome all of you to the 75th Annual General Meeting of ACC. This is indeed a very special milestone for us.

Seventy-five years ago, 10 cement companies with diverse cultures and managements came together to form ACC. This was indeed India's first large corporate merger. The company's board had luminaries like JRD Tata, Dharamsey Khatau, Walchand Hirachand and Ambalal Sarabhai.

Over the years, ACC became the premier name in cement. It led the way in adoption of new technologies. In 1947, India's first indigenous cement plant was built by us at Chaibasa. We commissioned the country's first million ton kiln at Wadi in 1982, and last year we erected the world's largest cement kiln with a daily capacity of 12,500 tons. From a production capacity of one million tons per annum in 1936, we have achieved a capacity of 30 million tons today.

ACC also set many trends in the cement industry. One of the most significant was the introduction of blended cements. Using industrial waste like slag and fly ash helped lower greenhouse emission and conserve mineral wealth. Today Indian cement industry is comparable to the best in the world in terms of lowest carbon dioxide emissions.

ACC cement was used to build most of the structures and institutions that have made India a modern nation. It became a hallmark for trust and assured quality throughout the country. ACC can proudly claim the distinction of playing a leading role in India becoming the second largest cement industry in the world.

The company has a long-standing tradition of expressing concern for nature, the planet and its people through well-planned programmes for environmental protection and community development. This commitment was demonstrated long before sustainable development and corporate social responsibility became as important as they are today. They will continue to be a part of the company's corporate objectives in the future.

You are already aware of the company's performance last year. We posted a turnover of Rs. 7,717 crore against Rs. 8,027 crore for the previous year. Profit after tax was Rs. 1,078 crore against Rs. 1,564 crore. This was mainly due to the sharp rise in coal, fuel and transport charges and lower market price.

In spite of this, I am pleased to inform you that the Board of Directors has decided to recommend for your consideration a dividend equivalent to last year's 230%, plus a one-time platinum jubilee dividend of 75%, taking the total dividend to 305%, or Rs. 30.50 per share.

Looking ahead, our country is geared for a sustained growth with a high GDP of 7-9%. As a result, the demand for cement should continue to show robust growth for years. With the strong backing of the Holcim Group, we have imbibed many global 'best practices'. Today we are well positioned to serve all our stakeholders, from shareholders and employees, to customers and the community around us.

Finally, I would like you to join me in thanking the management team and all the employees for leading ACC to this unique milestone. I would also like to thank you, dear shareholders, for the generous and unrelenting support you have given us over the years, which has brought your company to a position of eminence throughout India. As we observe this platinum jubilee year, let us all take pride in being a part of such a distinguished institution.

Thank you.

Narotam Sekhsaria
Chairman