Strength. Performance. Passion.

Sustainable Development Report 2013

ACC Limited

ABOUT US

ACC - India's First name in Cement and Concrete

ACC is among India's foremost manufacturers of cement and concrete. Established in 1936, it has been a trendsetter in cement and concrete technology. ACC is recognized for its best practices in environment management and corporate citizenship. ACC cement enjoys high brand equity. Today ACC is part of the worldwide Holcim Group.

Our approach to sustainable development is proactive and holistic to create value for all stakeholders. It embodies safety, conservation of energy and natural resources, preserving environment and biodiversity, water stewardship and the well-being of our host communities.

Many pioneering steps over the years have reduced our specific carbon footprint by 32 per cent since 1990 and as per our Low Carbon Technology Roadmap this will further reduce by 20% by 2040. Our Alternative Fuels programme utilizes - industrial, municipal and agricultural wastes – contributing significantly to sustainability.

We also contribute to thought leadership in the field of sustainable construction.

Our Community development agenda reaches out to half a million people among our host communities, creating livelihoods, providing health & education and building rural infrastructure.

The report is "In accordance" with GRI G4 Guidelines – Core option and externally assured by Bureau Veritas Certification (India) Pvt. Ltd.

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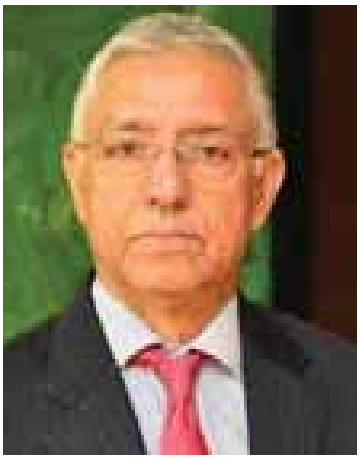

Foreword

I am pleased to present the Sustainable Development Report of ACC Limited for the Year 2013. This is the seventh in the series since we began reporting our sustainable development performance in 2007. Unlike the previous reports, this one addresses the company's business as a whole, looking at our cement and concrete businesses. But what makes it particularly special to us is the fact that this is among the first externally assured reports in the country to be prepared and published in accordance with the latest G4 guidelines of the Global Reporting Initiative (GRI).

In addition to conforming to the new reporting guidelines, the approach used in the preparation of this report is more significant because it included revisiting our materiality matrix to update the understanding we had of our stakeholders' perceptions. This exercise helped us to prioritize key sustainability issues concerning us and thus enable us to develop a more meaningful road map for the near term.

We closed the year 2013 with a sense of satisfaction when we received external recognition with the prestigious CII – ITC Sustainability Prize in category A for large companies, which is acknowledged as being among the country's top honours for sustainability in organizations across all sectors. We were also ranked as being The Most Admired Company in Cement Sector in 2013 by Fortune India magazine.

The country's economic environment in 2013 was sluggish, characterized by slow GDP growth of 4.5 – 5%, the lowest in a decade. The rupee was at its weakest. There were steep increases in fuel prices, transportation and other major input costs. All these conditions led to a slowdown in construction activity, which in turn impacted the demand for cement and concrete. Under these circumstances we were faced with flat growth in sales volumes and steep cost increases.

During the year we continued on the journey of Institutionalizing Excellence (IE) that we began in 2012, which was essentially a flagship programme to build organization-wide leadership capability for motivating and empowering employees to strive for superior performance levels in everything we do. Egged on by emerging results and improvements, the IE activities were implemented with greater passion and innovation. Thanks to several process and product innovations and operational efficiency improvements, we were able to enhance customer service levels while reducing our carbon and natural resource footprints and partially mitigating cost escalations.

Our Ready Mix Concrete (RMX) business made substantial progress by widening its customer base, enhancing service levels and developing value added speciality products and solutions. This made it possible for RMX business to achieve a quantum jump in profitability.

As a responsible business, the safety and wellbeing of employees and the community occupies foremost of our priorities with a focus on the motto of "no harm to anyone anywhere within ACC". We implemented many safety excellence initiatives for employees like Suraksha Laher, Suraksha Jagriti and Suraksha Sangoshthi. Our logistics safety excellence agenda is comprehensive and has received recognition within the Holcim global fraternity and from other sectors as well. It addresses people, vehicles and processes including driver training, creation of infrastructure and amenities and the on-going programmes of RFID and GPS implementation.

Building a competent, motivated and passionate workforce is a key driver in our people excellence initiatives. We introduced a new competency building initiative at the grass-root

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level with our Workmen Development programmes that aim to upgrade the skills and competencies of employees and contractors' workmen. We are satisfied to note that the share of female employees rose by 21% in the year 2013 as compared to the previous year.

Our community development initiatives were spread over a wide canvas – reaching more than half a million people in 132 villages in the country with valuable engagements in education, health, creating livelihoods and building village infrastructure among other schemes. We were able to provide timely assistance to the victims and other people affected by disasters that struck the nation, namely the landslides and flashfloods in Uttarakhand and severe drought in central Maharashtra.

On the environment excellence journey, I am pleased to share that the company's overall carbon intensity has been cut by 32% since 1990, thanks to proactive and consistent attention. Despite an increase in the demand for more 'carbon-intensive' products like Ordinary Portland Cement (OPC), we were able to reduce ACC's overall specific CO_2 emissions to 538 kg CO_2/Tonne of cement through various CO_2 reduction initiatives in the entire business operations.

Another area of improvement is the reduction of specific kiln dust emissions by as much as 18%. Demonstrating greater transparency, we have started online reporting of kiln stack dust emissions from various plants to the pollution control boards.

During the year, we commissioned ACC's first waste heat recovery power generation unit of 7.5MW which has a potential to reduce ~44,180 tonnes of CO_2 per year while providing 7.5% green energy for the plant. This shows us a way to set up similar systems in our other plants. In 2013, we realized 94,459 Certified Emission Reductions (CERs) from our Clean Development Mechanism (CDM) projects registered with United Nations Framework Convention on Climate Change (UNFCCC) and have submitted verification reports recommending for issuance of 846,313 CERs.

In our Alternative Fuels and Raw materials (AFR) programme implemented under Holcim's Geocycle banner, we were able to raise the thermal substitution rate (TSR) to 4.36% during the year. This resulted in usage of >5 Lakh tonnes of alternative raw materials and fuels in the cement manufacturing process. We have also received clearances for co-processing the highest number (127) of waste streams across various states in the country. Our preprocessing facilities for processing waste streams at Wadi and Kymore are progressing satisfactorily and expected to be commissioned in 2014; this will enhance our co-processing capability in these plants manifold.

Work on the on-going expansion programme in eastern India at Jamul and Sindri is on track and expected to be commissioned in 2015 as scheduled.

As we progress further on our Institutionalizing Excellence (IE) journey, we aim to create new benchmarks in various areas beginning with safety, customer excellence, manufacturing, logistics, people processes and building a green supply chain. We hope to maintain our position of best-in-class in sustainability by implementing the comprehensive plan we have drawn up touching all aspects in the entire business value chain. As we make strides in this journey, we will continue to seek valuable feedback, suggestions and support from all of our stakeholders.

Kuldip Kaura
CEO & Managing Director

Organisation & Strategy

We have always taken pioneering steps in knowledge building and innovation in our manufacturing and operating processes. Among our most important achievements has been the conservation of minerals and utilization of industrial wastes, which enabled India's cement industry to achieve an impressive reduction of its carbon footprint.

2.1 Organization Profile

75 Years and Beyond

Our journey started in 1936 when ten cement companies merged together to form a single entity that was aptly named "The Associated Cement Companies Limited". In 2006, the company's name was changed to "ACC Limited". Today we are a part of the Holcim group of Switzerland which owns 50.01 % of our total equity. We operate 17 cement factories, 47 concrete plants, 26 offices including registered, regional and sales offices across India with our headquarters in Mumbai. Our organization structure is divided into four geographical regions - North, East, South and West, each headed by a chief executive under the overall leadership of the Chief Executive Officer and Managing Director at corporate level.

People's Brand

With our strong geographical presence in the country, we have contributed to the making of many iconic structures such as Mumbai's Marine Drive and the Bhakra Nangal Dam in Himachal Pradesh. We are privileged to be the most preferred brand for construction of homes in cities, towns and villages across India. Cementing relationships with generations of customers and other stakeholders have added to the trust, respect and confidence we enjoy. Our products are made easily available across Indian cities and towns with the support of over 9000 authorized dealers through more than 50,000 sales outlets positioned all over the country.

Innovation at ACC

We have always taken pioneering steps in knowledge building and innovation in our manufacturing and operating processes. Having the distinction of being the first cement company in India to establish its own R&D centre, we encourage and foster innovation in our products, most significantly with the promotion of eco-friendly blended cements. Our efforts in introducing Ready Mix Concrete (RMX) 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.

Adherence to Standards

Being a signatory to the United Nations Global Compact, we are committed to its ten principles which foster better corporate responsibility in the areas of human rights, labour, environment and anti-corruption. All our plants are ISO 9001 and ISO 14001 certified which demonstrate our commitment to quality, environment and health and safety. Our major cement plants ISO 50001 certified and our long term goal is to have all plants certified for ISO 50001 as a commitment to energy efficiency. Thondebhavi Cement Works is India's first cement grinding unit certified under CII – Sohrabji Godrej Green Business Centre's GreenCo rating – Silver category.

Our Presence

With the vision of being India's most respected cement company, we have tried to reach out to the vast geography of India in pursuit of building the nation. Through our sales units spread across the country, we cater to a large market comprising of Individual Home Builders, Private Institutions (Builders, Contractors, Corporates, Co-opera- tives) as well as Government Institutions (central & state level corporations, public sector units and local bodies).

From Quarry to Lorry

Growing steadily in our capability each year, we took an early lead in areas such as energy conservation and concern for the environment, long before the concepts of sustainable development and triple bottom line were formally evolved. Our focused approach towards sustainable development encompasses all activities of our value chain "from quarry to lorry".

Among our most important achievements has been the conservation of minerals and utilization of industrial wastes which enabled India's cement industry to achieve an impressive reduction of its carbon footprint.

Low Carbon Roadmap

We are an active member of the Cement Sustainability Initiative (CSI) which is a global effort by 25 leading cement producers, with operations in more than 100 countries. Apart from leading a multitude of CSI's initiatives in India including those of safety and CO_2 reduction, we have played a major role in the development of a Low Carbon Technology Roadmap for the Indian Cement Industry which aims to provide an ambitious, sector-specific vision for carbon emissions reductions up to year 2050. We were also part of the expert team that reviewed a set of technical papers on greenhouse gas emission reductions relevant to the Indian cement industry which has been developed as part of the roadmap project.

2.2 About the Report

At ACC, we always try to set for ourselves higher benchmarks and to deliver the highest quality of impact not just on customers or shareholders but also on other stakeholders. As part of the quest to innovate at every step, we have embraced the new GRI G4 guidelines for our Sustainable Development Report for the year 2013. Also, as a torch-bearer of sustainability performance and reporting, we consider it important to be an early adopter of the G4 guidelines.

This is our 7th annual Sustainable Development report, covering the period from January to December 2013 which is aligned with our financial year reporting.

NextGen PMS Pvt. Ltd. was engaged for providing advisory services to the company to review its sustainability reporting process and to assimilate and adapt to GRI G4 guidelines. During its engagement with ACC, NextGen led leadership discussions, conducted capacity building workshop, visited select sites for data collation and developed the report with the company's Environment & Energy Conservation Cell and Corporate Communications Department.

For this report, we have adopted an extensive stakeholder engagement approach, taking into account their perspectives regarding key aspects of Sustainability at ACC. The process has also helped us in ensuring reliability, transparency and value of reporting.

While we had examined all the disclosures required for the Comprehensive option of the Global Reporting Initiative (G4) Guidelines and found ourselves capable of addressing them positively, we finally decided to publish the report as being "in accordance" with the Core option in the first attempt.

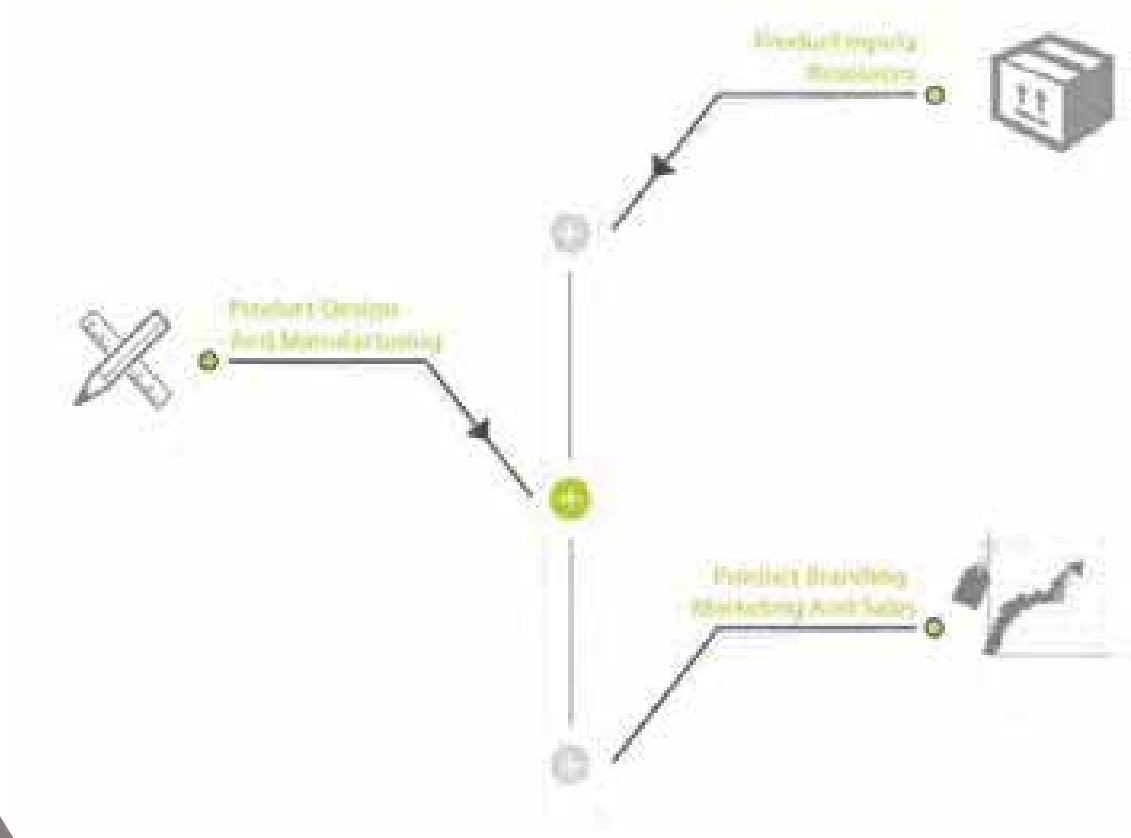
This report is externally assured by Bureau Veritas Certification (India) Pvt. Ltd.

2.3 Our Boundary – The Value Chain

One of the key features of the approach adopted by GRI G4 reporting is the concept of identifying and accounting for material issues or aspects with regard to a company's "value chain". In these guidelines, this concept is referred to as 'Aspect Boundaries' within and outside a company. Aspect Boundaries attempt to broaden the scope of our thinking and the role that we, as a company, play in relation to our material impacts that affect various stakeholders.

Typically, value chain refers to the chain of activities that a company performs to deliver its products or services to the market and comprises of all the steps and activities that are undertaken to add value to that product or service. We acknowledge that we need to focus our attention to material issues and their impacts across our value chain, irrespective of whether or not we have direct control over the issues. By adopting this approach, we aspire to influence positive changes towards Sustainability in our value chain.

In order to implement this, we undertook the exercise of identifying material issues and aspects in consultation with our key stakeholders. We have also evaluated where and by what elements these issues are caused and what the impact centers are. For us, our value chain includes suppliers, product design processes, all our cement plants, offices and Sales Units (SUs), our marketing and distribution channels. Detailed further in the report is the process we have adopted to identify our material aspects. For all the aspects, a detailed perception study has been conducted and all our top stakeholder groups have been included in the aspect boundary.



There have been no significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain. However, RMX business is included in the report for the first time since we began sustainability reporting. Also, there are no restatements of information provided in previous reports.

2.4 Stakeholder Engagement

Our operations and activities have varied economic, environmental and social impacts across our sphere of influence. These varied impacts have been perceived differently by each of our stakeholder groups.

Materiality here is broader than the traditional measures of organization mechanism. For instance, in financial reporting, materiality is commonly thought of as a threshold for influencing the economic decisions of those using an organization's financial statements, investors in particular. Through years of sustainability practice, we realized that the concept of threshold is concerned with a wider range of stakeholders.

We abide by a simple rule of sustainability- our efforts should strive to meet the need of the present without compromising the need of the future generation. To streamline our approach, we devised a mechanism of interaction with stakeholders.

To ensure that our stakeholders are a part of the ecosystem we devised principles of engagement as below:

Be Open

Ensure open and transparent communication with stakeholders on issues that matter to them. Give them a clear picture of all successes and failures in a regular fashion through channels such as annual report and sustainable development reporting.

Be Accountable

The trust that our stakeholders show in us is our greatest strength. That trust is reflected in our reputation as a highly credible brand and a great workplace. We consider it important to link the engagement process and their results to core business decision-making and corporate governance in order to maintain this trust.

Engage – Learn - Engage

Create a healthy, self-sustaining model to identify and employ means of engagement with various stakeholder groups. Apart from the engagement process itself, involve them to assess the success of the process of engagement as well as its outcome. Then, implement the results emerging from the engagement exercise. Finally, provide regular updates on progress made with matters that are material to them and invite feedback for further engagement.

2.5 Materiality Determination

We revisited the subject of Materiality Mapping to be aligned with GRI's G4 guidelines. In the process, there are changes in the Materiality matrix as compared to the previous one. The approach to materiality began with realizing who our key stakeholders are and the nature of their involvement and influence on our business.

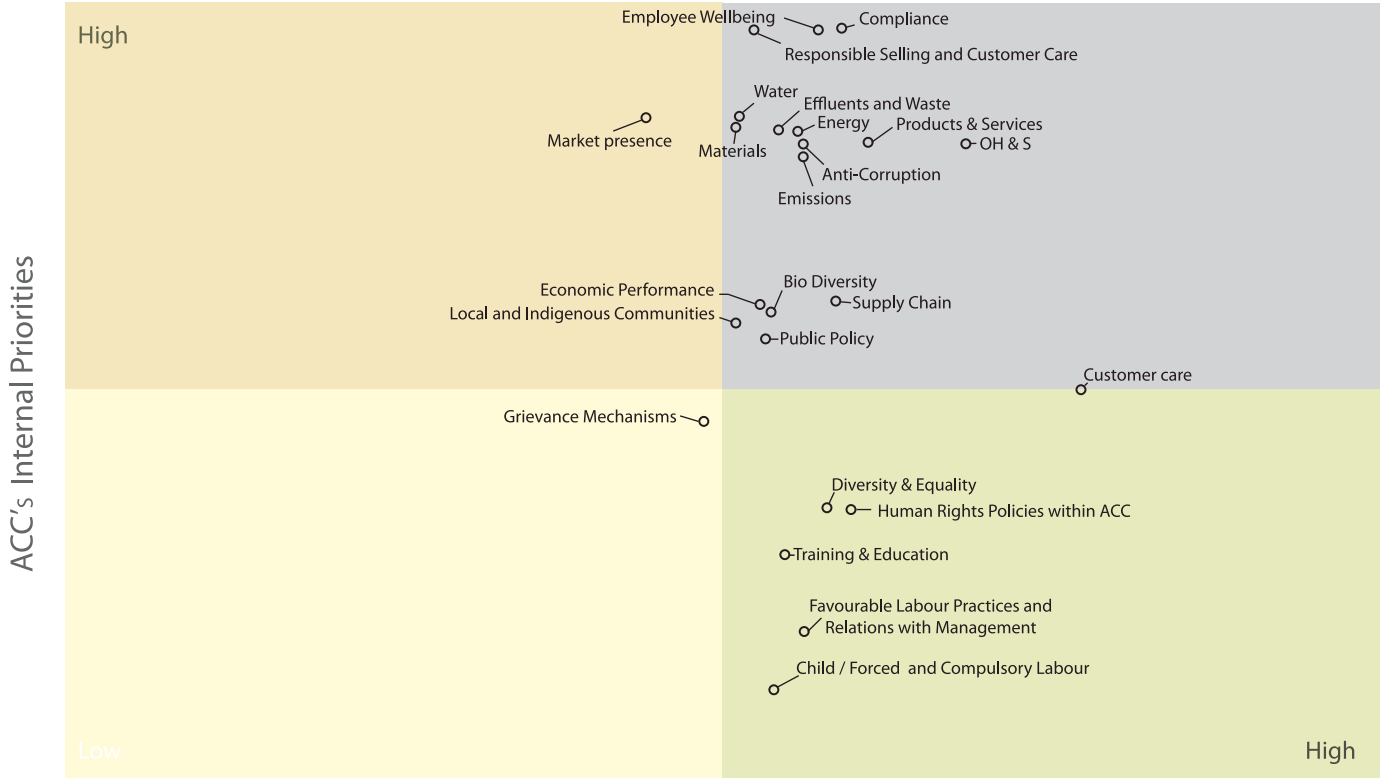
To ensure that our stakeholders are a part of the ecosystem, we devised principles of engagement as below:

The process provided us with important insights and demonstrated our commitment to building trust through transparency and dialogue. We would like to express our thanks to all our stakeholders who participated in the exercise and helped us reach our goal of determining what matters and what should matter more. Our discussions and implementation of stakeholder analysis have helped us to a great extent in our materiality determination.

In order to understand issues relevant to us and our stakeholders, we created 6 buckets of relevance that cumulatively take into account every aspect of sustainability in our organization. Using this list as a basis for discussion, we organized detailed surveys with all our stakeholders. Our principles of engagement will ensure that each question answered creates value in understanding our material issues.

This interaction with our stakeholders gave us a 360 degree insight into how our presence is perceived in various sections of the society. It also helped us formulate how stakeholders can further interact to convey ideas or suggestions.

We have included a section in the report- "Working Inclusively" which is a detailed insight into our stakeholder engagement practice. Materiality was also discussed internally involving various departmental functions, senior management and close to twenty percent of our employees from various plants of the organization. Both our internal and external stakeholders had some common grounds of opinion. Considering all essentials, we derived our final materiality matrix as below.



The results of the materiality exercise yielded us our highly material aspects for this year as follows:

- Economic Performance
- Materials
- Energy
- Water
- Biodiversity
- Emissions
- Effluents and Waste
- Products and Services
- Compliance
- Supply Chain
- Employee Wellbeing
- Occupational Health and Safety
- Anti-Corruption
- Public Policy
- Responsible Selling and Customer Care
- Local and indigenous communities

These are largely congruent with the materiality issues identified in the mapping exercise conducted for the previous reports.

In this report, we have highlighted the newly identified aspects in detail while also reporting our performance with the other aspects related to our sustainability performance. Moving ahead, these aspects will help us evaluate our performance with respect to the targets that we set ourselves.

Financial Performance ₹

We continue our focus on cost reduction under the "Institutionalizing Excellence" programme, our thrust on increasing the sale of our premium products and various other customer excellence initiatives.

3. Financial Performance

3.1 Major Products

We produce three major types of Cement, namely, Ordinary Portland Cement (OPC), Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC). PPC and PSC are Blended Cements that are manufactured with combination of clinker with fly-ash and slag respectively. Both these varieties of blended cement are acknowledged as high quality cements that have special properties offering durability and resistance to aggressive environments, which make them superior to ordinary cements. In addition to conserving valuable natural mineral resources and reducing waste, the production of these blended cements helps in reducing CO_2 emissions.

OPC 43 Grade and 53 Grade

- Most commonly used in all constructions
- Surpasses Bureau of Indian Standards (BIS) Specifications
- High initial strength

PPC Fly-ash based

- Inter-grinding clinker with high quality processed fly ash
- Improved workability, more corrosion resistant, impermeable, strengths comparable to OPC
- Specially suitable for mass concreting work

PSC Slag based

- Inter-grinding clinker and granulated slag
- Reduction in free lime leaching, strengths comparable to OPC, greater workability, denser, less heat, reduced plasticity, increased serviceability

Concrete:

Our Concrete is manufactured in modern, fully computerized plants with state-of-the-art machinery and equipment of global repute.

High Strength Concrete	High Performance Concrete
Stamped Concrete	Pervious Concrete
Temperature controlled Concrete	Self-compacting Concrete
Light Weight Concrete	Fibre Reinforced Concrete

Ready Mix Concrete (RMX) is manufactured by mixing cement, aggregates, water and admixtures in the right proportions by automated computer controlled batching systems. RMX thus produced is specifically designed as per the construction requirements and is transported further in Transit Mixers from the batching plant to the construction site within a stipulated time period for delivery to construction sites in a freshly mixed and plastic or unhardened state. Industrial waste such as fly-ash, Ground Granulated Blast-furnace Slag (GGBS) and slag are also consumed in making RMX.

Advantages of RMX:

- Uniformity
- Consistency
- Flexibility
- Ease of Addition
- Reduced material handling
- Reduced labour usage
- Reduced wastage
- Environment friendly

We are among the largest manufacturers of RMX in India with 47 modern plants in major cities. The use of RMX is an environmental friendly practice that ensures a cleaner work place and causes minimal disturbance to its surroundings.

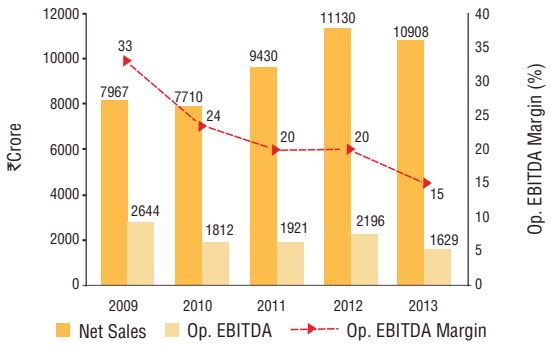
3.2 Financial Highlights

Our key financial highlights show the steady growth that we achieved with a gentle rise in our profits despite Indian economic growth in 2013 slowing down to 4.5%-5%, the lowest in the last decade. Growth was mainly pulled down by the contraction of the manufacturing sector which is reflected in the reduction in our sales and turnover.

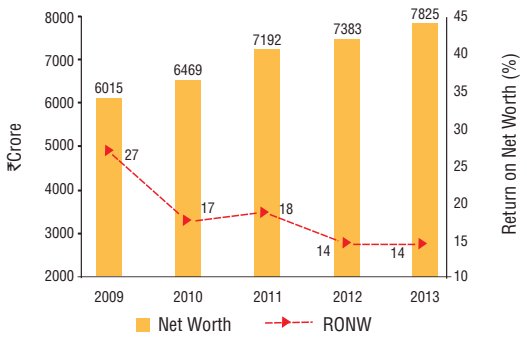
Financial Highlights – Overall	2013*	2012	2011
Turnover (Rs. cr.)	10,908	11,130	9,430
Profit After Tax [PAT] (Rs. cr.)	1096	1059	1325
Earnings per Share [EPS] (Rs.)	58.36	56.52	70.59
Net Worth (Rs. cr.)	7825	7383	7192
Spend on CSR activities (Rs. cr.)	22.76	26	22

*All figures include ACC Limited's Ready Mix Concrete

NET SALES, OPERATING EBITDA & OPERATING EBITDA MARGIN



NET WORTH & RETURN ON NET WORTH



In cement manufacturing, each of our regions has been given targets to achieve reductions in costs, the implementation for which is handled at the plant level by the regional heads. The objective is to benchmark ourselves with Holcim plants in operating parameters and input costs as well as in safety and environment. We have company wide communities of practice for some important KPIs and production modules such as to pursue improvements in clinker factor, cost of captive power generation and electrical efficiency etc. In logistics management the approach is to 'move less', reducing on freight costs. Our performance in Ready Mix Concrete products was highly encouraging with better cost management and higher revenues from value added products and solutions.

All entities included in the organization's consolidated financial statements or equivalent documents can be found in our Annual Report for the year 2013. Also, no financial assistance has been received from the government and no financial and in-kind political contributions directly or indirectly were made by us.

Governing Carefully

We believe sustainability to be a process of continuous assessment and improvisation and have, since our inception, endeavoured to adopt an innovative approach in implementing sustainable initiatives. At ACC, we lay great emphasis on the need to have a robust governing mechanism that can drive change effectively through to all layers in an organization as vast as ours. We believe that the key to our consistent success over the many years of existence lies in our fundamental values and policies which guide us towards our goals.

Vision

"To be one of the most respected companies in India; recognised for challenging conventions and delivering on our promises". Upholding the value and respect that we are regarded with, as a company, we promise to deliver on our social, economic and environmental commitments that form the three pillars of sustainable development. As reflected in our vision statement, we endeavour to go beyond conventional practices and adopt new and innovative methodologies to achieve our goals.

Code of Conduct

The Board of Directors has approved a Code of Business Conduct and Ethics which is applicable to Members of the Board and all employees in Management grade.

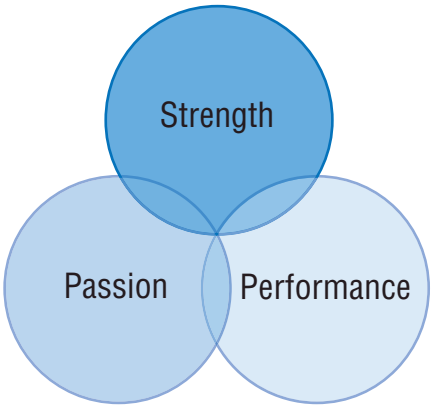
The Code lays down the standard of conduct which is expected to be followed by Directors and designated employees in their business dealings and in particular on matters relating to conflicts of interest, bribery and corruption, integrity of accounting and financial reporting, fair competition, corporate social responsibility, concern for sustainable development/sustainable performance, concern for occupational health and safety, use of licensed software, email and internet connectivity and corporate communications. Employees are also regularly trained in these areas.

A certificate of compliance is obtained periodically from employees who are covered by the Code of Business Conduct and Ethics which includes the Anti-Bribery and Corruption Directive (ABCD). Our employees in the management grade are given training with a view to create the awareness on business ethics and build an organization culture which has zero tolerance for corrupt practices.

We have adopted a "Code of Conduct for Prevention of Insider Trading" to regulate trading in securities to which the Board and designated employees have confirmed compliance. A 24x7 ethics helpline enables employees, customers, vendors or anyone associated with ACC to raise ethical issues while maintaining their identity confidential. Through our Value Creation in Competitive Environment (VCCE) programme we carry out training sessions for awareness creation among relevant employees for conducting business in a fair manner and upholding the interests of consumers.

Values

At ACC, we propagate the three values of Strength, Performance and Passion. We believe that these values propel us further and guide us in our efforts to progress towards our vision. To achieve the same, we have formulated business strategies which have led to the development of policies and business practices that have incorporated social and environmental aspects and bring about transparency and accountability.



Policies

We consider Corporate Governance as an integral part of good management. Apart from our Code of Conduct and Ethics and the Anti-Bribery and Corruption Directive, we have a Fraud Risk Management policy approved by the Board of Directors and signed by the Company Secretary. We have in place policies for some of our key focus areas such as Occupational Health and Safety (OH&S), Environment, Alternative Fuels and Raw Materials (AFR), Quality and Anti Sexual Harassment. Our Corporate Social Responsibility (CSR) Policy has been reviewed and restated to make it more comprehensive and aligned with the Companies Act, 2013.

4.1 Governance Structure

Better governance comes from simpler flow of responsibility. This helps us eliminate potential risks of losing valuable information and also minimize

the communication gap. As a listed company, we have complied with the requirements of Corporate Governance laid down under Clause 49 of the Listing Agreement with Stock Exchanges. We are professionally managed and function under the overall super-intendence, directions and control of our Board of Directors.

Board of Directors

The Board of Directors comprises executive and non-executive directors. These individuals are selected based on a judgment of their expertise in an area of relevance to the company and their ability to provide advice and guidance on matters of organizational strategy or those concerning economic, environmental and social aspects. Our Board is a holistic combination of highly accomplished engineers, management experts, chartered accountants and at least two directors are authorities on cement technology and cement business. The Board functions democratically while playing a pivotal role in ensuring good governance. Its role, functions, responsibility and accountability are all clearly defined.

The directors do not have any personal dealings with the company or its subsidiary companies. Nevertheless to address any possible conflicts of interests, we have in place provisions that are in accordance with the Companies Act, which require a Director to disclose his/her interest in any transaction between the company and a private company/firm in which he/she or his/her relative, partner in the firm are interested or where a Director either singly or jointly with any other Director holds more than 2% shares in such company. Related party transactions, which are on an arm's length basis are brought before the audit committee. In cases, where approval of the Board is required, the matter is discussed in detail and a vote of approval is taken. The concerned Directors abstain from voting on such resolutions.

Below is the composition of our Board of Directors as on 31st Dec 2013-

Name of Board Member	Independent/Non-Executive/Executive
Mr N S Sekhsaria, Chairman	Independent/Non-Executive
Mr Paul Hugentobler	Non-Executive
Mr Kuldip Kaura	Executive
Mr S M Palia	Independent/Non-Executive
Mr Bernard Fontana	Non-Executive
Mr M L Narula	Non-Executive
Mr Shailesh V Haribhakti	Independent/Non-Executive
Mr Aidan Lynam	Non-Executive
Mr Sushil Kumar Roongta	Independent/Non-Executive
Mr Ashwin Dani	Independent/Non-Executive
Mr Farrokh K Kavarana	Independent/Non-Executive
Mr Bernard Terver	Non-Executive

Governing Committees

Strong governance is at the heart of our business approach. We have committees operating centrally to carry out governing operations. The Board of Directors approves corporate policies, annual operating plans and budgets, capital expenditure, strategies for business expansion or consolidation, performance and financial statements and statements and other items listed in Clause 49 as applicable. The functions of each of our committees have been briefed below:

Audit Committee

The Audit Committee comprises four Independent Directors of the company. All members of this committee are financially literate and in compliance with Clause 49 of the Listing Agreement, the Chairman of the committee is an Independent Director. Acting as a link between statutory auditors, internal auditors and the Board of Directors, the terms of reference of this committee conform to guidelines of the Listing Agreement with Stock Exchanges read with the Companies Act, 1956.

The terms broadly include review of the following:

- Approval of the Annual Internal Audit Plan
- Review of the financial reporting system and internal control systems
- Review quarterly, half yearly and annual financial statements including major accounting entries involving exercise of judgment by the management
- Representation by the Statutory Auditors to the management in regard to any internal control weaknesses observed by them during the course of their audit and the action taken by the management thereon
- Discussions with Statutory, Internal and Cost Auditors on matters related to their area of audit; review of Internal Audit Report and implementation of action points arising therefrom
- Review of Risk Management framework concerning the critical operation of the Company
- Management Discussion & Analysis of the Company's operations
- Review of significant related party transactions
- Review of implementation of the Fraud Risk Management Policy
- Recommendation for appointment of Statutory and Cost Auditors and their remuneration
- Appointment, removal and terms of remuneration of the Chief Financial Officer and the Chief Internal Auditor

Shareholders'/Investors' Grievance Committee

- All matters relating to transfer/ transmission of shares /debentures
- Issue of duplicate share certificates; issue and allotment of rights/bonus shares/shares against Employee Stock Options; review of shares dematerialized all other related matters
- Monitoring expeditious redressal of investors' grievances
- Non receipt of Annual Report and declared dividend; and all other matters related to shares/debentures

Compliance Committee

It reviews the training given to employees for ensuring compliance with the Anti-Bribery and Corruption Directive and the Value Creation in a Competitive Environment (VCCE) programme

- Reviewing the legal environment in which the Company operates with a view to understand the implications of major legislative and regulatory developments and their interpretation by the Courts of law that may significantly affect the Company
- Reviewing compliance with the provisions of Competition Law and to provide guidance in regard to the development of the laws in India and abroad
- Reviewing the compliance with all applicable statutes, rules and regulations based on reports received from the CEO & MD, Chief Executives of the Regions, CFO, President Human Resources and the Company Secretary & Head Compliance and recommend corrective actions, if any, where required
- Reviewing significant legal cases filed by and against the Company

Compensation Committee

The terms of reference of the Compensation Committee, inter alia consists of reviewing the overall compensation policy, the remuneration structure, service agreement and other employment conditions of the CEO & MD with a view to retaining and motivating the best managerial talents. In determining the remuneration, the Committee takes into consideration the industry trend, remuneration paid by comparable concerns, responsibilities to be shouldered by the CEO & MD and the Company's and individual performance. The Compensation Committee looks into the Succession Planning both at the Board and Management level and identifies individuals who may be considered for appointment as Independent Directors and as Chief Executive Officers & Managing Directors. The committee also reviews and recommends to the Board the appointment of senior most level of Executives and the Company Secretary & Head Compliance and their compensation package.

In determining the remuneration, the Compensation Committee takes into consideration the size of the Company's operations and the onerous responsibility required to be shouldered by the incumbent, the remuneration paid by comparable concerns and the performance of the Company. For the Board of Directors, in recognition of their contribution and the time spent on the Company's business and taking into consideration the size and complexity of the Company's operations, the stringent accounting standards and governance norms, the Members of the Company have at the 74th Annual General Meeting sanctioned the payment of commission to the Non-Executive Directors of an amount not exceeding one percent of the net profits of the Company as computed in the manner provided under Section 198(1) of the Companies Act, 1956.

CAPEX Committee

The aim of the CAPEX Committee is to undertake a detailed examination of the company's large project proposals. The committee comprises six members, five of whom are non-executive members. The committee's terms of reference are as below:

- To evaluate the financial viability of all expansion CAPEX proposals exceeding a pre-determined ceiling
- To monitor projects with regard to the committees expenditure and time-schedules
- To discuss post audit evaluation of above completed projects
- To evaluate acquisition proposal and to make appropriate recommendations to the Board
- Such other duties relating to CAPEX projects as may be assigned to the committee from time to time by the Board

Corporate Social Responsibility Committee

The Board has formulated a CSR Committee, which is entrusted to guide and monitor our CSR delivery, to review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013; and to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

Sustainable Development Council

Apart from our board level committees, we have a Sustainable Development Council (SD Council), headed by the CEO & MD and comprising representatives from the key functions, that drives the implementation of the sustainability agenda. A core group from this council meets to coordinate and advise the council from time to time on target setting and reporting. Plant level SD Councils at each of our plants further strengthen the governance of sustainability. The responsibility of processes is assigned to appropriate functional departments and integrated into individual job descriptions and our performance management system to further incentivize employees to take up sustainable practices.

4.2 Institutionalizing Excellence

We at ACC believe that that there is a strong business case for adopting sustainable practices. Efforts to align our goals and ideas to this agenda resulted in a programme pioneered in early 2012 called "Institutionalizing Excellence". With a humble yet determined start, our programmes were aimed at two interdependent components of Superior Value to Customers and Cost Leadership. Built essentially around our core processes, the overall objective of the programme is to achieve excellence in the functions of manufacturing, logistics, sales & marketing, people processes and certain strategic procurement projects through the pursuit of continuous improvements. We have plants of different vintages scattered across the country. Since all plants have similar processes, the idea behind this project was to facilitate the sharing of best practices that can be replicated across all the plants.

Designed to deliver superior value to our customers, the institutionalizing excellence journey has already shown signs of improvement across the company with traction in all areas covered by it. To gain efficiency across all five sectors, plant teams continuously brain storm and monitor both performance and process to achieve their target aspirations. Through these strategic excellence projects, we aim to empower our people with the right resources and motivations that can help us create more efficient processes and better leaders.

Logistics Excellence

The Logistics pillar of our "Institutionalizing Excellence" journey is a well-structured programme that aspires to achieve best-in-class logistics performance in terms of cost-to-serve and time-to-serve. The Logistics excellence journey saw many visible and significant initiatives that helped reduce lead distances and eliminate multiple handling.

RFID (Radio Frequency Identification Device) and GPS (Global Positioning Systems) modules which were successfully deployed at three plants are being replicated at all plants of the Company in a phased manner. These technologies have demonstrated their effectiveness in managing in-plant loading time and tracking vehicles in transit to help improve turn-around time. The end result is better customer service.

The most critical component of logistics excellence is the safety and well-being of the people who play the most important part in it – the drivers and transport crew. We are committed to mitigating and eliminating risks in Logistics and are implementing this with a host of measures focused on People, Vehicles and Processes.

The logistics safety programme focuses primarily on ensuring roadworthiness of contractor vehicles, training of drivers and the development of onsite traffic management systems along with driver amenities. Best-in-class logistics management with a focus on safety also calls for creation of superior logistics infrastructure at our plants, warehouses and other intermediary points critical in storage and handling including amenities for drivers and their crew such as rest rooms, canteens, drinking water and maintenance facilities.

This Excellence program has gained a lot of traction with module deployment and engagement with all stakeholders.

During the year, Driver and Vehicle Passports have been introduced to ensure that drivers are competent to drive the vehicles on the company's business and the vehicles are safe to be driven. So far 14,000 Driver Passports and 12,600 Vehicle Passports have been issued.

> "As we look ahead, we see India's economy continue to grow, resulting in construction activity, particularly in housing and infrastructure sectors. As one of the country's largest cement producers, we aim to enhance our capacity to meet the increasing requirements for cement."
>
> -Kuldip Kaura

S- Safety of the stakeholders
P- Productivity of the packers
E- Efficient Utilization of the assets
E- Ensuring customer
D- Delight

SPEED to reduce time and cost

Launched in March 2012, SPEED has been continuously developing new logistics management systems to stimulate efficiency and productivity in logistics while saving on freight costs and reducing detention time of vehicles at all our plants.

Manufacturing Excellence

Manufacturing Excellence programmes emphasize the need to investigate minute aspects that go into the manufacturing process and hence improve overall performance. We thus infused a series of innovation to bring in competitiveness by improving the overall performance for business. This programme throws focus on four most important aspects of a cement manufacturing process that include energy efficiency and clinker factor improvement among others.

Through this excellence programme, the concept of creating model plants paid rich dividends and went beyond the organization when one of our plants was named as model plant in the Holcim Group, characterized by its best performance in respect of Electrical Energy. Several of our plants have been recognized by reputable bodies for demonstrating high standards of manufacturing excellence, energy efficiency, mines operations and safety.

We have an established Center of Excellence on clinker factor. The approach of achieving excellence through these programmes has resulted in reduction of clinker factor in both varieties of blended Cements viz. Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC) through product innovation and research efforts.

Innovation Lab at Jamul

Our Jamul plant's challenge was to infuse innovation and bring competitiveness by improving overall performance for business. To motivate people and churn out better solutions, an "Innovation Lab" was created. The lab has helped in generating 26 major implementable solutions till date, which resulted in improving cost competitiveness. The outcomes of some of the innovative actions are:

- *Reduction of electrical energy consumption by approximately 24% by implementing zero CAPEX solutions.*
- *Reduction in clinker factor by 3.5%.*
- *Reduction in CPP unit generation cost through addition of AFR material called 'Dolochar'.*
- *Reduction in slag drying cost through utilization of waste heat from K-3 cooler ESP and addition of AFR material.*

Techport

Techport, an operation located at the Thane Complex of ACC, is a joint pool of talent from ACC and Ambuja Cements Ltd (ACL). As part of the Holcim group, Techport is committed to support initiatives that combine sustainable solutions with performance excellence. The dedicated team of technical experts adds value to large cement CAPEX projects and existing plant operations across manufacturing facilities and grinding units of ACC and ACL in India.

At Techport we believe in driving strength through participation, partnership and passion for Technology

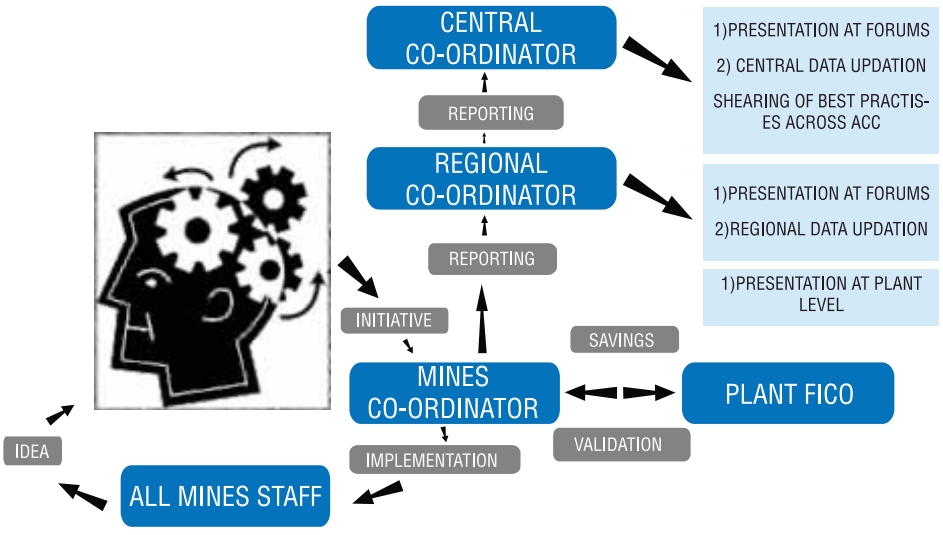
Case Study – Techport Impact

At our Kymore plant, we encountered the problem of dust layer of about 500mm getting accumulated at the inlet of 4th cyclone of pre-heater tower. This excessive dust was leading to reduction in cyclone efficiency and also an increase in pressure drop, resulting in higher power consumption of the fan. Kymore plant referred this issue to Techport. Based on a Computational Fluid Dynamics study done at Techport, the plant was advised to modify the cyclone inlet to guide the flow towards the circumference of the cyclone inlet. With this modification, the dust accumulation reduced to a large extent. More significantly, this modification improved the efficiency of cyclone and reduction in overall pressure drop of preheater leading to substantial power reduction.

Mining Excellence

Our Mining Excellence programme was initiated with an objective to control the raw material extraction cost while emphasizing on adopting highest standards of safety and sustainable practices in our mining operation. It is a structured approach to focus on cost, safety and best environment practices through various initiatives started at all mines. Benchmarking the operations and drawing advantages from cross pollination of ideas have been the major achievements through this programme. Despite increase in input material prices, mines have been able to control the cost while demonstrating best safety parameters through this programme.

Mining Excellence Organization-Workflow



People Excellence

With our intention to create a future-ready talent pool for managing our business growth, we choose People as one of the areas of excellence we aim to drive. The aim of this programme is to re-engineer human resource (HR) processes and ensure that each process is fine-tuned with current and future business requirement and an appropriate number of employees are groomed to take up middle and senior leadership roles in the future. Through this initiative, greater focus is being given to hiring and retaining talent from different disciplines and streams.

The Learning and Development team

conducts trainings covering subjects such as Project Management, Personal Effectiveness, Quality Tools, Finance for non-finance executives, Shop-floor management, Negotiation and conflict management and Holcim Competency-based programmes under a concept of 'On Boarding Centre', a complete functional orientation programme which is in place and is expected to deliver competent process engineers and functional specialists. The concept has been evaluated as one of the best practices across manufacturing companies in the industry. We have academic alliances with reputed institutions such as IIM-Ahmedabad, Wigan and Leigh-Bangalore, School of Inspiration leadership (Soil)-Delhi, and Welingkar School of Business, Mumbai. As extension of faster learning for young talent, we have embarked on a plan to impart intensive learning through challenging functional/ cross-functional projects and coaching to improve analytical and decision making capability.

Workmen and supervisors constitute a major part of our workforce. They are key partners in our growth journey and the backbone in driving operations and maintenance at the Plants. This vital group is now renamed as “Shop Floor Associates” to convey a change in mindset, instill in them a greater sense of pride and recognition and to invite them to participate more meaningfully in problem-solving and improvement projects.

Customer Excellence

This program aims to work towards enhancing customer value by supplying the best quality cement complemented with services that exceed expectations. The program also touches upon the importance of ethical behavior and techniques of our marketing force.

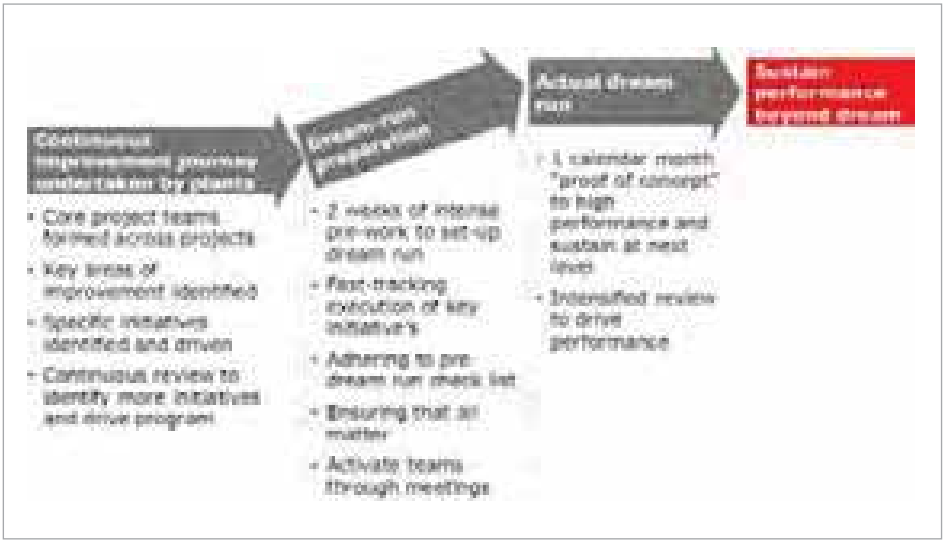
eMLP- Mobile Based Mason Loyalty Programme

A path-breaking programme for connecting with one of the key influencer segments (masons and small contractors) was launched through the eMLP. ACC East pioneered eMLP programme by leveraging the deeper reach of mobile telephone networks in all parts of the country, the modus operandi of the programme being “easy to implement, yet robust and efficient”.

360-degree Approach to Customer Excellence

DREAM RUN

In an added effort to further enhance the impact of our excellence programmes, we have instituted what we call “Dream Run”, which is a methodology through which we want to induce the trend of improvements being reciprocated across all plants, thus ensuring sustainability of efforts. By way of the method of Dream Run, we also aim to instill in the teams at our Plants, a sense of competition to achieve greater excellence in improvements.



Under each of our excellence programmes, plants undertake various initiatives to improve their systems and processes that fall under the ambit of logistics, manufacturing, marketing and people. Dream Run provides the plants with an opportunity to take up the challenge of achieving an ambitious target within a time frame of one-month to surpass the levels set in the past. The process includes the phases of formation of teams to undertake the journey of improvements, identification of areas for improvement, preparing for the dream run and executing the same. Once a target is achieved, the teams are driven to sustain the performance and aim to reach beyond the targets set by the Dream Run.

Our plant teams have expressed a sense of achievement with pride and shown much enthusiasm in sustaining efforts and performance that were needed to make 'Dream Run' a success.

Thus, it is imperative for us to keep pursuing higher standards of organizational excellence and to continue on the path of growth till such a stage where we have such systems and processes in place which make the growth sustainable. In the next section, we detail our approach to certain aspects that determine our growth path and how we ensure a consistent upward trajectory.

Growing Sustainably

At ACC, we follow a time tested approach in addressing our risks, be it directly business–related or the risks that are faced by mankind in view of climate change related phenomenon. While we have robust systems and processes in place to ensure the risks are adequately addressed, we constantly attempt to find opportunities in these risks and seek to capitalize on them.

5.1 Risks and Opportunities

In a business as vast as ours, we face a varied scope of risks across our operations and practices. Our risks are both internal and external. Our Business Risk Management Process (BRM) helps us identify various risks and opportunities associated with our business. We have also developed our Materiality Matrix as detailed in the previous sections, which identifies the issues most pertinent and material to us. We endeavour to create opportunities from each of these risk centres by innovating in our approach.

Our Internal Audit Department assesses the risks related to corruption through regular internal audits and checks, based on a well-structured risk assessment approach. Potential fraud risk areas, their probability and impact are a vital input for the risk assessment. The testing methodology and documentation is reviewed and validated by external auditors. The Audit Committee of the Board reviews the adequacy and efficacy of our internal control systems.

We have endorsed a Fraud Risk Management (FRM) Policy for the implementation of which, a Fraud Risk Management committee has been formed. The committee reviews and takes appropriate action on cases of suspected fraud or misconduct brought to its knowledge through the channels provided such as e-mail/Fax and hotline or by letter. The FRM policy is available for reference of employees on the intranet portal.

Our external risks and opportunities arise from the paradigms of regulatory changes and physical and other related impacts due to climate change. For instance, the methods of hot weather and cold weather concreting are different and hence mix proportions need to be closely monitored. We have identified risks on account of Perform, Achieve and Trade (PAT) scheme which sets specific energy consumption targets for energy intensive sectors such as ours. We also comply with the Renewable Purchase Obligation (RPO) to utilise a fixed proportion of renewable energy for each unit of energy from coal-based sources. Such risks have opened doors for us to explore various opportunities to embark on the journey of aggressive implementation of various energy conservation measures, and to explore more sources of renewable energy.

India Manufacturing Excellence Award 2013 Platinum Certificate to ACC Lakheri, Gold Certificate to ACC Chanda and Gagal in Cement sector - Large category

Understanding Risks

Along with constant growth and performance targets, we have set rigid policies to ensure risks are mitigated paving way for opportunities. Financial risks associated with projects are the most visible risks that we encounter. As one of the leading players, we are committed to execute large projects which are vulnerable to cost and time overruns. We are strengthening our project management team as well as our project accounting and governance frame work to mitigate this risk. Each of our risks is associated with the triple bottom line and can be classified as:

People Risks

- Hazardous workplace
- Negative impacts on community

Planet Risks

- Depleting Resources
- Increasing Emissions
- Accumulation of wastes

Profit Risks

- Close competition
- Need for product differentiation
- Greater fuel costs

In a large manufacturing organisation as ours, with thousands of personnel employed across various business units comprising of plants, mines and other operations, the safety of our

employees, customers and all stakeholders associated with our operations assumes great importance for us. The physical wellbeing of all those in a premises operated by ACC is of utmost importance. Apart from risks of physical injury to employees, we face the risk of non-retention of talent. With the industry growing at a hectic pace and demand for experienced and trained manpower outstripping supply, the ability to retain existing talent and attract new professional talent assumes crucial importance. The transformational leadership programme and strategic talent management are steps initiated to retain talent.

With respect to fuel risks, at ACC, we require more than 2.2 million Tonnes of coal to meet our kiln fuel requirements. The dwindling availability of linkage coal is an offshoot of the inability of the local coal producers to meet the current and growing energy requirements of the country. There are other additional risks like continuous increase in ash content in coal which impacts kiln productivity. Besides initiating steps to develop our own coal blocks which would partly meet our coal requirements, we are also trying to mitigate this risk by increased usage of alternative fuels and pet coke. We are also considering the setting up of waste heat recovery plants at certain locations.

The Cement Industry is becoming intensely competitive with the foray of new entrants with highly competitive business strategies. To mitigate the risk of competition, we are leveraging our newly created capacities to increase our market share, enhance our brand equity and visibility, and enlarge our product portfolio and service offering while also expanding the scope of services of our Commercial and Institutional Sales Units to offer value to large customers.

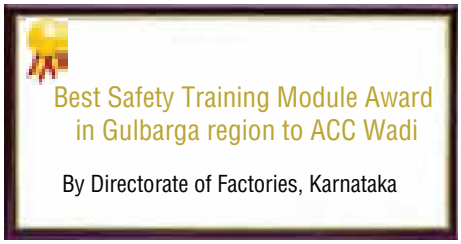
Creating Opportunities

At ACC, we utilize a robust Business Risk Management (BRM) process to identify, evaluate business risks and convert them to feasible opportunities both at corporate and at regional level. The identified opportunities are then integrated into rolling and annual plans. For each of the key risks enlisted above, we have come up with measures and mitigation plans that can help us see the opportunity that is presented by the risks, which can also help us create a competitive advantage.

Below are some of the ways in which we have encountered the risks

People	Planet	Profits
• Providing safer workplace • Awareness on importance of safety	• Environment friendly fuels • Waste reduction • Environment friendly products	• More responsible product design • Value added products

5.2 Occupational Health and Safety (OH&S)



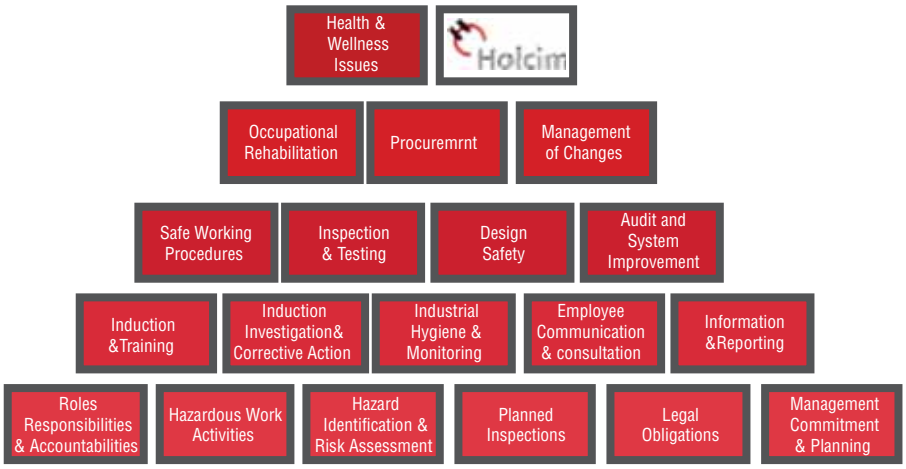
Occupational Health and Safety (OH&S) is an essential component of our journey towards sustainable development. Our apex OH&S Committee headed by the CEO & MD governs implementation of the OH&S policy and incorporates initiatives to create maximum awareness amongst the work force thereby mitigating the Health and Safety risks at the workplace. Our vision is "to achieve zero harm to anyone associated with ACC".

Working towards our vision, we engage all our contractors, transporters and employees through various training programmes. A milestone in our vision is that none of our workers have been affected by any disease related to their occupation. Our joint OH&S committee operates at plant level involving all relevant stakeholders. To ensure safety is inculcated from the very start we have safety clauses included in our formal agreement with trade unions.

These clauses cover the requirement of the company, adherence to rules and mandatory use of Personal Protective Equipment (PPEs). A Centre of Excellence in Safety, opened during the year, provides a platform to implement safety processes and systems uniformly at all plants with capability building, sharing experiences and best practices.

To further improve our OH&S outreach, we have adapted to a systematic and structured approach - OH & S Pyramid. It comprises of 19 blocks and each block addresses a key OH&S aspect.

Holcim OH&S Pyramid



The overall objective of implementing all of the blocks within the OH&S Pyramid is to provide an OH&S Management System that is capable of delivering healthy and safe workplaces. It differs from any other management system in that the scoring pattern is divided into documentation and implementation parts. Any plant implementing the system has to score in both aspects.

Our OH&S Policy

We manage our activities in a responsible manner to avoid causing any harm to the health and safety of our employees, contract personnel and visitors.

We apply OH&S standards and guidelines; provide the necessary resources, training and education and measure performance for continuous improvement.

Programmes and Initiatives

Since safety is a key priority at ACC, we engage our stakeholders through various initiatives and training programmes to convey safety messages. We practice Gate Meetings to engage stakeholders, contractors and third party workers to address issues or concerns that are recorded for appropriate actions. We also conduct Safety Observation Tours (SOTs) to encourage people with safe behaviors, and to identify unsafe acts and unsafe conditions associated with any activity and suggest appropriate control measures. Fatality Prevention Elements (FPEs) have been implemented through workgroups made up of individuals with extensive experience in operations, to manage high risk areas at our workplaces.

Employee Fatalities (Nos.)	Contractor fatalities	Third Party Fatalities	Employee Lost Time Injury	Employee Lost Time Injury Frequency Rate	Employee Lost Working Days	Critical Incidents Reported
0	1	4	13	0.9	532	15

Suraksha Laher:

This year, we launched Suraksha Laher, our initiative for safety which aims to create organisation-wide impact. The initiative was implemented to enhance capabilities of line and functional employees. Symbolic of its name, the initiative is being launched in 'Waves', each comprising of key themes/risk areas to be implemented across the organisation. Wave 1 of Suraksha Laher was implemented from September – December 2013.

Some of the key steps taken towards OH&S in the last year are:

- Through widely communicated initiatives such as "Suraksha Laher", efforts were directed to create an appropriate infrastructure, improve OH&S systems by identifying and addressing deficiencies and by building OH&S capabilities of line and functional personnel.
- A Centre of Excellence has been created to implement safety processes and systems uniformly at all plants, for capability building and for sharing experiences and best practices.
- The behaviour-based safety initiative "ACC Chetna", launched in 2012, continued to form part of the basic behaviour expected as a practice from employees to prevent incidents.
- Plant-level health and safety checks such as overall plant layout, packing house layout, truck parking yards, inward and outward flow of traffic, storage areas and infrastructure for road and rail transport.

Other initiatives are Suraksha Jagriti and Suraksha Sangoshthi. Under Suraksha Jagriti, good practices are shared by involving the transport supervisor and drivers, in activities such as quiz contests, nukkads, seminars for knowledge enhancement and rewarding them for good work. Suraksha Sangoshthi initiative deals with sharing facts and figures on logistics safety, sharing rules and communications on truck and driver safety, meeting of senior management with drivers/transport supervisors, training of issues and knowledge sharing.

Highlighted below are a few other practices in our safety initiatives:

Safety Awareness Campaign is carried out for the employees working in the offices and Plants of ACC to create awareness regarding OH&S policy, principles and management system.

Visible Safety Leadership programmes are being conducted across business units for senior line managers with special emphasis given to Top Management. The programme comprises of practical exercises and interactive sessions, and prepares line managers to be a role model to their subordinates by leading safety visibly in the field.

Zone ownership: This concept has been implemented in ACC to bring more accountability to line managers. In this concept the plant is divided into the zones and a senior line manager owns the responsibilities of safety in each zone. The owner is responsible for conducting regular inspection, audits, safety observation tours and drawing up action plans for removing hazards from his zone.

Contractor Safety Management (CSM): Contractor safety management standard has been developed for a selection of the contractors. The standard outlines the requirements for ensuring that adequate processes are developed and implemented, to control or minimize the risks associated with contracted activities.

Our occupational health programmes have resulted in optimizing our emergency medical response system, and reduction of health risk factors among employees through our wellness programmes. Our initiative 'Safe and Healthy Students' is inculcating safe and healthy behaviour among 8000 students. This programme has been implemented in all ACC schools.

Logistics Safety

The volume of our logistics operations is well demonstrated by the metrics of daily outbound cement despatches of close to 40,000 MT (over 2,500 trucks per day) coupled with high inbound movement of raw materials such as fly ash, slag and coal by trucks which increase the risk of vehicle and traffic related accidents. To counter the high risk areas in plant layouts that are old and have undergone expansion, we have changed layouts to facilitate one-way traffic. With safety as our priority, we conducted various initiatives under the ambit of logistics safety:

- Effective use of technologies such as RFID (Radio Frequency Identification Device) to control the number of vehicles moving in our plants at a point of time and Global Positioning System (GPS) to track vehicle movement against various parameters from 'Gate Out' to 'Gate In'.

  Addressing critical issues like journey risk mapping and driver fatigue to control accidents.

- Intensive transporter engagement was undertaken to sensitize them to improve the condition of vehicles and quality and skills of manpower (drivers). A 30 point vehicle inspection checklist has been introduced for daily inspection of trucks and a defensive driving training drive launched across the plants covering over 6,000 drivers in 2013.

5.3 Geocycle – Alternative Fuels and Raw Materials

We have embarked wholeheartedly on a new path of promoting the use of Alternative Fuels and Raw Materials (AFR). Through the usage of AFR, we aim to utilize wastes as fuel that can help in conserving scarce conventional fuels. Currently we are co-processing different types of waste streams from industrial, agricultural and municipal sources as AFRs. The utilization of waste as AFR leads to a significant contribution to our commitment towards sustainable development. During the year 2013, a quantum jump has been achieved in the usage of AFR with the co-processing of over 5 Lakh tonnes of AFRs, achieving a Thermal Substitution Rate (TSR) of 4.36%, well surpassing the target of 4.12%. The focus on AFR initiatives has enabled us to reduce conventional fuel consumption in kilns and in Captive Power Plants (CPPs) and dryers.

Co-processing and Usage of AFR

An important plank of ACC's AFR approach, Co-processing is the act of adapting an existing industrial process whereby certain so-called 'waste' materials may be put to use to serve as alternatives resources either as fuel or as alternative raw material in cement kilns, dryers and captive power plants. All this is attempted while assuring the quality of the end product and occupational health and safety of employees. Our approach helps us understand that most 'wastes' represent an incomplete exploitation of a resource. It is not merely seen as the substitution of fuels, recycling and elimination of waste, but more broadly as a scientific approach that enables the most efficient utilization of available resources.

After carrying out 46 co-processing trials of different waste materials, since inception, we have demonstrated that co-processing is environmentally better technology and also ecologically more sustaining for managing waste than any other technologies such as landfill and incineration that are in practice today. With more focus on this initiative, we lower the risk of rising energy costs, improve energy security, and reduce the consumption of scarce resources.

In 2013, 23 new companies were added to our clientele and 32 new streams contributed to our waste portfolio for co-processing in our different plants. Based on the successful demonstration of the suitability of the co-processing technology for waste streams, we have received co-processing clearances for 127 different waste streams generated by the industries from segments such as automobile, chemical, engineering, power, steel, refinery, petrochemical etc. Thus, AFR has significantly improved our operation efficiency and helped reduce total carbon emissions.

We have been working on ways to maximize existing waste streams, identifying new waste avenues, through better sourcing and securing future markets. The following are some highlights of the initiatives taken by Geocycle, some of which are in association with Holcim and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ):

- A formal policy framework to promote the use of alternative fuels and raw materials
- Each of our cement plants has been mapped for its AFR profile.
- Installation of machinery and equipment for AFR feeding wherever required.
- AFR awareness programmes are conducted in all our plants.
- Identification of wastes generated by other industries across the country to examine the feasibility for co-processing these wastes in our kilns, dryers and captive power plants.
- Testing of hazardous waste samples to assess the scope of their usage as AFR.
- Effective lobbying and dissemination of information through articles, seminars and lectures to encourage greater acceptance of co processing as a preferred form of waste disposal as compared to landfill and incineration.
- Our Geocycle team is working closely with Government, Central and State Pollution Control Boards to help popularize co-processing of waste in cement kilns.

ENERGY PLANTATION DRIVE: SUSTAINABLE LIVELIHOOD INITIATIVE FOR LOCAL FARMERS

Team Geocycle has initiated energy plantation (under project Sustainable Livelihood Initiatives) in the local villages near its cement plants with the support of plant Horticulture and CSR department.

This project aims to utilize unused or barren lands of local farmers for planting biomass (energy) yielding plants. The local farmers benefit greatly from this exercise since they can meet their household requirement of firewood through this activity and reduce dependence on local forest. Thus, farmers will be contributing towards conservation of forest. Also they can provide any additional biomass from these plants to ACC cement plants at market rates thus supplement their income.

Biomass is a carbon neutral material and helps in mitigating CO_2 by saving 1.34T of CO_2 per tonne of biomass and helps in reduction of coal usage. Research studies have suggested that biomass utilization in kiln can lead to reduction of NO_x and SO_x emissions.

The Geocycle representatives hold farmer meetings in villages to know barren land availability and also raise awareness about sustainable livelihood initiative and its benefits. In these meetings the farmers interested in community plantation on their barren/unutilized land for sustainable income are enlisted. Geocycle extends guidance and technical support to the interested farmers through regular interactions and recommends various energy plant species like Sissoo, Acacia, Cassia, Subabul etc.

One of our cement plants where this project was pioneered and has seen huge success is Kymore. More than 1000 Subabul saplings have been planted in three villages around Kymore namely Amrahia, Ametha & Bhatura. Subabul was chosen since it is a fast growing plant with high yields. Also the same plants can be harvested for biomass after every three years.

During the course of project implementation, utmost care is taken to ensure that energy plantations are carried out only on barren land. Also, farmers are made aware of appropriate measures to control any invasive growth of these plants. These measures include regular trimming of lateral branches with fresh foliage, thereby reducing seed load substantially, and killing of newly germinated delicate seedlings within seven days of their germination by rubbing them at ground level using a wooden stick / rod. In case these measures could not be followed timely, foliar spraying of Glyphosate @ 4ml / litre of water mix with 2-3 gm urea is recommended to control any invasive growth at a very economic cost.

This project is an environment friendly initiative to provide sustainable livelihood to farmers. It will also help in improving the green cover of the surroundings.

To increase the AFR utilization substantially we have initiated implementation of pre-processing platforms in three of our Plants viz. Kymore, Wadi and Madukkarai. At these platforms, we shall be preparing uniform quality AFR material from various kinds of wastes that have different types of chemical, physical and packaging characteristics through physical processes. Two of these facilities will be ready and operating shortly.

Today, the utilization of Alternative Fuels and Raw Materials (AFR) in the cement manufacturing process is on a progressive curve and is helping us mitigate rising costs of traditional fuels and raw materials. Through co-processing we are not only contributing to our sustainability journey, but also helping other industries achieve their sustainability targets by managing their waste in an eco-friendly manner.

5.4 Sustainable Supply Chain

The supply chain process of a manufacturing company constitutes a major part of its operating cost. Our supply chain operations involve many key internal and external stakeholders who are associated with the operations of our company. Procurement and supply operations involve a large group of organisations with multi-disciplined personnel. It is thus important to ensure efficiency and transparency in our operations. Our corporate and plant procurement department ensure to assess contract suppliers whose practices comply with the criteria of SA8000 and ISO 14000 standards. We have clauses pertaining to Corporate Social Responsibility (CSR) and Occupational Health and Safety (OH&S) which are included in the Purchase Orders/ Agreements. Close to 90% of our suppliers are screened through such clauses by way of self-assessment. In cases where suppliers are not able to meet these minimum requirements, we engage in a dialogue with them and adopt mechanisms to help improve our suppliers' standards. In cases of persistent non-compliance or obvious violation, we decide to terminate relationships. We encourage our suppliers to take up "Self-Assessment" based on a checklist integrating SA8000, environmental management and legal compliance requirements. About 400 new suppliers have been screened through this process.

Our operations are well connected with the Manufacturing Units and Sales Units spread across the country. We have local procurement teams to take care of everyday purchases. Our Central Procurement Organisation (CPO) located at the Head Office engages in high value purchase of commodities such as Coal, Raw Materials (Gypsum, Iron Ore and Bauxite etc.), Capex Items, Steel and various other essential services. All requirements for above categories from individual units are directed to the CPO and purchases are carried out centrally.

	Nos. engaged	Amount spent(INR Crores)
Total no. of suppliers	9355	8675.57
Indian suppliers (Local)	9267	8081.93
International suppliers	88	594.18

Contractual Agreement of Compliance

All our Purchase Orders or the Agreements that we enter into, incorporate different clauses related to Safety, Environment Management and Operations Social Responsibility. We have started the implementation of Sustainable Procurement through the Supplier Code of Conduct which is meant to provide clear summary of ACC's expectation from the suppliers in all procurement contracts. Transparency and accountability should be strictly adhered to in all procurement activities. This has listed nine standards that Suppliers are expected to adhere to, in addition to complying with local and national laws and regulations.

- Occupational Health and Safety (OH & S)
- Working Conditions
- Freedom of Association and Non-retaliation
- Forced Labour
- Child Labour
- Non-Discrimination
- Environmental Regulatory Compliance
- Management of Environmental Impacts
- Bribery and Corruption

Typical steps involved in supplier selection are as follows:

Respecting Human Rights

At ACC, we are highly conscious of respecting human rights. We have ensured all measures towards the same across our operations and supply chain. Respecting the rights of women, preventing child labour or any other forms of forced labour and non-discrimination are among the areas of focus for us. We have put in place systems and measures for ensuring that the labour engaged by our contractors is governed by the Contract Labour (R&A) Act and mechanisms to report any grievance of human rights violation. During the last year, no cases of human rights violation (viz. incidences of child labour, forced or compulsory labour, overtime without pay etc.) were recorded in our operations.

Environmental principles in Procurement

Contractual agreement of Compliance:

All agreements with suppliers, such as purchase orders, purchase agreements, service agreements and frame agreements have to refer to the supplier's compliance with SA8000, environmental management and legal compliance requirements. With its signature or order confirmation, the supplier accepts and agrees to adhere to these requirements. In the reporting period, more than 5% of our new suppliers have been screened using environmental criteria.

5.5 Sustainable Construction & Responsible Products

As a leading manufacturer of building materials, we are concerned with the sustainability of our products. We continue to demonstrate this concern in several ways. The foremost in this respect is the promotion of environment-friendly blended cements products that utilize industrial waste by-products namely, fly ash and slag which helps conserve limestone resources. The role of blended cements in cutting CO_2 emissions is well explained elsewhere in this report.

It is a proven fact that concrete makes superior road building material as compared to bitumen as it is more environment-friendly in nature and is cost-effective on useful life cycle cost basis. We continued to partner with state governments and industry bodies to advocate the use of concrete roads in terms of the significant sustainable benefits to the economy.

We are inspired by the Holcim Foundation for Sustainable Construction and actively support the cause in India. We assisted the Foundation in organizing the prestigious 4th International Holcim Forum for Sustainable Construction in India at IIT Bombay in April 2013. Leading construction professionals and planners from around the world participated in the Forum to debate the subject of the economy of sustainable construction. We also helped arrange mobile workshops for the delegates to visit some examples of sustainable construction projects in the city. During the year we also promoted the 4th International Holcim Awards widely among students and professionals of various disciplines related to construction.

Green Buildings

In October 2013, La Residency, ACC's green building in Thane formally received Platinum Certification from the Indian Green Building Council. La Residency is a state-of-the-art residential facility for delegates of the ACC Academy, a modern learning centre in Thane. This building is an existing residential structure constructed in the year 1965 for ACC employees.

The company's headquarters building, Cement House, which is LEED Gold certified and holds 5Star Energy efficiency status awarded by the Bureau of Energy Efficiency Government of India, re-emphasized its energy efficiency by registering a reduction of 8 per cent in overall energy consumed during 2013 thus recording the lowest level of energy consumption in the past six years.

Green Building Materials

With an aim to educate the Indian rural population in construction techniques and create business opportunities for them, we set up 'Green Building Centers' in the states of Uttar Pradesh, Madhya Pradesh, Maharashtra and Rajasthan in 2013. These centers provide simple and complete solutions for affordable and integrated construction solutions. They facilitate strong partnerships within the local community, help in the creation of sustainable business models and opportunities to network with local entrepreneurs and government.

ACC's Green Building Centers familiarize customers with rural construction techniques and function as one-stop shops with:

- Locally produced, easy to use, reasonably priced construction products like bricks, tiles, pavers, roofing and similar items
- Knowledge and training on how to produce and apply these products in the rural context
- Well-equipped quality laboratory to monitor product quality
- Industrial machines which enable end-users to manufacture locally and thus save costs
- Display and explain application of rural construction elements ranging from fly ash bricks to roofing and housing solutions.

We plan to set up ten more such centers in 2014 to reach out to a larger customer base.

Responsible Products

Being one of the largest cement manufacturers in India, it is our responsibility to set a benchmark for the quality of products served to the society. Our major areas of focus in responsible product design are raw materials, fuel and innovative product development.

ACC Gold - Responsible and Sustainable

Known for innovative research and product development, we have always delivered a unique blend of products and services to our valued customers. Among various products launched in 2013, ACC Gold is the only one of its kind. It is a specially formulated fly-ash based blended cement variety with higher strength, increased durability and water repellent properties. At many places in India, heavy rainfall leads to water seepage into the construction material, which initiates the deterioration of the structure. Additionally, the shallow water table in northern India results in water seeping through the foundation and walls. Concrete made from "ACC Gold" is denser and thereby the concrete structures have lesser permeability compared to structures made with ordinary cement. This reduces the possibility of water seepage and chloride and sulphate attacks and makes the structures including homes more durable while creating a healthy indoor climate due to dry walls. ACC Gold also helps save the cost and problems associated with using water proofing chemicals in construction.

While bringing more efficient, effective and innovative products, we strive to achieve greater resource efficiency through conservation of natural resources. Another key driver in product development is to cut down on the clinker factor, which results in CO_2 emission reduction. Our blended cements are a testimony to such efforts. To achieve the above goals in product design, we have regular internal initiatives for monitoring the product quality and innovation in embedding the triple bottom line.

As a result of this focus on quality, ACC cement specifications exceed those set by BIS by a wide margin. Today, all ACC cement plants have the ISO 9001 Quality Systems certification. This demonstrates our tradition of providing reliable and consistent quality through the application of modern technology, and justifies the preferences of a nationwide customer base. On our product base, no incidents of non– compliance were observed. We currently manufacture PSC, PPC and OPC cements as per the specification of Bureau of Indian Standard (BIS) and as per norms; cement bags display information about the grade, year of manufacture, weight, lot number, week of manufacture and MRP (Maximum Retail Price) under the prescribed rules laid down by Standard of Weights and Measures Act. It is ensured to provide complete information about the product quality and services (e.g. sharing of test certificates) on a regular basis.

We conform to the guidelines of Advertising Standards Council of India, a self-regulatory voluntary organization of the advertising industry. We ensure that only tested and proven product capabilities are claimed in our communication.

There have been no incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of our products and services. During the reporting period, there were no fines imposed on us for non-compliance with laws and regulations concerning the provision and use of products and services and no complaints were received regarding breaches of customer privacy and losses of customer data.

Product Packaging

The packaging material used for our various products is tamper-proof and reusable. The cement bags are made from Polypropylene, paper or a mix of both depending on the product that they pack. We are conscious of the use of effective packing material that would be of no harm to employees who carry the bags on their shoulders to transport them. We have increased the co-processing of waste plastic in kilns and whenever shredded, it is used as an alternative fuel. Pilot programmes have been initiated to research and innovate on taking the plastic bags further upwards to be used as in input material in the production chain.

There have been no incidents of non-compliance with regulations and voluntary codes concerning our product and service information and labeling.

Cement Product Development

In recent years, we have launched special high performance premium brands like F2R, Concrete Plus, Coastal Plus, ACC Plus+ and ACC Gold for specific Market segments/Market climatic conditions for improved performance and durability of products.

ACC F2R	ACC Plus+	ACC Concrete+	ACC Coastal+	ACC Gold
Premium PSC Cement	Premium PPC Cement	Premium PPC Cement	Premium PSC Cement	Premium PPC Cement

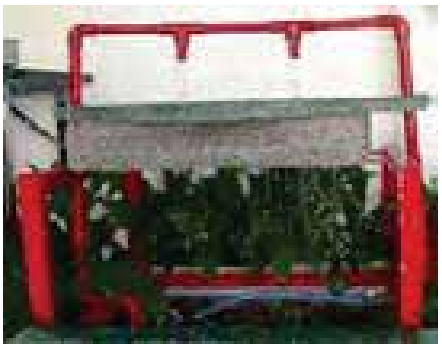
Concrete Value Added Products

Through years of technical research, we are now become trend setters in manufacturing value added products. This takes us a step closer to sustainable construction. Here are few of our highlighted products:

- ACC Supercrete uses concrete grade of M100 which is high performance concrete for high rises.
- ACC Speedcrete is a quick road solution available in two variants UTWT 24 and UTWT 12. UTWT 24 is used to build roads which can be thrown open to traffic within 24 hours and UTWT 12 is used for road repair works wherein roads can be opened to traffic within 12 hrs.
- ACC-Jet-setcrete is designed to gain high-strength within three days, this variety of concrete has self-levelling features. It is suitable for use in projects which need to be completed within a short span of time. The product can be engineered to gain desired strength at required age.
- ACC Lightcrete is a special concrete which is lighter than water and can be used for roof screeding and filling of sunken slabs, thus reducing dead load of structures.
- ACC Fibrecrete contains fibrous material which increases its structural integrity, mainly tensile strength when compared to normal concrete, and also prevents shrinkage cracks.

ACC Flowcrete is self-compacting concrete which is used in structures wherein congested reinforcement is required. This reduces manpower costs and compaction is not required.

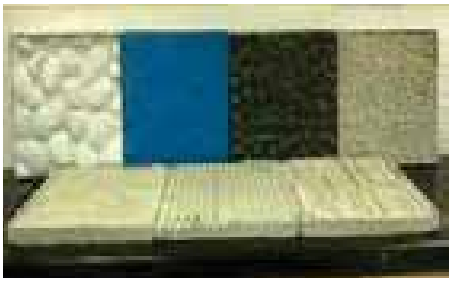
ACC Permecrete is environment friendly concrete which is permeable and hence permits seepage of water through itself, thus improving the ground water table and avoiding waterlogging.



ACC Permecrete

ACC Finescrete is ready-mix mortar which is delivered in a transit mixer at sites for application in brick masonry, wall finishing and laying tiles.

ACC Imprintcrete is a unique variety which is stamped for making surfaces decorative. It can be designed on walls, slabs, landscapes and parking areas using concrete grades from M20 to M40 compressive strength. The final appearance resembles natural materials like paver-blocks, stone and wood.



ACC Imprintcrete

ACC Thermalcrete is designed to provide thermal comfort in buildings. A layer of Thermalcrete is usually applied over the top layer of the roof slab to prevent external heat or cold from penetrating into the building. It reduces energy consumption required to keep rooms at comfortable temperature.

ACC Ecocrete is environment-friendly, high performance, durable concrete designed to build sustainable structures and protect the environment.

We have earned the distinction of being the largest producer of blended cements in the industry and the biggest user of industrial wastes. Blended cements are not just environment friendly but also have certain properties which render them superior and more durable as compared to ordinary Portland cement.

We aspire to be environmentally responsible and more profitable, creating more value while lowering our environmental impact. We believe that sustainability also involves how our end users create a positive impact in their construction practices. ACC promotes the cause of sustainable construction in India through production of blended concrete, promotion of green buildings, advocacy on the benefit of concrete roads and the dissemination of good construction practices.

Thus, through various approaches explained above, through innovative fuel choices and product design, we have created a mark in the industry and have carved a path for sustainable growth. As we progress ahead in our journey towards Sustainability, we want to take with us our stakeholders who play a very crucial role in our growth and progress. Together with our stakeholders, we endeavour to create a sustainable eco system in which every entity associated with us will see progress and growth. The following sections will highlight our major stakeholders, their importance to us and their role in our success.

Employee Wellbeing

Our workforce is the strongest pillar of our business and we make all efforts to ensure fair labour practices. Each member of our workforce is well equipped with the knowledge to ensure no injustice is enforced on them.

6.Employee Wellbeing

The success of any organization depends upon engagement and motivation levels of their employees. They are the ones who create the organization's growth story and drive business results. Thus, in the Human Resource function, our emphasis is to give autonomy to people at different levels and create a sense of ownership so that employees can discover their potential.

Employees are the key drivers in taking our ideas to implementation. They are our greatest strength and through them we have manifested excellence in various aspects. Our operations are committed to the pursuit of achieving the highest levels of operating performance and cost competitiveness. Our management functionality takes a holistic approach and takes into account every aspect of employee development and growth.

6.1 Employee Profile

At the corporate level, our human resource function is headed by the President Human Resources (HR) who oversees the two broad functions of Organisational Learning & Development and Organisational Management. The role played by corporate-level HR is strategic, penetrating to units in all plants through intermediate regional HR functions. Our mantra to foster a competent and effective work force is to build and nurture talent within the organisation. To the greatest extent possible, we train and develop employees in the organisation to take up more competent roles and responsibilities as per requirements rather than undertake lateral hiring. With a total workforce of 9588 determined people, our employee profile is as below:

Management Staff	Shop Floor Associates	Contract Employees	Women Employees	% of employees in associations
4896	4692	3654	393	53%

6.2 Employee Engagement

Employee feedback through various surveys that were conducted show that our employees experience a great sense of engagement. This has been achieved through various on-the-job engagement initiatives. Employee Satisfaction Surveys seek feedback on internal communication, integrity and ethical behaviour of peers, superiors and senior management of the organization.

To maintain proactive industrial relations, a great deal of time is spent in engaging Unions and sharing relevant information with them to enable them to participate in the growth journey.

ACC MasterMind is a pan-ACC level quiz competition for all our employees and their families. This is a platform for the old, young, and children to showcase their knowledge and talent. Organized by renowned-professional quiz masters, MasterMind was conducted across ACC during 2013. MasterMind served as a great platform for interaction and saw enthusiastic participation from our employees.

Engagement at Plants

We regularly organize engagement programmes for our employees and their families during major festivals such as Diwali and Holi and special days such as International Women's Day, aiming at fostering better relationships and an ever-lasting bond. All the festivals are celebrated with great zeal and enthusiasm at all the plants and sales units with distribution of gifts, decorating the premises and involvement of all workers and channel partners. We have special clubs for the spouses of our employees where the ladies meet often celebrating and enjoying during their free time. We also understand that sports and recreation helps people rejuvenate and work better. To that end, sporting events like kabbadi, cricket etc. are organized which see participation from all levels and age groups of employees.

6.3 Collective Bargaining

Approximately 53% of our permanent employees are members of recognised employee associations. Our Group Collective Bargaining (GCB) structure is responsible for providing strategic direction to all our units on the management of Shop Floor Associates (SFAs) who are non-management staff. Under the GCB, agreements are made with every union and renewed with their consent every 4 years. In case of any grievances or issues, plant unions are invited for a negotiation centrally where issues are resolved.

As per Section 9A of the Industrial Disputes Act, 1947, 21 days' notice period is required to effect an operational change. However, if there is a settlement between the Company and the Trade Union, then there is no requirement of notice period for change.

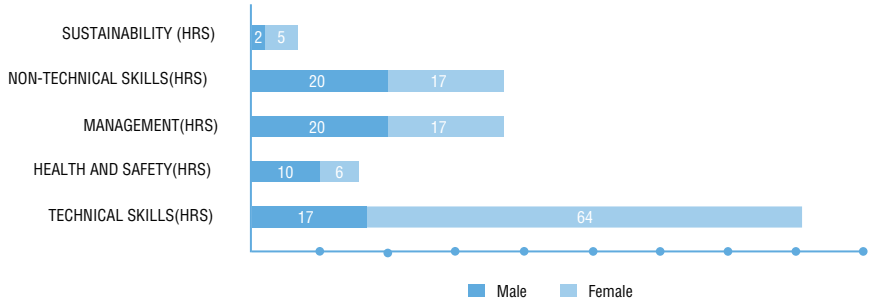
6.4 Building a Workforce

At ACC, we believe in building and generating capacity within our organisation. With a view to motivating and retaining talent and providing growth opportunities for them in their respective work areas, identified talent has been given new challenges through engagement, mobility and special projects.

A continuously monitored Recognition and Reward model has been created. Throughout an employee's life-cycle we encourage various training programmes for skill development and continuous learning. Programmes for our employees include Time Management, Communication Skills, Root Cause Analysis and Problem solving.

We have formulated training calendars that provide specific training to each of our employees categorized in the aforementioned sections. Our efforts are to empower them beyond the scope of their duties and to also inculcate innovative working ideologies.

Training (Hours per employee per year)



Trainings for RMX

Average hours of training per year per employee (Hrs.)	Technical skills	Health and safety	Management Skills	Non-Technical Skills
Male	20604	640	2208	3288
Female	224	288	88	32

A plan has been put in place for upgrading the skills of SFAs through training and engaging them in a variety of improvement programmes to enable them to align with business and perform better.

6.5 Enhancing Communication

We have an employee helpline, called "iCare" equipped with a 24x7 telephone no. and an email ID. Employees are encouraged to raise any issue of their concern on this helpline. Through this internal portal for grievance redressal, issues are escalated by the help desk until they get resolved.

We conduct management forums called "*Disha*" in every cluster at regular time intervals which is a direct channel of communication between the regional Chief Executive (CE)'s office and every employee, in each area attending these workshops. Employees get the platform to share their feedbacks/concerns directly face-to-face with CE & other Executive Committee members.

There are feedback sessions conducted in every workshop which include open ended questions addressing ethical and integrity issues.

'Accelerate' is our internal communications portal designed to provide answers to questions which arise in the course of our day-to-day work. The intention of this portal is not only to give the employees a window into the inner thoughts and procedures of the organisation, but also for them to express their views and ideas on processes, quality management and new initiatives that they think we should be partnering. Employees share their thoughts to help us work together to internalize and demonstrate our core values of Strength, Performance and Passion.

6.6 Employee Benefits

All our employees receive regular career development reviews for growth. They are provided benefits of health care cover, disability and invalidity coverage, retirement provisions and parental leave. In the reporting period, 342 employees were entitled to parental leave, seven of whom availed the same; six of them returned to work and remained employed for rest of the year after resuming work.

Our Retirement Benefit Scheme for employees includes the Company's Officers' Superannuation Fund, Provident Fund, Employee State Insurance and Labour Welfare Fund, Gratuity, additional gratuity, Post Employment Medical benefits, Silver jubilee and long service awards. Pension plans and other applicable benefit obligations are determined in accordance with independent actuarial valuation.

EMPLOYEE BENEFITS EXPENSE

	2013 (INR Crore)
Salaries and Wages	573.28
Contributions to Provident and other Funds	53.30
Staff Welfare Expenses	36.38
Total	662.96

Working Inclusively

We aim to work inclusively with all our stakeholder groups in our journey towards organisational excellence to achieve the pinnacle of sustainability. In the preceding section, we elaborated on our employee profile and engagement channels with our workforce, who form our internal stakeholders. In this section, we detail out our external stakeholders and how we engage with them.

7.1 Customers

Our approach towards development of our offerings targets excellence in the aspects of Consistent Quality, Innovative Products and Customer Delight. We believe that a satisfied customer is one of the most important elements contributing to the success of the organization. Thus, we strive to engage with our customers in a comprehensive manner.

We cater to two broad consumer segments of Individual Home Builders and the Institutional segment (comprising corporate, small & large builders, government, small & large contractors). The first segment is catered to, exclusively through our channel of dealers and retailers. The second segment of institutional buyers is serviced directly by us.

Satisfaction measurement and seeking feedback are regular activities conducted with both consumer segments as well as the channels. Both formal and informal methods are used to measure their levels of satisfaction. Brand health studies are conducted with individual customers to measure Brand Equity. To gauge the satisfaction levels of dealers we use the Net Promoter Score methodology. We have in place a computerized Customer Complaint System (CCS) which addresses customer complaints on product quality.

Channel Partners - Dealers and Retailers

We sell approximately 80% of our total cement through channel partners. Thus, they play a pivotal role in the secondary selling of cement to the end-consumers. Besides, they also play an important role in building and maintaining our brand image in the market place. Engagement with channel partners happens at different levels at regular intervals.

Sales Calls

These calls are managed by Local ACC Sales officer to align commercial goals of organization with the individual channel partner in terms of sales and price premiums. The engagements are done on one-to-one basis.

Dealer Meets

The meets are managed at a higher level to give a direction to a group of channel partners on commercial parameters. The engagements are done on one-to-many basis.

Relationship Building Activities

Regular activities like Festival meets, Picnics and Trips are organized with channel partners. The purpose of these events is to engage with the Channel and their families to create and nurture long-lasting relationships with them. These engagements are done on many-to-many basis with constant participation of ACC families as well.

The key topics and concern areas that emerge from these engagements are related to product, packaging, local brand building activities and timely deliveries. To address these concerns, adequate steps are taken to ensure complete customer satisfaction. We also benchmark our services at a local level against the best players in respective areas. A nation-wide initiative has been launched to improve OET (Order ExecutionTime) so that the delivery process is tightened and closely monitored while other bottlenecks can also be identified.

Individual Home Builders and Contractors

Individual Home Builders are the largest consumer segment in the country. This being the more profitable segment compared to the Institutional segment, we enjoy an iconic brand status and better price premium within the cement category. Thus, this sector is of special importance to us and we engage with our consumers regularly in following formats:

Individual home builders have no prior experience with the construction business and therefore have concerns related to performance parameters of the cement, the process of good construction etc.

To help our consumers with their home building, we educate them about good construction practices through our customer service engineers, through our website www.acchelp.in and literature. We also elaborate to them on the cement performance parameters and how we fare.

ACC Customer services engineer visits the consumer building sites and informs them about benefits of using ACC products and services. These are one-to-one meets.

Direct Consumer Calls

We invite consumers at specific localities in a meeting to make them aware about ACC products and impart knowledge about good construction practices.

Consumer Meets

We paricipate in local exhibitions pertaining to home building and construction materials based on opportunities in the market.

Exhibitions

Institutional Consumers

The segment of institutional consumers, although smaller, is growing at a faster rate. With continuous urbanization, we believe this segment would be a more significant one in the future. With our experience of over 75 years in the cement and concrete manufacturing industry, we aim to be a complete solution provider to this segment.

We engage with institutional consumers regularly on one-to-one basis through sales calls. Principles of KAM (Key Account Management) i.e. engaging with consumers across different functions, levels of procurement, project, quality and finance are deployed selectively.

The key concerns that have emerged are related to timely supply of the product and consistency in quality for the entire project. To deal with these issues, we partner with the concerned departments in their organisations to ensure proper inventory planning so that adequate stocks are maintained. Our national footprint has also helped us in this regard.

7.2 Investors

We believe that our investors' trust and support has helped us build a strong legacy. Our operations are committed to the pursuit of achieving high levels of performance and cost competitiveness, consolidating and building for growth, enhancing productive assets and nurturing our overall corporate reputation. We are committed to creating value for our stakeholders such that our corporate actions positively impact the socio-economic and environmental dimensions of the society for sustainable growth and development.

We carry out an annual satisfaction survey on the final and interim dividend payouts, shareholding, and other issues related to investments for our shareholders. Investors' opinions are also welcome via e-mails and telephone and during Annual General Meetings (AGM). All communication from shareholders are responded to in a time-bound manner. Any grievances or complaints are given special focus and redressed within the framework of our company's policy.

Shareholders have access to directly interact with the Board of Directors and Management at the Annual General Meetings to give their valuable suggestions and comments on the working of the organisation and to seek information on various topics like CAPEX, CSR, Dividend Policy etc.

7.3 Government Bodies and Regulatory Authorities

Government, Regulators and other local authorities at specified locations are also our important stakeholders as they influence policy decisions and rules. The government's focus on building infrastructure is likely to increase in the near future and the Indian cement industry is expected to sustain an even higher growth rate over the coming years.

Policy measures are adopted by the Indian government to support and aid the growth of the Indian cement industry. Apart from this, the regulators and Pollution Control Boards provide permits for various operations, setting up of plants, co-processing of wastes in cement kilns, mining and emissions activities. Our association with regulatory organizations helps us put forward our business ideals and establish an operating framework fully adhering to legal standards.

The general approach we use in engagement with these authorities is by way of regular visits, applications, letters, telephonic conversations, participation in different forums organized by regulatory authorities and presentations by management teams.

The main concerns which emerge from these discussions are usually related to the long duration required for receiving permits and the need for generic permits. Regular visits are carried out by management executives to address these concerns. Presentations are made before regulators to make them aware of issues such as the concept of co-processing and the benefits associated with co-processing of waste over traditional waste management options and other issues concerning environment management.

7.4 Influencers - Engineers, Contractors, Masons

Influencers are the key to the Individual Home Builder segment as the individual home builder usually has limited experience in construction and depends to a large extent on the advice of these influencers for brand selection, usage and other matters related to building.

We engage with this segment through meets and seminars, such as Mason meets, Contractor meets and Engineer meets. These meets give us the opportunity to disseminate technical information about our products, correct practices during construction and the latest advances in the field of construction. Also, online forums like Concrete Club have been created for engineers and contractors to come together and discuss the best construction practices. Local Engineering Chapters and technical seminars are supported through our diverse sponsorship programmes.

While we may not have specific norms for the frequency of engagement we have always attempted to set benchmarks in terms of these activities compared to other cement players.

7.5 Community

Local communities around the plant are important stakeholders. We have adopted a participatory approach. The Community Development Plan (CDP), a road map for development, is created for the
community, by the community itself. This development plan is executed through communities and partnership with local Non-Government Organiza-

Community Advisory Panels (CAPs) have been formed where local people discuss and design the CDP. The CAP is an informal team made up of relevant local stakeholders and opinion leaders such as panchayat representatives, villagers, and district officials. CAP has proved to be effective in all aspects of executing a successful community development plan.

Village Development committees (VDCs) are constituted in several villages around many plant locations which have been useful in designing and execution of village specific interventions.

Our role is that of a catalyst for social change, providing management and knowledge inputs and partial financial support.

7.6 Suppliers and Vendors

We have a vendor base of more than 9000 suppliers spread across the country including reputed manufacturers and trusted brand names, usually the leading vendors of their particular industry segment who are technically and financially sound and have the intrinsic capacity to supply material of desired quality in a timely manner. For our vendor base, we prefer vendors who demonstrate good corporate citizenship and promote sustainable development.

Vendors meet our requirements as per specifications and supply the required materials within the stipulated time.

We treat our vendors as business associates. Adequate care is taken to ensure transparency in procurement processes. Our procurement policy has a clearly defined code of practice for procurement conduct and encourages fair and open competition in markets.

We engage with our suppliers to build synergy and long term relationships. To ensure that our suppliers understand and comply with our requirements, we conduct trainings for them on aspects of ethics, anti-corruption and anti-bribery. These sessions, each of which cover about 50 suppliers, are conducted for all new suppliers across all our areas of operation at regional level. In the last year we conducted 1 such training session.

Regular interaction with vendors takes place through phone, video conferences, e-mail or in person as and when required. Concerns regarding the quality, quantity and payments are duly resolved by concerned functional personnel.

7.7 Other Key Stakeholders

Besides the above stakeholders, there are others who form an important part of our community and are indispensable to the robust operation and functioning of the company.

Waste Generators

Waste generators are partners in promoting the concept of sustainable development championed by us, requiring co-processing solutions for disposing their wastes in an environmentally sound manner.

The common mode of engagement with waste generators consists of regular visits, emails, telephonic conversations, participation in various forums, release of case studies and articles in reputed publications. Such engagement is continuous.

The key concerns identified are related to longer time cycles involved in services extended to these stakeholders, due to the long permit process and lack of understanding among waste generators on how co-processing is a more appropriate solution for promoting sustainable waste management.

To address these issues, we try to provide support to waste generators in our liaison with regulatory authorities. Regular interactions are carried out for promoting the understanding of co-processing apart from participation in various forums, collaboration with industrial bodies such as CII for discussions and developments on the concept.

Academic Institutions

There are many institutes with whom we partner to hire the right talent for meeting our capacity requirements. We leverage the expertise of educational institutes such as SP Jain Institute of Management Studies, Indian Institute of Management Ahmedabad, Indian Institute of Management Indore and Indian School of Business, Hyderabad for training and developing the potential of employees within the organization. The purpose of such engagement is to inculcate high standards of quality in our people, infuse the right talent within the company and make existing employees future ready. Hiring from campuses and other training programmes continue through the year.

Consultancies

We partner with various consultants and consulting agencies which help in providing an outside perspective on our different excellence initiatives and benchmark our performance against other companies. This has helped us restructure our People Excellence programmes like Talent management, capability building and on-boarding process. The mode of engagement is continuous, as and when required.

Media

Our involvement with media and other such agencies is instrumental in building our brand image in public perception. Top management interviews, release of case studies and articles in reputed publications, presentations in forums, seminars etc. are common engagement methods we use at regular intervals. News articles are also circulated regularly through corporate communications. We also find that the Media serves as an effective channel of communication to ensure greater promotion of environment friendly measures like co processing.

Having identified areas key to our growth and the stakeholders who will help us reach the goal of creating a positive triple bottom line impact, we will now elaborate on our environmental and social performance in the next sections.

Being Environment Friendly

We are among the first companies in India to include environment conservation as a corporate objective. Our strong focus on sustainable development includes conservation of natural resources integrated into all activities of the business from 'quarry to lorry'. We pursue exacting standards in energy efficiency, clean mining techniques, emission controls and environment management. Each of our cement plants is an example in its own, with unique success stories of environmental upkeep.

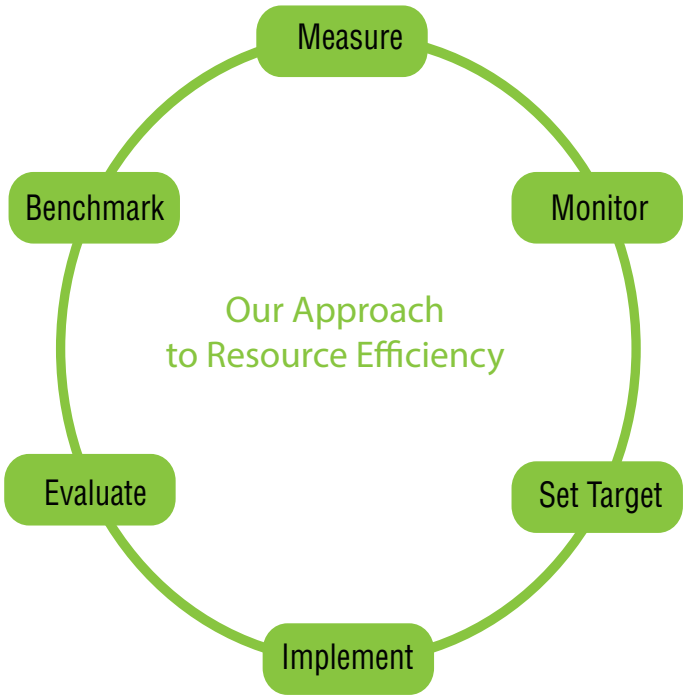
We have put into implementation, various measures to reduce our environmental impact. We ensure strict adherences to regulatory standards. Apart from regulatory compliance, each of our cement plants has its successful programmes of tree plantation, greening activities, horticulture, flower and fruit cultivation and water conservation. Tree plantation and green belt development programmes have been extended to cover areas in the vicinity of our plants for the benefit of the local communities. 'Each One, Plant One' is a message that inspires our employees. Afforestation programmes in mines have helped transform the barren and dry ambience into lush greenery.

We continuously seek better ways to manage our water resources efficiently. At our mines, we use mined out pits as reservoirs by collecting rainwater from catchment areas around mines. Some of our plants have become near self-reliant in respect of their water requirements for industrial and domestic consumption.

During the reporting period, no significant fines or non-monetary sanctions for non-compliance with environmental laws and regulations were imposed on us. There were minimal environmental impacts during transporting products and other goods and materials for our operations, and transporting members of the workforce. Also, no water sources were significantly affected by our water withdrawal processes and no spills were recorded.

8.1 Material

Our management approach towards material consumption is very active. At ACC, we follow a detailed long term planned strategy to measure and monitor our resource utilisation and then to eventually achieve a target reduction through implementation based on the benchmarks that we set ourselves.



Raw Material Consumption

Making efforts to specially foster our research and development, we are continually encouraging the manufacture of eco-efficient Blended Cements which do not consume as much raw materials and natural resources as normal Ordinary Portland Cement. Each of our plants has a fully equipped laboratory with the latest testing machines to carry out routine and detailed tests of raw materials as well as finished products. This has resulted in reduction in the clinker factor and has contributed to our raw material conservation, energy efficiency and CO_2 reduction initiatives detailed further in the following pages.

RAW MATERIAL (MILLION TONNE)	2013	2012	2011
LIMESTONE	22.13	22.07	22.69
GYPSUM	1.16	1.18	1.14
ALTERNATIVE RAW MATERIALS	0.14	0.24	0.18
SLAG	2.79	2.44	2.68
FLYASH	4.38	4.35	3.98
ADDITIVES	0.016	0.017	0.018
OTHERS (BAUXITE, IRON ORE ETC.)	1.56	1.50	1.51
RAW MATERIAL (TONNE)	2013	2012	2011
LUBRICATING OIL	488	813	890
GREASE	176	226	211
WEIGHT OF BAGS CONSUMED	30292	31969	29523
% OF RECYCLED MATERIAL USED	22.72	22.09	21.23

Material Use – RMX

In the reporting period, our RMX volume stood at 1,800,000 cubic meters. The utility of RMX is more significant for quality constructions in crowded cities and sensitive localities. Ready Mix Concrete proves to be more cost effective in the longer term while ensuring that structures are built faster and are more durable.

The material usage for the Ready Mix Concrete plants during the year was as follows:

Usage of Recycled Materials

We make efforts to use recycled materials as inputs for our processes, wherever possible and viable.

Material	Amount Consumed	Units
Slag	21,924	Tonne
Cement Volume Consumed	445,201	Tonne
Fly ash	99,998	Tonne
Additives	4,983	Tonne
Lubricating Oil	11.99	Tonne
Grease	6.66	Tonne

Resource Efficiency

At ACC, we make continuous improvements to our existing processes and systems in order to progress towards greater efficiency in manufacturing. As detailed in the previous sections, our Manufacturing Excellence targets among other aspects to achieve greater efficiency in our production processes.

Of all aspects, resource efficiency assumes the highest importance. Apart from helping achieve greater quality output with lesser investments, resource efficiency also helps to conserve scarce natural resources. Listed below are some methods that we employ for optimal utilisation of resources:

Clinker Factor Improvement

The main driver for reducing CO_2 emissions in cement production continues to be the improvement in clinker factor, by substituting clinker in cement with appropriate secondary materials. In recent years, our product portfolio has undergone a successful switch to low-CO_2 cements and now we have one of the lowest clinker factors in the industry.

Some of the initiatives that we have undertaken to further reduce the clinker factor are:

- Formation of clinker factor team at individual plants
- Ensuring that the right quality and quantity of the raw material is used in production (Clinker, Slag/fly ash, Gypsum, Additives, Enhancers)
- Production of good quality clinker results in higher absorption of fly ash/slag thus reducing the overall clinker factor
- Process and equipment management - Dozing rate of additive/enhancers use of Rota scales and other equipment for precise feeding
- Adopting best operation practices (Mill inspection after defined frequency, Cement Fineness, Air-flow inside mill/Velocity, Condition of separator)
- Benchmarking (Comparison of key parameters across plants): Clinker % and Aspiration on key KPI's for individual plants based on benchmarking
- Training and sharing best practices and ideas implemented across ACC plants

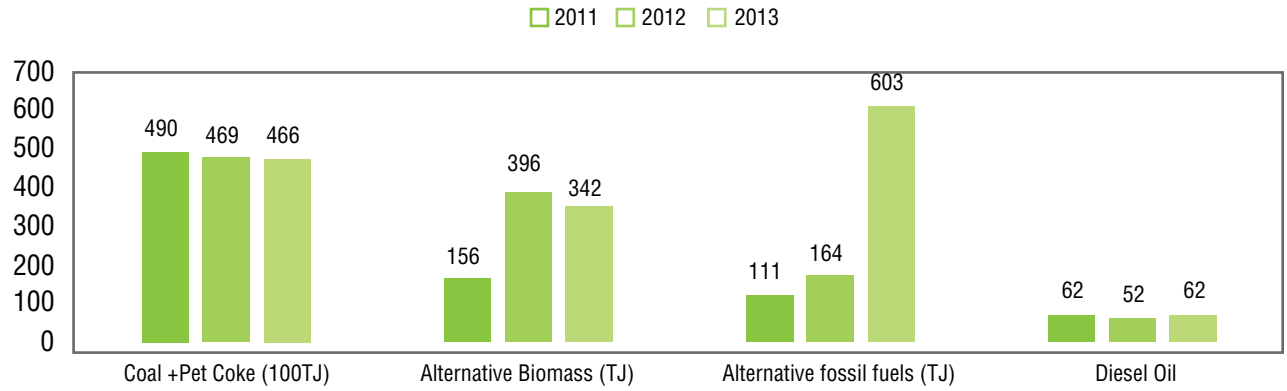
8.2 Energy

We are dedicated to the continual improvement of our environmental performance. Cement manufacturing is a resource and energy intensive process which requires sustainable solutions. Eco-efficiency is therefore at the heart of our business. By reducing the resources used in production and minimizing waste, we aim to be at the forefront of the drive towards a more sustainable manufacturing industry. Currently we are co-processing different types of waste streams from industrial, agricultural and municipal sources as AFRs and are also actively engaged in co-processing segregated non-recyclable plastic waste from Municipal Solid Waste and thereby assisting society in providing cleaner environment.

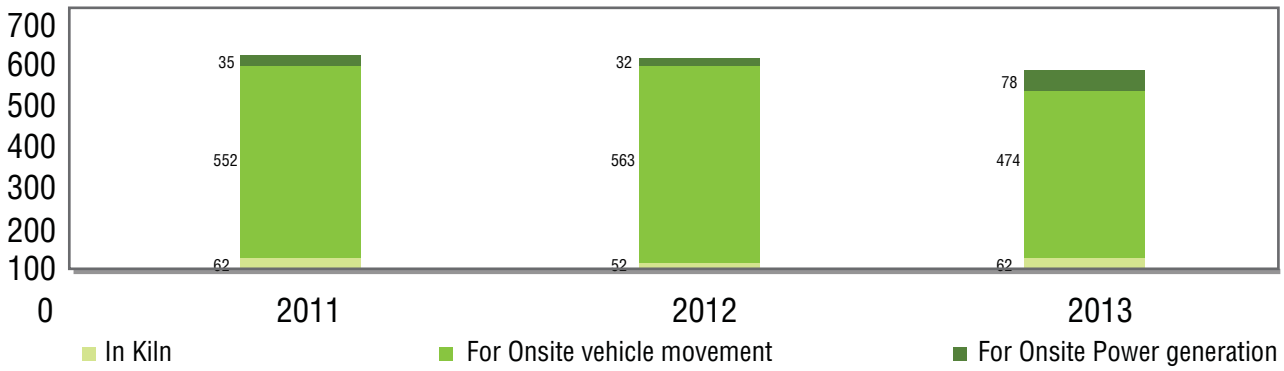
Energy Consumption	**Unit**	**2013**	**2012**	**2011**
Coal + Pet Coke consumption in Kiln	TJ	46577	46933	48983
Diesel Oil consumption in Kiln	TJ	62	52	62
Alternative Fossil fuels consumed in Kiln*	TJ	603	164	111
Alternative Bio-mass consumed in Kiln	TJ	342	396	156
Diesel Oil consumption for Onsite vehicle movement	TJ	474	563	554
Fuels for drying of raw materials	TJ	1398	1124	1262
Coal for onsite power generation	TJ	21831	24602	24515
Diesel Oil consumption for Onsite power generation	TJ	78	32	35
Biomass for Onsite power generation	TJ	136	42	60
Electrical Energy Consumption	**Unit**	**2013**	**2012**	**2011**
Specific power consumption upto & including clinker production	KWH / Tonne of Clinker	71.21	73.39	73.61
Specific power consumption upto & including cement grinding	KWH / Tonne of Cementitious Material	81.78	85.37	86.35
Specific power consumption including cement grinding, colony, auxiliaries	KWH / Tonne of Cementitious Material	83.92	87.75	88.93
Specific total power consumption including cement grinding, colony, auxiliaries & packing	KWH / Tonne of Cementitious Material	86.08	90.01	90.93
Specific thermal energy consumption	GJ / Tonne of Clinker	3.066	3.076	3.101
Electrical Energy Purchased	**Unit**	**2013**	**2012**	**2011**
Electricity Purchased	MWH / Annum	544201	606200	701929

**As per WBCSD protocol - Alternative fossil fuel comprises of waste oil, waste tyres, and plastics, solvents, impregnated saw dust etc.*

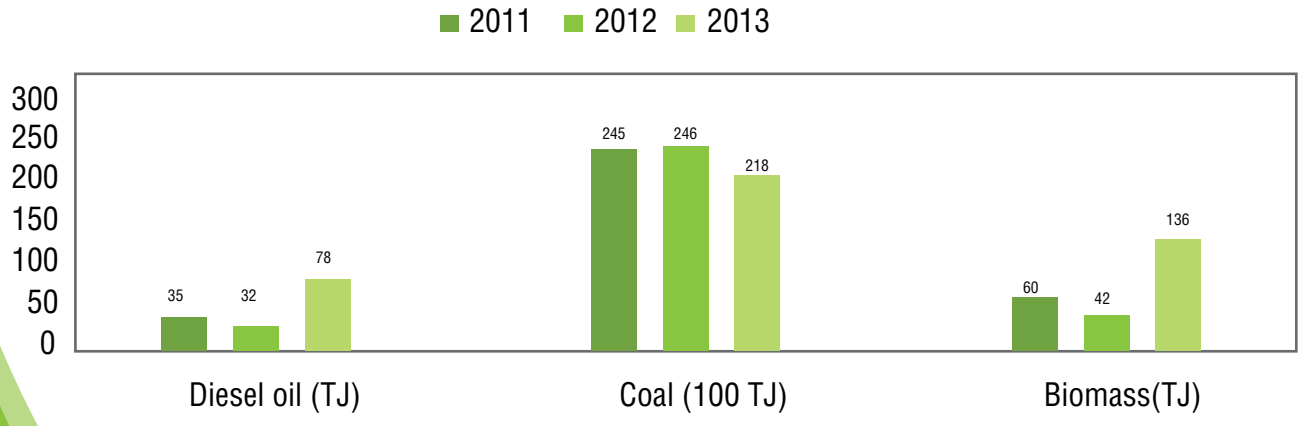
Energy consumption in Kilns - Fuel-wise



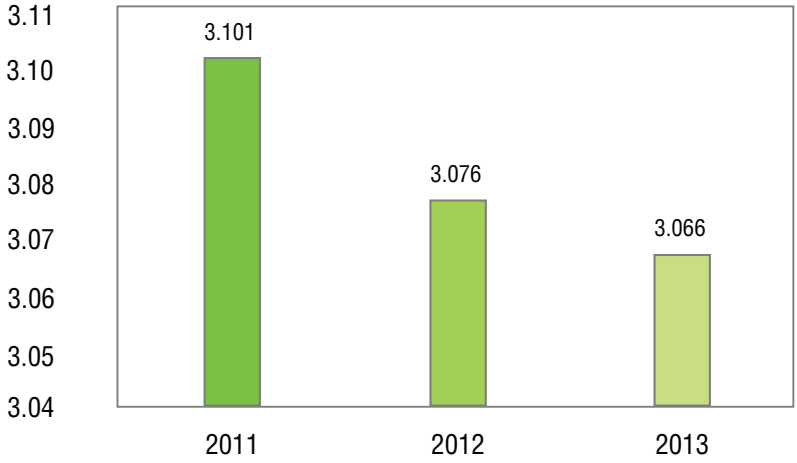
Energy Consumption from Diesel Oil (TJ) - Year-wise



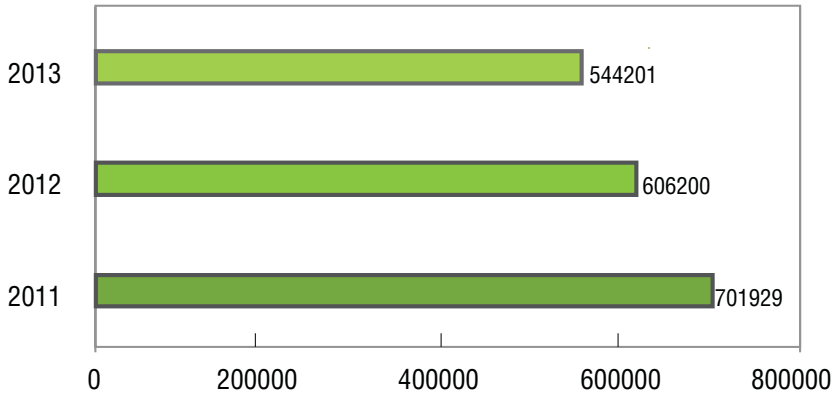
Energy Consumed in Onsite Power Generation - Fuel-wise



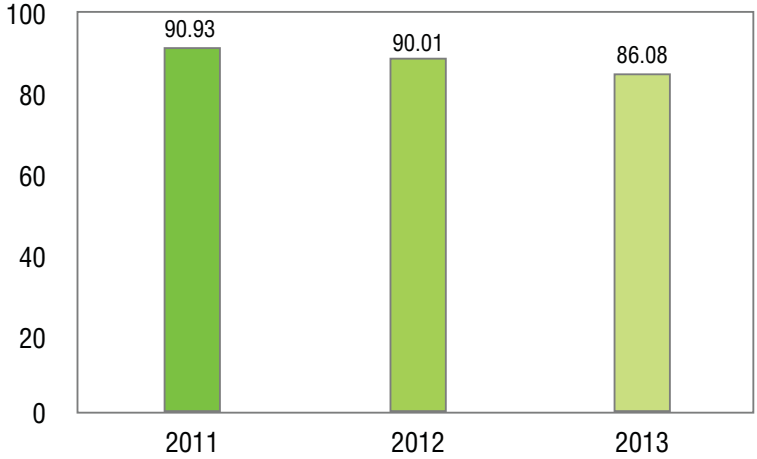
Specific Thermal Energy
Consumption (GJ/Tonne of Clinker)



Electrical Energy Purchased (MWH/Annum)



Specific total power consumption including cement grinding, colony, auxiliaries & packing
KWH / Tonne of Cementitious Material



Energy Efficiency Improvement

We have been undertaking measures to improve our energy intensity and efficiency figures. Old, inefficient kilns are being discontinued and replaced with newer, more efficient kilns which have contributed substantially in reduction in energy consumption.

The EARN (Energy Activation across Regional Network) initiative that is practiced across the South-East Asian region of Holcim defines five pillars for improving energy efficiency:

1. Reduction of energy intensity
2. Optimization of fuel mix and increase in AFR
3. Proactive energy management
4. Excellence in buying energy
5. Energy business participation

We have been undertaking measures in our plants, aimed at optimized production with maximum energy efficiency. Some of our energy efficiency initiatives at different plants are:

- Installation of Waste Heat Recovery Power Generation
- Installation of MV Drives for major fans and pumps
- Close circuiting of Cement Mills
- Coal Mill inertisation

The Power of Wind

Wind Power Generated in Million Units	2013	2012	2011
Tamil Nadu	18.12	24.2	21.55
Rajasthan	11.02	14.63	13.73
Maharashtra	3.39	3.5	3.61

At ACC, we make every effort to utilise non-conventional and renewable sources of energy. Our Thane complex is powered by green power. We have three wind farms of 19 MW installed capacity at Tamil Nadu, Rajasthan and Maharashtra. This has also contributed in reducing our dependency on grid power. The wind energy generated from these sources is utilized for our captive purpose by wheeling into our premises, while we also comply with our Renewable Purchase Obligation (RPO) through wind power. Although we could not invest in new wind energy installations as much as we would have liked to, our wind energy farm in Satara, Maharashtra generated Renewable Energy Certificates (REC) in 2013.

Waste Heat Recovery

Clinkerization lines, in all Cement Plants, have a potential to generate power by utilizing the waste heat from preheater and cooler gases. This waste fuel gas which sometimes requires conditioning before exhaust can be used in low pressure boiler and turbine system to generate electricity. This technology is called "Waste Heat Recovery System" (WHRS) in short. We installed our first 7.5 MW WHRS at Gagal Cement works, Himachal Pradesh which is expected to generate 47 million kWh/annum of power. This is an important milestone in our sustainable development journey. Key benefits of this system:

- Conserving fossil fuels
- Reducing energy cost
- Reduction of ~44,180 Tonne of CO_2/annum
- Supports plant in achieving its PAT target
- Assists in our journey towards energy security

Energy Conservation Initiatives

Plant	*Initiatives*	*Savings in INR Million*
Tikaria	1. Modification in water circulation line of PG circuit to stop the complete cooling tower along with circulation pump of PG circuit.	9.349
	2. Modification in lighting circuit (Installation of timers) in CPP area conveyor gallery to optimize the ON time of luminaries.	
	3. Installation of VFD in Coal handling section Bag filter # 1 fan (37 kW)	
	4. Trouble shooting in pre-grinder # 1 which was drawing more power. This has resulted in saving of around 150 kW	
	5. Conversion of delta to star connection in packer spout motors in all the three packers	
	6. Feeding of pre ground material in CM # 1 from PG-1 to improve the CM # 1 output.	
	7. Use of 5.5 kW compressor for GGLS purpose in place of 15 kW compressor in all the three Mills.	
	8. Replacement of worn out impeller and cone of Cement Mill # 3 Recirculating Fan.	
	9. Replacement of 40 Nos. Sodium lamp of 250 watt with 60 LED in Colony & Plant street light	
Chanda	LVVSD for Compressors, MVVSD in CM 1& 2 Separator Fan	7.695
Bargarh	LVVSD in CPP Boiler Auxiliary, Cooler Fans	9.459
Thondebhavi	MVVSD for Bag House Fan, compressors	2.183
Wadi-1	LVVSD for Raw Mill Vent Fan 1,2,&3, PA Fans	4.305
Madukkarai	VSD for cooler fans, MVVSD for Kiln Exhaust Fan	10.134
Gagal	MVVSD for PH Fan, VRM fan, Separator fan	9.837
Sindri	MVVSD for VRM ID Fan	0.777
Lakheri	1. Installation of LVVSDs for cooler fan no 6,7 and 9, Cement Mill Compressors, Dust Collector Fan of Clinker Silo, Calciner PD Blower, PA Fans in CPP, Auxiliary Cooling Water Pump in CPP	20.675
	2. Installation of Rotary Air Lock in Raw Mill 1	
	3. MVVSD for Calciner fan, E Mill Fan	
	4. Conversion of Delta to Star for lightly loaded motors.	
	5. Replacement of Roller and Roller Liner of VRM1. Impact on increased output of the Mill from 110 tph to 135 tph.	
Chaibasa	1. Installation of MVVSD in coal mill fan motor, BH fan motor	14.486
	2. Installation of LVVFD in RA Fan, kiln and calciner firing Blower	
	3. Reduction of specific power consumption in Slag Dryer by installing high efficiency new ID fan	
	4. Reduction of specific energy of Raw Mill VRM by changing Roller liner and Table liner	
	5. Stopping one compressor completely in Pyro Process section by arresting the leakages and line modification	
	6. Stopping one compressor in Raw Mill & Ball mill section by converting the H.P Cylinder in to L.P Cylinder	
Kymore	1. Optimization of Over Land Conveyor TPH by removing Sweetener filling arrangement	12.454
	2. Replacement of GRR and HT motor with LVVSD, Motor and transformer in CM-1 & CM-8 sepax fan.	
	3. Modification in calciner string down comer duct	
	4. Replacement of Bag house fan Impeller and inlet duct modification	

CM - Cement Mill
CPP - Captive Power Plant
GGLS - Girth Gear Lubrication System
GRR - Grid Rotor Resistance
LVVSD - Low Voltage Variable Speed Drive
MVVSD - Medium Voltage Variable Speed Drive
PA - Primary Air
PD - Positive Displacement
PH - Pre-heater
PG - Pre-grinder
VFD - Variable Frequency Drive
VSD - Variable Speed Drive

8.3 Water

Water stewardship is embodied as a critical part in our Sustainable Development approach. We strive to maintain Zero Process Waste Water Discharge, and always look forward for better ways to manage our water resources efficiently by way of recycling and rainwater harvesting in mine pits. While some of our plants have become near self-reliant in respect of their water requirements for industrial and domestic consumption by utilisation of harvested rain water, we have devised plans to address water-related risks and are taking measures to reduce current dependency on other sources of water.

Water Withdrawal*

Source of Water	Unit	2013	2012	2011
Surface Water	Million m^3	7.92	8.18	8.85
Harvested Rain Water	Million m^3	7.08	8.16	7.66
Municipal Water Supplies	Million m^3	0.09	0.05	0.02
Ground Water	Million m^3	1.57	1.34	1.23

*Partial quantities are based on meter readings where available while the rest is calculated

Water Recycling*

Water Treated and Reused	Unit	2013	2012	2011
Total quantity of water treated and reused annually	%	11.91	13.15	11.45
Total quantity of water treated and reused annually	Million m^3	1.98	2.33	2.03

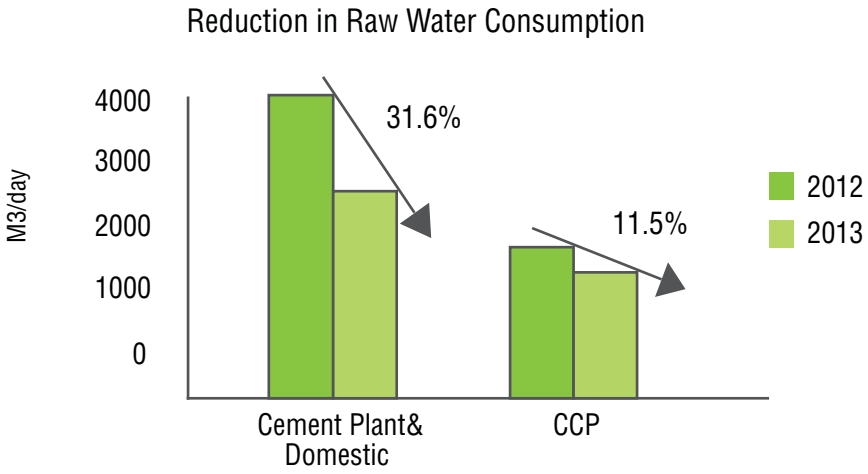
*Estimated

Some of our water conservation and management initiatives include water treatment, recycling and reuse of water. We have systems in place for treating water rejects from the plant operations which is recycled back to the system helping to reduce fresh water requirement. Sewage treatment plants treat sewage generated in the residential townships, and the treated sewage water is used for green belt development, while worked out mined pits are used to harvest rain water which is subsequently consumed by the plant and nearby communities.

CASE STUDY

De-siltation of Periyakulam tank at Coimbatore by ACC Madukkarai

Coimbatore city's water is majorly sourced from the nine lakes surrounding it. The failure of monsoon last year and lack of appropriate maintenance of the lakes has resulted in drastic reduction in the water table. The Coimbatore Corporation, foreseeing a huge water crisis, has sanctioned Rs.200 crores to revive 6 of these lakes, spanning 1200 hectares of area. Periyakulam Lake, which was once the biggest lake of Coimbatore, spans across 320 acres with a catchment area of 63 sq. km. The lake had been asphyxiated by water hyacinth, raw sewage and garbage. There was hardly any water in the lake. ACC Madukkarai took up the initiative of de-silting the lake. This operation was carried out under the directions of Coimbatore Corporation, Siruthuli NGO, Residents Awareness Association of Coimbatore (RAAC) and Vijayalakshmi Charitable Trust. The de-silting operation began on May 1, 2013. In order to ensure that citizens also take up equal responsibility and ownership, volunteers were invited to join hands for the cause. As the word spread, more and more volunteers participated in this operation. ACC employees along with their family members also volunteered to support this good cause. The landscape has been transformed in little over a month's time. Where there was only garbage and undergrowth, there is now clean and scrub-free ground. Round-the-clock work has cleared the humongous mess and made way for bunds. Four islands have been painstakingly created at the centre of the dry lake. Saplings have been planted on them and along the bund. The Periyakulam Lake can now store 70 million cubic feet of water.



CASE STUDY
Jamul Water project

Jamul Cement Works has always been conscious of water conservation and harvesting. Since decades, the plant has been harvesting large quantities of rain water every year in two mined out pits of the Jamul mine lease area collecting an average of 12 -15 Lakh m³ of rain water in each pit every year. Numerous water saving projects were taken up in different areas of plant and colony at Jamul which resulted in good water saving. The water saving project is an ongoing objective of Jamul Cement Works. The achievement of the foregoing year is not an end or a destination but it's a journey, striving for new objective and target.

Water treatment plant at ACC Kymore

8.4 Biodiversity

At ACC, we are conscious of conservation of biodiversity and upkeep of environment. As per our Environment Impact Assessment (EIA) Reports, none of our mining sites is adjacent to protected areas and areas of high biodiversity value. Insignificant impacts in the form of biodiversity loss due to erosion of top soil, noise disturbance, removal of vegetation, dust etc. are addressed through appropriate measures. All of our mining sites have rehabilitation plan in place which is implemented in phased manner.

At each of our cement plants, tree plantation and green belt development programmes have been extended to cover areas in the vicinity of our plants for the benefit of the local community. Afforestation programmes have helped transform the barren and dry ambience into lush greenery. In the reporting period, approximately 1 lakh trees have been planted under various such programmes.

Quarry Rehabilitation at Chanda – A Case Study:

Mine closure after extraction of limestone includes the rehabilitation process as an ongoing programme designed to restore physical, chemical and biological quality disturbed by the mining to a level acceptable to all concerned. In many areas around the mines, topsoil, which is necessary for good vegetation, is in short supply. General practice is to use the topsoil and to sow seeds or plants on the overburden layer to grow green cover. This is also part of Progressive Mine Closure Plan (PMCP) which is integral of Mining Plan / Scheme of Mining duly approved by Indian Bureau of Mines (IBM). As per the approved PMCP for the Govari and Sindola Mines near Chanda, mine management has made certain commitments. Progressive mine closure plan is an additional chapter in the mining plan and is reviewed every five years in the Scheme of Mining. Mine management considers post mining rehabilitation requirements and the operational strategies to achieve those outcomes as an integral part of mine planning and operation. Hence quarry rehabilitation is practiced along with mining operation and continues steadily through mine life. For the year 2013, under PMC it was planned to plant 5000 saplings at Sindola and 8000 saplings at Govari Mines over dumps and non- mineralized area and we achieved the targets by planting the saplings as planned. Various measures as described in the mining plan are adopted to enhance the survival rate and life expectancy of these plantations.

Environmental Protection Expenditures

We have invested in energy efficient equipment, up-gradation of pollution control measures, dust suppression systems, rainwater harvesting systems, air pollution control equipment, green belt development, environmental training and awareness, road sweeping machines, certifications etc.

No formal grievance had been filed about environmental impacts through grievance mechanisms during the reporting period.

Details	Unit	2013	2012	2011
Environmental Expenditure	Rs. In Million	1575	1476.49	2379

8.5 Emissions

Cement Industry by its nature of manufacturing is prone to generate dust and gaseous emissions. The emissions from cement manufacturing can be classified as Stack Emissions comprising of Dust & Gaseous Emissions and Fugitive Emissions. We have incorporated various control measures like conversion of ESPs to Baghouse, changing the maintenance practices, installing Polytetrafluoroethylene (PTFE) membrane glass fibre filter bags instead of ordinary filter bags and other such measures to minimize these emissions on continuous basis. We are committed to reduce our Greenhouse Gas (GHG) emissions.

We are the first Indian cement company to install Continuous Emissions Monitoring Systems (CEMs) on Kiln stack to monitor various parameters on continuous basis. We are also continuously upgrading the existing Air Pollution Control equipment and installing new equipment to meet the requirements of latest emission norms. Some of the initiatives in this direction are listed below:

- Commissioning of 8 nos. of high efficiency bag filters at different locations at Gagal
- Modification of bag filter for Cement mill at Damodhar
- Modification of bag filters at different locations at Kymore
- Modification of bag filters at different locations at Madukkarai
- Modification of bag filters for cement mill & clinker hopper at Chanda

Apart from CAPEX intensive projects, we are also upgrading our emission monitoring systems continuously. We maintained our ongoing thrust on reducing the overall carbon footprint of operations using the recognized levers of:

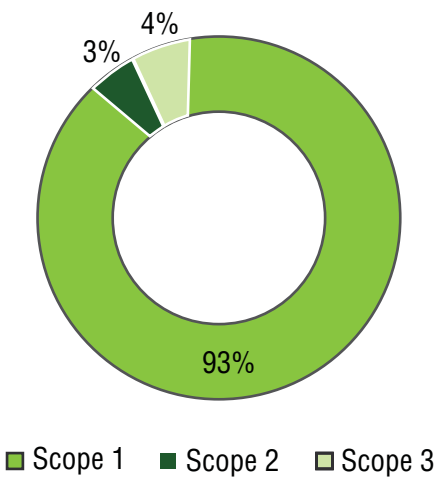
- Manufacturing blended cements
- Pursuing continuous improvements in thermal and electrical energy efficiency
- Improving the usage of Alternative Fuels and Raw materials (AFR) and
- Adopting clean and green technologies

Scope- Wise Emissions

Emissions (Tonne CO_2-e)	Cement	RMX
Scope 1*	15,143,788	2,655
Scope 2	508,805	2,671
Scope 3#	641,504	12,989

*Scope 1 includes emissions due to Captive Power Plant (CPP).
#Scope 3, assumptions and approximation have been used to club vehicles to the distance brackets. Categories of Employee Commute, Transportation of heavy machineries installed in different plants, Business Travel and Emissions due to courier emissions have not been considered.

Scope-Wise Emission 2013



Emission Intensity:
538 kg CO_2-e/Tonne of cement excluding onsite power generation
RMX: 1.47 kg CO_2/cubic meter of RMX

Overall CO_2 Reductions Achieved

The CO_2 reductions mentioned below have been achieved by implementing various energy efficiency measures, increasing the utilization of alternative fuels & biomass fuels consumption as well as utilization of alternative raw materials in the cement manufacturing process.

Parameter	Unit	2013	2012	2011
On Account of Thermal Savings[1]	Tonne of CO_2	30077	65260	22983
On Account of Electrical Savings[2]	Tonne of CO_2	94923	13804	78849
On Account of Clinker Factor Improvement[3]	Tonne of CO_2	6903	200872	Nil

Note: (1) CO_2 emission reductions on account of thermal energy is calculated by using simple mathematical equation. (2) Combined Margin Emission Factor (CO_2 Baseline Database for the Indian Power Sector – User Guide – Version 8.0 – Jan 2013 – by Central Electricity Authority) was used for calculating the CO_2 emissions on account of electrical savings. (3) CO_2 emission reductions on account of clinker factor improvement is calculated by using the thumb rule that for 1% improvement in clinker factor there is reduction of 7.5 kg CO_2 / Tonne of Cement

SO_2 and NO_x Emissions*

With Continuous Emission Monitoring Systems (CEMS) in place, we are tracking SO_2 and NO_x emissions in real time which is helping us to take immediate corrective actions on the process to control the emissions. It also helps us to prepare for the upcoming regulations on SO_2 and NO_x emissions.

Emissions	Units	2013	2012	2011
NO_x	gm/Tonne of Clinker	1873.31	1772.86	1582.89
	gm/Tonne of Cement	1218.98	1136.05	1058.11
	Tonne	29079.78	27393.77	25174.05
SO_2	gm/Tonne of Clinker	163.7	111.39	68.35
	gm/Tonne of Cement	106.52	71.38	45.69
	Tonne	2541.22	1721.24	1087.03
Dust	gm/Tonne of Clinker	52.25	64.92	74.04
	gm/Tonne of Cement	34	41.6	49.49
	Tonne	811.02	1003.11	1177.46

** The emissions reported are based on Kiln stacks only.*

8.6 Effluents and Waste

Cement kilns have the ability to utilise any form of waste in the manufacturing process and make wastes useful. At ACC, reducing the amount of wastage is one of the major areas of efforts in the manufacturing process. Through rigorous R&D and innovation, we pioneered the utilization of blast furnace slag from steel plants and fly ash from thermal power plants and deployed them into the manufacturing process to produce blended cements. Today our pioneering efforts have enabled a situation where slag and flyash are no longer treated as a waste but sold as a by-product.

Waste Disposal

The wastes arising from our manufacturing processes are disposed off responsibly through means such as auctioning, selling to recyclers or to authorized third party vendors.

Hazardous Waste				
Details	**Unit**	**2013**	**2012**	**2011**
Waste Oil	Litre	136312	108848	171276
Grease	Kg	4160	16950	76955
Non Hazardous Waste				
Steel Scrap[1]	Tonne	14486	11077	8650
Others[2]	Tonne	2579	5559	782
Filter Bags	Nos.	41377	33063	22296

Note:

1. *Steel Scrap includes castings, waste steel, MS drums, wrapper scrap, iron scrap, grinding balls, HC lining plate, table liner, HC grinding media, etc.*
2. *Others includes waste cement bags, conveyor belts, wood, copper, plastic bags, electrical cables, empty glass bottles, aluminum, tyre, paper, PVC drums, HDPE wrapper, etc.*

Building Community

We have a firm commitment to create larger societal value. Initiating our community development initiatives in pre independence era, we have continued to engage in development initiatives with host communities around our operations.

9.1 CSR Policy

We believe that the communities living around our operations are our key stakeholders. Our corporate social responsibility initiatives began as early as 1944 with activities that would be largely classified as philanthropy. Since 1952, we have evolved in our approach, aligning our community development initiatives to the needs of the areas around our operations so as to add greater value with our interventions. Through our current projects, we actively assist these communities in identifying, prioritizing and meeting their developmental aspirations. We have adopted participatory community self-reliance initiatives across our sites in India by creating forums such as Community Advisory Panel (CAP) which acts as a platform for the community, local district administration, NGOs and other opinion groups to come together and implement projects.

The panels have proven to be valuable in presenting stakeholder views, reviewing the progress of community projects, obtaining timely feedback from stakeholders and ensuring appropriate delivery of planned initiatives in a participatory method.

ACC LIMITED

Corporate Social Responsibility Policy

Our aim is to be one of the most respected companies in India, delivering superior and sustainable value to all our customers, business partners, shareholders, employees, and host communities.

Our CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

To pursue these objectives we will continue to:

- Uphold and promote the principles of inclusive growth and equitable development
- Develop Community Development Plans based on needs and priorities of host communities and measure the effectiveness of community development programs
- Work actively in areas of preventive health and sanitation, education, skills for employability, livelihoods and income generation, waste resource management and water conservation for host communities for enhancing Human Development Index
- Collaborate with like minded bodies like governments, voluntary organizations and academic institutes in pursuit of our goals
- Interact regularly with stakeholders, review and publicly report our CSR initiatives

Kuldip Kaura
CEO & Managing Director

May 3, 2013

During the year 2013, our community development initiatives focused on 132 villages with a population of 0.6 million, located primarily around 17 plants. The projects were planned, implemented and evaluated with stakeholder participation. Total CSR expenditure in FY 2013 was Rs. 22.76 crore i.e. 1.94 percent of the PAT average.

In the year 2013, we revisited our CSR policy and constituted a CSR committee to particularly focus on guiding and monitoring CSR initiatives of the company. Our CSR initiatives reached out to the people residing around our operation areas as well as to disaster hit areas in the country. The focus of these initiatives was mainly on enhancing literacy and education for community, preventive health and sanitation, livelihood, employability and income generation, women empowerment and augmentation of the community infrastructure.

9.2 CSR Approach

Our CSR initiatives are delivered in partnerships with NGOs and other institutions. We conduct base line studies and need assessment surveys before initiating any community development projects. A formal Community Advisory Panel (CAP) is formed involving local stakeholders such as Panchayat representatives, villagers, district officials, health workers and self-help groups (SHGs). The priorities are discussed with the community to formulate a Community Development Plan (CDP) comprising of projects, schemes and action plan. The projects are implemented in collaboration with like-minded organizations like governments, voluntary organizations and development banks. Stakeholder Engagement Survey (SES) is an integral part of our CSR activity, conducted at each plant location every year.

SES generates a feedback on progress and outcomes of the projects conducted during the year. This helps in making the CSR initiatives more appropriate to community needs and enhance sustainability.

9.3 Key Focus Areas

- Livelihood, Employability and Income Generation
- Improving Education - Quality and Reach
- Preventive Health and Sanitation
- Equality and Women Empowerment
- Community Environment Projects
- Building Community Infrastructure
- Other CSR Initiatives (Promotion of Arts, Culture & Sports)

A. PROVIDING EDUCATION FOR SOCIETY'S FUTURE

Our CSR initiatives in education benefited 18,380 children in neighborhood communities. We have established schools at our plant locations, where children of employees and those from surrounding communities are provided good quality education. Management of these schools is outsourced to reputed educationists like the DAV or the best locally available institution, thereby ensuring that the schools maintain high standards of education. The schools are supported by providing funds and infrastructure for initial construction, meeting a part of the teachers' salaries and upgradation activities such as e-learining. Apart from this we engage with other government schools in the vicinity. Meritorious students from weaker sections of the community are encouraged through the grant of scholarships. In 2013 Company supported 666 meritorious students from weaker sections of the community; through grant of scholarships for continuing their education. Support is also provided to poor learners by way of coaching through Technology aided Education initiatives such as smart classes and interactive kiosks are implemented at several of our locations for enhancing quality of learning which benefited 12695 school children. Specific education support was provided to 851 drop out girl children. We continued to support seven Government-run Industrial Training Institutes (ITI) under a Public Private Partnership scheme (PPP) in a joint initiative with the Ministry of Labour and Employment, Government of India. Our support focuses on enhancing the skills and employability of the students passing out of these institutes by upgrading the quality of education offered there.

CASE STUDY
Bridge Education Program, A way of nurturing education among rural school-children

It was a distant dream for school students of Amheta and other surrounding villages to succeed in Board Examinations. There were not enough teachers in schools to teach the three key subjects of Maths, Science and English. Parents were also not able to afford private tuitions for their children.

ACC Kymore facilitated tuitions to village students by means of Bridge Schools. Educated youth from the villages serve as support teachers. The bridge schools programme helps support teachers with books, dictionaries and other resource material; and the students with note books and stationery.

Bridge Schools hosted by ACC Kymore are run in five villages of Kharkhari, Amheta, Amuwari, Kalhera and Khalwara nurturing the education of about 550 students studying in Grade 1 to 10. The success rate of students in the examinations has gone up with majority of the students scoring marks in the First and Second division. The ratio of girl-students in the schools has also improved.

ACC also runs two technical training institutes for technical training. The Sumant Moolgaokar Technical Institute (SMTI) at Kymore was established in 1957 to train young men in specialized trades to become artisans, foremen and first line supervisors. It had its own independent curriculum and certification. Since 2008 the institute works with a revised objective of complementing the education received by engineering diploma trained candidates. In 2013 SMTI trained 120 young men as Diesel Mechanic Cum Fitter and Electrical Instrumentation through an 18 month course. The other institute managed by the company is the ACC Cement Technology Institute (ACTI) at Jamul which offers specialized technical training to young engineering graduates. ACTI trained 166 boys and 32 girls during the year with both class room and practical trainings in operation and maintenance of cement plants.

B. SUPPORTING SUSTAINABLE COMMUNITY DEVELOPMENT

Our Sustainable Community Development programme comprises preventive health, women's empowerment and creating livelihoods. These initiatives benefited more than 1,09,000 people directly while twice as many people were indirectly benefited.

Promoting Health

Health being one of the prime concerns of the community and critical for general wellbeing of company's stakeholders, significant initiatives were undertaken in this domain. Total 1,09,000 people benefited from company's various health and nutrition related initiatives. Our health initiatives mainly focus on preventive health of the community. Active awareness campaigns are undertaken to enhance community's understanding about prevention of various diseases and healthy ways of living. Regular preventive health support to the community is reached out through health camps and mobile health vans.

AROGYA DAAN

ACC's Kudithini engaged with the local community and set up Community Advisory Panels (CAP) which included young men, women, and Self Help Groups (SHG).

To address the concerns related to health, CSR initiatives implemented 'Arogya Daan' program

- Creating awareness on the services of Primary Health Care centres and creches.
- Joint review meetings to reduce child mortality with Integrated Child Development Services, anganwadi workers and Asha workers who are part of National Rural Health Mission
- 20 Balika mandals were formed with about 330 adolescent girls who were educated on the benefits of maintaining personal hygiene and health.
- Janani Suraksha Scheme was set up to provide post natal health care to women during and after child delivery. 351 members opted for institutional delivery and 59 are linked with Janani Suraksha Scheme.
- About 500 nursing mothers and pregnant women were provided training in reproductive child health care (RCH), a programme launched by National Rural Health Mission.

We support the local administration in promoting national health campaigns on important issues such as malaria, prevention and immunization and DOTS. During the year 2013, total 3,273 general and special health camps were conducted to reach out with preventive care to community members. In addition, regular support to the ACC hospitals and to various government Primary Health Care centers and Community Health Care centers is also extended. Special initiatives in healthcare and nutrition are undertaken for women and children in coordination with Health authorities. Communities are mobilized to participate in programmes for immunization, ante-natal care, post-natal care and birth spacing methods. IFA tablets were provided to prevent anemia among pregnant mothers and adolescent girls.

Other support activities included health and accidental insurance for SHG members and drivers in the company's supply chain, subsidized ambulance facility to villagers for their emergency needs.

Support to Anganwadi:

Anganwadis are an integral part of "Integrated Child Development Scheme" (ICDS) that plays a vital role in rural areas for overall development of children as well as support to pregnant and lactating mothers. We provided support to 132 Anganwadis that are serving the host communities. This has resulted in better supply and use of government's medicine supplies through Anganwadi Centres which has direct impact on infant mortality and maternal mortality.

The 339 kitchen gardens initiated through CSR have saved nutritional food expenditure of Rs 1200/- per family, enhancing their health condition.

Combat against scourge of HIV/AIDS:

The spread of HIV/AIDS is recognized as being one of India's major public health issues. We are the first company in the corporate sector in India to lend a hand to the national effort to fight the spread of HIV/AIDS in the country. In 2007 we established two Anti Retroviral Treatment centres for patients of HIV/AIDS in two states suffering the country's highest prevalence of the disease. We also established the ACC Ayushman Trust at Wadi in Karnataka and the ACC CMC Trust for Infectious Diseases (ACTFID) at Vellore in Tamil Nadu in association with Christian Medical College.

We extended support to ACTFID and AYUSHMAN trusts in 2013 in their on-going endeavour. During 2013, our HIV/AIDS related care reached to about 3,026 people.

Family Health Insurance:

In 2013 CSR programmes covered 1056 drivers, associated with the company's logistics, under family health insurance.

Women's empowerment

A variety of initiatives is pursued to promote skill building and income generating schemes for local women groups. Women SHGs are imparted relevant training in their selected livelihoods and supported in the establishment of micro-enterprises. 737 SHGs were organized during the year. Members of these new as well as old SHGs were provided training for group cohesiveness, book-keeping, product development, marketing of the products, market linkages, bank linkages and exposure to best practices in SHG functioning. Some of these groups have initiated their own micro enterprises. Through bank linkages and inter-loaning these members generated a total savings of Rs. 1.53 crore.

Creating Women Entrepreneurs

Kymore with support of NGO partner Udyogini is empowering women by encouraging them to become entrepreneurs through the formation of Self- Help Groups (SHGs). 190 SHGs comprising 2550 women have been formed with 140 of the groups linked to Banks. Kymore has engaged with specialists to provide Grass Root Management and Skill Enhancement Trainings on activities like incense stick making, imitation jewellery and vegetable cultivation through kitchen-gardens. Market linkages have been provided in each case while giving training to SHG members with necessary marketing skills. Literacy classes are conducted for women to help them maintain accounts and perform transactions with banks. At present, the SHGs created by Kymore have savings of about Rs. 6.5 lakh in the banks and are maintaining accounts' registers of their Group. Performing business through Self Help Groups makes women independent and empowers them. Through revolving funds women learn how to help sustain the organization of SHGs. Encouraging numbers of SHGs and positive feedback from the community sustains the efforts of Kymore.

ACC AHEAD (Association for Health, Education and Development), the volunteering wing of the company's ladies clubs at all plants, set up in 2008, continued to support social volunteering and community programs with special emphasis on empowering women.The group has been successful in creating livelihood opportunities for community women in the areas of tailoring, embroidery, knitting, making masala, pickles, fancy bags, gloves and in making disposable cups and plates .

Livelihood and Employability

We believe in empowerment of people and assist them in sustainability of their livelihood, as it makes the community self-reliant and increases their self-respect. During the year our various initiatives in this direction benefited 17,288 people. Under employability initiatives, we supported training of 3,579 youth from poor families in the host community of which 2,501 persons were placed with various employers enabling a similar number of families to improve their standard of living.

Project – Gurukul, An Effort to generate Alternate Income opportunity for Tribal youth of Chaibasa

ACC's Chaibasa Cement Works is located in backward tribal area where the community has limited opportunities of employability and is dependent upon traditional agricultural practices and forest products. We are making efforts to provide alternate income generation opportunities for the tribal youth.

'Pan IIT Alumni Reach For India (PARFI)', Govt. of Jharkhand, NABARD and ACC Limited are working as partners, to set up a rural skill gurukul at West Singhbhum, Jharkhand.

We support rural candidates by extending required loan for training through NABARD. The initial phase of training is provided at the Gurukul institute. Then PARFI provides 7-months vocational training to students, particularly on construction skills. The methodology adopted for imparting training involves learning by doing rather than classroom teaching. All candidates go through evaluation and selected ones receive PARFI skill certificates. The candidates trained at PARFI Gurukul are placed by PARFI in various enterprises.

C. BUILDING INFRASTRUCTURE FOR LIVEABLE NEIGHBORHOODS

We play a vital role in facilitating the creation and maintenance of basic infrastructure such as roads, safe drinking water, development of water bodies, repairs to schools, anganwadi and other community amenities around the company's operations.

Wherever needed, NGO partners join in to ensure quality execution of the projects. Efforts are also taken to bring

benefits of government schemes for the welfare of village communities. In 2013, our initiatives for infrastructure development benefited 4,35,392 people.

Each plant contributed in creation of water harvesting structures and installation of hand pumps for drinking water. Excavation of Pond for Irrigation and other water uses, directly and indirectly benefited 2,72,418 people, whereas drinking water initiatives benefited 72,294 people.

Special initiatives to promote sanitation among neighboring communities were undertaken. Construction of 330 household toilets contributed as a step in improving the local sanitation conditions.

A total length of 4.75 kilometer road was constructed for meeting the needs of communities and operations around our own locations.

D. AADHAAR ENABLEMENT

Aadhaar card has become a basic requirement for availing benefits of government programmes. To enhance access of weaker sections to government entitlements, we facilitated the process of Aadhaar enablement for the local community. Substantial numbers of people around our plants now have Aadhaar identification cards facilitated through our CSR initiatives.

E. ACC's DISASTER RESPONSE INITIATIVES

Uttarakhand

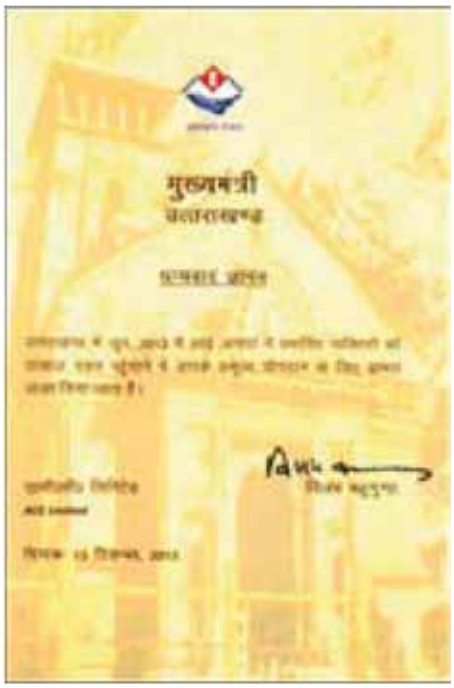
Uttarakhand faced major devastation during the disastrous floods in June 2013. Our disaster response team (DRT) of 24 volunteers reached out to the affected villages in Uttarkashi region. The DRT reached out relief through mobile health units, doctors, nurses and pharmacists along with provision for drinking water, food and clothing.

CASE STUDY - Usgaon Sanitation Project

Our CSR projects at Chanda support projects for improving local hygiene and sanitation in the village of Usgaon near the plant through construction of drains to improve the existing drainage system. Community Advisory Panel (CAP) and Usgaon Gram Panchayat are actively involved in making the project successful. Expansion of village on the outskirt areas had been leading to accumulation of water on roads and development of unhygienic environment. Through CSR initiatives, a 245 meter cement-concrete drain was constructed along with a culvert. Within 2 months the environment became hygienic and mosquito free.

Our team also extended rehabilitation support by providing water filtration units and sanitation units to ensure clean drinking water and sanitation availability in the 5 worst affected villages.

District Administration appreciated consistent management support provided by our team.



Maharashtra

We played a pivotal role of providing relief from water scarcity problems and arranged for drinking water for a population of over two lakhs. Free water tankers each with a capacity of 5,000-10,000 litres provided water for almost a month to the drought-affected regions of Aurangabad, Sillod, Jalna, Beed and Buldana.

We partnered with Indian Society of Structural Engineers and supported a water conservation initiative for drought-proofing.

Under this initiative a check dam (4 meters high and 12 meters long) was constructed at village Rohanwadi in the district of Jalna. This work involved deepening of channel in the upstream, which helped in water retention and percolation of water. In 2013, early in the monsoon, the check dam was filled with water and the effect of water recharge is visible.

We continued to engage with drought affected communities in Beed district. We provided Ferro san roof water harvesting tanks to households which have improved drinking water availability. Construction of check dams in Hiwara-Asti and Pimpalkheda in Beed district is in progress. By the end of 2014, these check dams will irrigate 100 acres of land.

CONSTRUCTION OF CHECK DAM AT VILLAGE HIWARA-ASTI IN BEED DISTRICT

FERRO SAN RAIN WATER HARVESTING TANKS IN HIWARA, PIMPALKHEDA, VELLTURI & BHOJEWADI VILLAGE

CHECK DAM AT VILLAGE ROHANWADI, DISRICT-JALNA

FREE WATER TANKERS IN DROUGHT AFFECTED REGIONS OF AURANGABAD, SILLOD, JALNA, BEED AND BULDANA

9.4 Leadership in CSR Sector

India Water Tool

In 2013, we co-chaired development of India Water Tool with keen involvement of 14 WBCSD member companies. This tool is a free web based tool, accessible to all. India Water Tool helps the users visualize groundwater availability and quality risks in any particular area. The results can help users to geographically focus water related CSR initiatives to the locations with a greater water issue. Joppe Cramwinckel who leads WBCSD's Water project commended team working of 14 companies and various data agencies of Government of India. India Water Tool version 1.0 was launched on 23rd July 2013 in New Delhi.

The Global Fund Country Coordination Mechanisms

In 2013, we represented the private sector on India's Country Coordination Mechanism (CCM) of The Global Fund. The Global Fund channels financial resources to help countries reduce the impact of HIV/AIDS, Tuberculosis (TB) and Malaria by facilitating the implementation of strong and sustainable programmes through in-country partners. Through CCM, we participated in decision mechanism along with Government, Civil Society organizations on major projects to combat HIV/AIDS, TB and Malaria.

UN Global Compact India Collaboration Lab

We actively engaged in UN Global Compact India Collaboration Lab. We created a space for collaboration with the innovative, entrepreneurial water solution venture, Wello, to roll out their innovation 'Water Wheel' in Odisha. The water wheel is a potential solution for carrying 40-50 litres of water to households with minimal physical stress. The larger scale implementation of this innovation on market based approaches is being pursued by Wello.

Roundtable on CSR provisions under the Companies Act, 2013

We exchanged views at 'Roundtable on the CSR provisions under the Companies Act, 2013' at Planning Commission convened on 27th November 2013 under the Chairpersonship of Dr. Syeda Hameed, Member, Planning Commission. A dialogue between various Ministries, Companies and Civil Society members led to key pointers on CSR for further discussions between various stakeholders.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CONCRETE

10 Where We Stand and the Way Ahead

10.1 Journey So Far

At ACC, we have long nurtured the aspiration to maximise our achievements in environmental performance, particularly in the aspects of material use and resource efficiency. To that end, we had set ourselves goals to achieve during 2009 to2013. Evaluating the performance so far :

GOAL 2013	CURRENT STATUS
ENERGY (ALTERNATIVE FUEL & RAW MATERIALS)	
Increase Total Substitution Rate (TSR) to 4.12% by 2013 from the base of 0.6% in 2009	Achieved TSR of 4.36%
ENERGY (FOSSIL FUELS AND ENERGY EFFICIENCY)	
5% reduction in specific power consumption per tonne of cement by 2013 from a base of 91 KWH in 2009	Surpassed. 85 KWH achieved in 2013 with 6.59% reduction.
Increase the % share of Renewable Energy capacity to total Captive Power capacity from 6% in 2009 to 15% by 2013	Share of renewable energy capacity stands at 6%. We could not achieve this target. Going ahead, we plan to make greater efforts to achieve it.
LEGAL COMPLIANCE	
To be the most respected cement company in India and one of the most reputed corporate entities	Maintained
SUSTAINABLE CONSTRUCTION	
To promote usage of blended cements in all forms of construction, as green cement	Maintained. Out of total production of 2013, 62.73% was of PPC, 21.82% was of PSC and 15.45% was for OPC. We have produced, promoted and distributed large quantities of the environment friendly blended cements.
To position ACC as a responsible company that promotes sustainable construction.	We have demonstrated that sustainability also involves how our end users create a positive impact in their construction practices by promoting sustainable construction through production of blended concrete, promotion of green buildings, advocacy on the benefit of concrete roads and the dissemination of good construction practices.
To maintain lead rank in share of blended cement to total cement production. (In 2009 ACC produced 91% blended cement against industry average of 75%)	In 2013, 84.55% of our total cement production was of blended cements despite higher production of OPC due to demand.
WATER, WASTE MANAGEMENT & TRANSPORT	
Zero discharge of effluents	Achieved
10% reduction in specific water consumption per ton of cement on the base of 2010-11	Achieved

10.2 Road Ahead

Going ahead, we nestle the vision to become plastic positive, water positive and waste positive with negligible impact on biodiversity. In line with the results of our materiality matrix and the aspects that have emerged as important, we willlook to improve upon our performance in the aspects of investing more in renewable power, reduction in clinker factor and electrical and thermal energy consumption, resource efficiency, greater reach to customers and higher targets towards a safer workplace. To progress towards these goals, we have devised specific targets for the next fouryears in our roadmap as shown in the table here. In addition to these, we will also aspire to abide by and achieve general targets conforming to the longer term global Sustainability ambition envisaged by the Holcim group.

AREA	TARGET 2017
CO_2	Reduce specific CO_2 emissions by 35% vs. 1990
Thermal Substitution Rate	To achieve Thermal Substitution Rate of 10%
Water	Reduce specific water consumption for manufacturing of cement by 10% vs. 2012
Specific total energy intensity (MTOE per Tonne of Cement)	To reduce by 3% vs. 2013
CSR	Continue to improve our CSR foot print Focus on inclusive business projects like sanitation etc

11.1 Assurance Statement

INDEPENDENT ASSURANCE STATEMENT

Introduction and objectives of work

Bureau Veritas Certification (India) Pvt. Ltd. (Bureau Veritas) has been engaged by **ACC Limited** to conduct an independent assurance of its 7th Sustainable Development Report 2013. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the Sustainable Development Report 2013 (hereafter referred to as SD Report) are the sole responsibility of the management of ACC Limited. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy and reliability of information included, and on the underlying systems and processes established to collect, analyse and review. This is the 1st year in which we have provided assurance for SD Report 2013 of **ACC Limited**.

Scope of Assurance

ACC Limited requested Bureau Veritas to verify the accuracy and reliability of the following:

- Data and information included in the **SD Report 2013 of Corporate Functions & 17 Cement Plants covering Integrated Cement Production (OPC, PPC & PSC), Grinding units & 47 Ready-mix Concrete units across India.**
- The assurance process was conducted to meet the requirements of a **Type 2 assurance engagement** as defined by AA1000:2008 Assurance Standard (AA1000 AS). The assurance process was designed to provide a reasonable level of assurance concerning the nature and extent of ACC's adherence to the AA1000 AS accountability principles and a **Moderate level of assurance** of the reliability of specified sustainability performance information/data disclosed in the report.

Methodology

As part of its independent assurance, Bureau Veritas Assurance team planned & carried out the assurance engagement based on offsite document review and site visit at ACC Limited's office at Thane, Maharashtra, Integrated Cement Manufacturing Facility at Wadi-II, Karnataka, between 19th to 21st Match, 2014, reviewed sustainability performance of Tikaria, Kymore & Jamul plants over audio conferencing on 28th March, 2014 and undertook broadly the following activities:

1. Conducted Interviews with core team of the SD group responsible of preparing the Sustainable Development report and the Senior Management of ACC Limited – Including but not limited to Director-Energy & Environment, Director- Quality & Product Development, Vendor Master Controller & Supplier Relationship Manager, Head- Energy Conservation, GM-Environment, Sr. GM- CSR, Sr. GM-Mining, DGM-Accounts, AGM-RMX, Sr. GM-HR, Sr. GM-Operation-Wadi II and Director-Plant - Wadi Unit.
2. Onsite & offsite review of documentary evidence such as Performance Monitoring Reports & Factual information(for the period 1st January 2013 to 31st December 2013) contained in the Report, Achievement against Internal & External targets, Risk management framework, Environmental Consents of the Cement Units, CSR expenditure records from SAP system etc. shared by ACC Limited to Bureau Veritas Assurance team.
3. Evaluation of information against Global Reporting Initiative (GRI G4, in accordance with Core) disclosure frameworks & principles of Accuracy, Accessibility, Balance, Clarity, Comparability, Reliability and Timeliness;
4. Audit of performance Indicator data, sample of which traced back to source.
5. Review of ACC Limited's internal mechanisms for implementing Sustainable Development & other policies, data and information systems for collection, aggregation, analysis and review at Corporate Level & Manufacturing Plant Level.

6. Review of process for identification and management of material issues and risks to the Company and its stakeholders, and justification for subsequent inclusion within the report;

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainable Development Reports, based on current best practice in independent assurance. The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusions.

Our findings & recommendations

On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in the scope of our assurance are accurate, reliable and free from material mistake or misstatement. The information is presented in a clear, understandable and accessible manner and the Report provides a fair and balanced representation of activities during 2013.
- ACC Limited has established appropriate systems for the collection, aggregation and analysis of relevant information as per GRI G4 standard, DMAs (discloser on management approach) related to specific disclosure (Economic, Environmental, Labour, HR, Social, Product Responsibility, Supply Chain & Anti corruption) requirements. The change in data collection system found effective due to transition from GRI 3.1 to G4 reporting;
- Detailed GHG Accounting System for monitoring, reporting & periodic verification may be established and extended to the supply chain and product chain.
- The Water Footprint performance accounting system may be explored at plant level for optimising the natural resource consumptions & achieving sustainable water resource management.
- Outcomes of the various Stakeholder engagement forums and associated management initiatives to be more comprehensively documented.
- Criteria of prioritizing the CSR activities & expenditure at various levels may be realigned as per Schedule VII, Section 135 of Companies Act 2013, according to the impact created on the communities and also in line with materiality aspects identified.

Adherence to AA1000 AS Principles

Inclusivity – ACC Limited continues to deploy robust processes for engaging with key stakeholders including undertaking centralised stakeholder engagement with key audiences such as Socially Responsible Investors and non-governmental organisations. The site visits also indicate that operations regularly engage with local stakeholders. The willingness of ACC Limited to engage with stakeholders in order to develop its approach to relevant issues has been particularly evident during this reporting period through activities of the engagement forums listed in the SD Report 2013.

Materiality – The internal materiality determination process results has been strengthened by input from the Energy & Environment Department and continues to provide a comprehensive and balanced understanding and prioritisation of ACC Limited's fifteen key material corporate responsibility issues. However, benchmarking of performance of all plants on material issues remains scope for the company to more fully incorporate consideration of the impact of its activities on its overall materiality matrix.

Responsiveness – The report provides a comprehensive response to the many issues and stakeholder concerns relating to its activities. Through the assurance process it is evident that ACC Limited is responding to concerns raised by specific stakeholder groups and seeking proactive discussions to ascertain their views and progress towards addressing any grievances. At the sites visited it was apparent that stakeholder views were being listened to and that site level management are willing to work with local communities to achieve suitable solutions.

Specified Sustainability Performance Data – Performance data within the report continues to be gathered through a variety of data systems and processes. We consider the data as presented in the report to be reliable but also highlight our recommendation that ACC Limited

reviews the data, gathering inputs against the key performance indicator stated in the report to ensure that performance against these metrics can be consistently and regularly reviewed and continue to provide accurate and reliable information.

Evaluation against Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines

Bureau Veritas undertook an evaluation of ACC Limited's Sustainable Development Report 2013 against the G4 Sustainable Development Reporting Framework "in accordance with Core". This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI application level. Based on our work, it is our opinion that **ACC's Sustainable Development Report 2013** has been prepared in accordance with the GRI G4 Reporting Framework including appropriate consideration of the Reporting Principles and necessary indicators to meet the requirements of **GRI G4 "In Accordance with Core"** disclosure.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period calendar year 2013 & positional statements (expressions of opinion, belief, aim or future intention by ACC Limited and statements of future commitment);

Limited to the data and information under assurance related to all Standard disclosure in accordance with Core & Material aspect identified by ACC Limited for specific disclosures as per GRI G4 reporting framework.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 180 years history in providing independent assurance services, and an annual turnover in 2013 of Euros 3.933 billion. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest. No member of the assurance team has a business relationship with ACC Limited, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest. The assurance team has extensive experience in conducting verification and assurance over environmental, social, ethical and health and safety assessments & has over 30 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainable Development Reports.

Bureau Veritas Certification (India) Pvt. Ltd.

Sanjay Patankar
Lead Assuror
Product Manager, Climate Change and Sustainability

Rupam Baruah
Technical Reviewer
General Manager – Eastern Region

Mumbai, India.

5th April, 2014

11.2 GRI G4 - In Accordance "Core" - Content Index

General Standard Disclosure	Standard Disclosure Title	Page Number (or Link)	Cross Reference of Report Sections	Whether reported Fully or Partially (Reasons for omissions if any)	External Assurance
G4-1	Statement from the most senior decision-maker of the organization	2-3	1. Foreword	Fully	Yes (p.82-84)
G4-2	Description of key impacts, risks, and opportunities	28-35	5.1 Risks and Opportunities	Fully	Yes (p.82-84)
G4-3	Name of the organization.	6	2. Organisational Profile	Fully	Yes (p.82-84)
G4-4	Primary brands, products, and/or services.	14	3.1 Major Products	Fully	Yes (p.82-84)
G4-5	Location of organization's headquarters.	6	2. Organisational Profile	Fully	Yes (p.82-84)
G4-6	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	6	2. Organisational Profile	Fully	Yes (p.82-84)
G4-7	Nature of ownership and legal form.	6	2. Organisational Profile	Fully	Yes (p.82-84)
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	6, Back cover, 48-49	2. Organisational Profile, National Footprint, 7.1 Customers	Fully	Yes (p.82-84)
G4-9	Scale of the reporting organization.	6, Back cover	2. Organisational Profile, National Footprint	Fully	Yes (p.82-84)
G4-10	Total workforce by employment type, employment contract, and region, broken down by gender.	43-47	6.1 Employee Profile	Fully	Yes (p.82-84)
G4-11	Percentage of employees covered by collective bargaining agreements.	43-47	6.3 Collective Bargaining	Fully	Yes (p.82-84)
G4-12	Organization's supply chain.	36-37	5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-13	Significant changes during the reporting period regarding size, structure, or ownership.	6-8	2. Organisational Profile	Fully	Yes (p.82-84)
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	28-35	5.1 Risks and Opportunities	Fully	Yes (p.82-84)
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	6	2. Organisational Profile	Fully	Yes (p.82-84)

General Standard Disclosure	Standard Disclosure Title	Page Number (or Link)	Cross Reference of Report Sections	Whether reported Fully or Partially (Reasons for omissions if any)	External Assurance
G4-16	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	94	11.4 Memberships	Fully	Yes (p.82-84)
G4-17	All entities included in the organization's consolidated financial statements or equivalent documents.	14-15	3.2 Financial Highlights	Fully	Yes (p.82-84)
G4-18	Process for defining report content.	7-11	2.2 About the Report, 2.5 Materiality Determination	Fully	Yes (p.82-84)
G4-19	Identify all the material aspects in the process for defining report content	10, 11	2.5 Materiality Determination	Fully	Yes (p.82-84)
G4-20	Report the Aspect Boundary within the organization	8	2.3 Our Boundary	Fully	Yes (p.82-84)
G4-21	Report the Aspect Boundary outside the organization	8	2.3 Our Boundary	Fully	No
G4-22	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	--		No restatements	No
G4-23	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	7	2.2 About the Report	Fully	Yes (p.82-84)
G4-24	List of stakeholder groups engaged by the organization.	9-10, 47-52	2.4 Stakeholder Engagement, 7 Working Inclusively	Fully	Yes (p.82-84)
G4-25	Basis for identification and selection of stakeholders with whom to engage.	9-10	2.4 Stakeholder Engagement		Yes (p.82-84)
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	48-52	7 Working Inclusively	Fully	Yes (p.82-84)
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	48-52	7 Working Inclusively	Fully	Yes (p.82-84)

General Standard Disclosure	Standard Disclosure Title	Page Number (or Link)	Cross Reference of Report Sections	Whether reported Fully or Partially (Reasons for omissions if any)	External Assurance
G4-28	Reporting period (e.g., fiscal/calendar year) for information provided.	7	2.2 About the Report	Fully	Yes (p.82-84)
G4-29	Date of most recent previous report (if any).	7	2.2 About the Report	Fully	Yes (p.82-84)
G4-30	Reporting cycle (annual, biennial, etc.)	7	2.2 About the Report	Fully	Yes (p.82-84)
G4-31	Contact point for questions regarding the report or its contents.	-	Feedback Form	Fully	Yes (p.82-84)
G4-32	Table identifying the location of the Standard Disclosures in the report.	85-92	11.2 GRI G4 – In Accordance "Core" – Content Index	Fully	Yes (p.82-84)
G4-33	Policy and current practice with regard to seeking external assurance for the report.	7	2.2 About the Report	Fully	Yes (p.82-84)
G4-34	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	18-21	4.1 Governance Structure	Fully	Yes (p.82-84)
G4-56	Report the ratio of the increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees.	18-21	4.1 Governance Structure	Fully	No
G4-DMA	Generic Disclosures on Management Approach – Economic Performance	10-11, 14-15	3.2 Financial Highlights, 2.5 Materiality Determination	Fully	Yes (p.82-84)
G4-EC1	Direct economic value generated and distributed	14-15, Annual Report	3.2 Financial Highlights	Fully	Yes (p.82-84)
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	28-35	5.1 Risks and Opportunities	Fully	Yes (p.82-84)
G4-EC3	Coverage of the organization's defined benefit plan obligations	43-47	6.6 Employee Benefits	Fully	Yes (p.82-84)
G4-EC4	Financial assistance received from government	14-15,	3.2 Financial Highlights	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Indirect Economic Impacts	10-11, 70-78	2.5 Materiality Determination, 9 Building Community	Fully	Yes (p.82-84)
G4-EC7	Development and impact of infrastructure investments and services supported	71-72	9.3 Key Focus Areas	Fully	Yes (p.82-84)

General Standard Disclosure	Standard Disclosure Title	Page Number (or Link)	Cross Reference of Report Sections	Whether reported Fully or Partially (Reasons for omissions if any)	External Assurance
G4-EC8	Significant indirect economic impacts, including the extent of impacts	71-72	9.3 Key Focus Areas	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Procurement Practices	10-11, 36-37	2.5 Materiality Determination, 5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	36-37	5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach - Materials	10-11, 54	2.5 Materiality Determination, 8.1 Material	Fully	Yes (p.82-84)
G4-EN1	Materials used by weight or volume	54	8.1 Material	Fully	Yes (p.82-84)
G4-EN2	Percentage of materials used that are recycled input materials	54	8.1 Material	Fully	Yes (p.82-84))
G4-DMA	Generic Disclosures on Management Approach - Energy	10-11, 56	2.5 Materiality Determination, 8.2 Energy	Fully	Yes (p.82-84)
G4-EN3	Energy consumption within the organization	56-61	8.2 Energy	Fully	Yes (p.82-84)
G4-EN5	Energy intensity	56-61	8.2 Energy	Fully	Yes (p.82-84)
G4-EN6	Reduction of energy consumption	56-61	8.2 Energy	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach - Water	10-11, 62	2.5 Materiality Determination, 8.3 Water	Fully	Yes (p.82-84)
G4-EN8	Total water withdrawal by source	62	8.3 Water	Fully	Yes (p.82-84)
G4-EN10	Percentage and total volume of water recycled and reused	62	8.3 Water	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach - Biodiversity	10-11, 64	2.5 Materiality Determination, 8.4 Biodiversity	Fully	Yes (p.82-84)
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	64	8.4 Biodiversity	Fully	Yes (p.82-84)
G4-EN13	Habitats protected or restored	64	8.4 Biodiversity	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach - Emissions	10-11, 65-67	2.5 Materiality Determination, 8.5 Emissions	Fully	Yes (p.82-84)
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	65-67	8.5 Emissions	Fully	Yes (p.82-84)
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	65-67	8.5 Emissions	Fully	Yes (p.82-84)
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	65-67	8.5 Emissions	Fully	No
G4-EN18	Greenhouse gas (GHG) emissions intensity	65-67	8.5 Emissions	Fully	Yes (p.82-84)

General Standard Disclosure	Standard Disclosure Title	Page Number (or Link)	Cross Reference of Report Sections	Whether reported Fully or Partially (Reasons for omissions if any)	External Assurance
G4-EN19	Reduction of greenhouse gas (GHG) emissions	65-67	8.5 Emissions	Fully	Yes (p.82-84)
G4-EN20	Emissions of ozone-depleting substances (ODS)	--		No ODS are emitted	No
G4-EN21	NOx, SOx, and other significant air emissions	65-67	8.5 Emissions	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Effluents and Waste	10-11, 67	2.5 Materiality Determination, 8.6 Effluents and Waste	Fully	Yes (p.82-84)
G4-EN22	Total water discharge by quality and destination	--		No water is discharged	No
G4-EN23	Total weight of waste by type and disposal method	67	8.6 Effluents and Waste	Fully	Yes (p.82-84)
G4-EN24	Total number and volume of significant spills	54	8 Being Environment Friendly	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Products and Services	10-11, 38	2.5 Materiality Determination, 5.5 Sustainable Construction and Responsible Products	Fully	Yes (p.82-84))
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	38-40	5.5 Sustainable Construction and Responsible Products	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach - Compliance	10-11, 54	2.5 Materiality Determination, 8 Being Environment Friendly	Fully	Yes (p.82-84)
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	54	8 Being Environment Friendly	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach - Overall	10-11, 54	2.5 Materiality Determination, 8 Being Environment Friendly	Fully	Yes (p.82-84)
G4-EN31	Total environmental protection expenditures and investments by type	64	8.4 Biodiversity	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Supplier Environment Assessment	10-11, 36-37	2.5 Materiality Determination, 5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	36-37	5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach - Employment	10-11, 43-47	2.5 Materiality Determination, 6 Employee Wellbeing	Fully	Yes (p.82-84)

General Standard Disclosure	Standard Disclosure Title	Page Number (or Link)	Cross Reference of Report Sections	Whether reported Fully or Partially (Reasons for omissions if any)	External Assurance
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	46	6.6 Employee Benefits	Fully	Yes (p.82-84)
G4-LA3	Return to work and retention rates after parental leave, by gender	46	6.6 Employee Benefits	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Labour/Management Relations	10-11, 43-47	2.5 Materiality Determination, 6 Employee Wellbeing	Fully	Yes (p.82-84)
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	45	6.3 Collective Bargaining	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Occupational Health and Safety	10-11, 29-32	2.5 Materiality Determination, 5.2 Occupational Health and Safety	Fully	Yes (p.82-84)
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	29-32	5.2 Occupational Health and Safety	Fully	Yes (p.82-84)
G4-LA8	Health and safety topics covered in formal agreements with trade unions	29-32	5.2 Occupational Health and Safety	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Training and Education	10-11, 43-47	2.5 Materiality Determination, 6 Employee Wellbeing	Fully	Yes (p.82-84)
G4-LA9	Average hours of training per year per employee by gender, and by employee category	45	6.4 Building a Workforce	Fully	Yes (p.82-84)
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	45	6.4 Building a Workforce	Fully	Yes (p.82-84)
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	43-47	6 Employee Wellbeing	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Supplier Assessment for Labour Practices	10-11, 36-37	2.5 Materiality Determination, 5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	36-37	5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)

General Standard Disclosure	Standard Disclosure Title	Page Number (or Link)	Cross Reference of Report Sections	Whether reported Fully or Partially (Reasons for omissions if any)	External Assurance
G4-DMA	Generic Disclosures on Management Approach – Child Labour	10-11, 36-37	2.5 Materiality Determination, 5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	36-37	5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Forced or Compulsory Labour	10-11, 36-37	2.5 Materiality Determination, 5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	36-37	5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Supplier Human Rights Assessment	10-11, 36-37	2.5 Materiality Determination, 5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	36-37	5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Local Communities	10-11, 70-78	2.5 Materiality Determination, 9 Building Community	Fully	Yes (p.82-84)
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	70-78	9 Building Community	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Anti Corruption	10-11, 18-26	2.5 Materiality Determination, 4 Governing Carefully	Fully	Yes (p.82-84)
G4-SO4	Communication and training on anti-corruption policies and procedures	18-26	4 Governing Carefully	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Public Policy	10-11, 18-26	2.5 Materiality Determination, 4 Governing Carefully	Fully	Yes (p.82-84)
G4-SO6	Total value of political contributions by country and recipient/beneficiary	14,15	3.2 Financial Highlights	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach - Compliance	10-11, 18-26	2.5 Materiality Determination, 4 Governing Carefully	Fully	Yes (p.82-84)

General Standard Disclosure	Standard Disclosure Title	Page Number (or Link)	Cross Reference of Report Sections	Whether reported Fully or Partially (Reasons for omissions if any)	External Assurance
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	38-42	5.5 Sustainable Construction and Responsible Products	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Supplier Assessments for Impact on Society	10-11, 36-37	2.5 Materiality Determination, 5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	36-37	5.4 Sustainable Supply Chain	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Customer Health and Safety	10-11, 38-42, 48-49	2.5 Materiality Determination, 5.5 Sustainable Construction and Responsible Products, 7.1 Customers	Fully	Yes (p.82-84)
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	38-42	5.5 Sustainable Construction and Responsible Products	Fully	Yes (p.82-84)
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services	38-42	5.5 Sustainable Construction and Responsible Products	Fully	No
G4-DMA	Generic Disclosures on Management Approach – Product and Service Labeling	10-11, 38-42,	2.5 Materiality Determination, 5.5 Sustainable Construction and Responsible Products	Fully	Yes (p.82-84)
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	38-42	5.5 Sustainable Construction and Responsible Products	Fully	No
G4-PR5	Results of surveys measuring customer satisfaction	48-49	7.1 Customers	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach – Customer Privacy	10-11, 48-49	2.5 Materiality Determination, 7.1 Customers	Fully	Yes (p.82-84)
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	38-42	5.5 Sustainable Construction and Responsible Products	Fully	Yes (p.82-84)
G4-DMA	Generic Disclosures on Management Approach	10-11, 18-26	2.5 Materiality Determination, 4 Governing Carefully	Fully	Yes (p.82-84)
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	38-42	5.5 Sustainable Construction and Responsible Products	Fully	Yes (p.82-84)

11.3 UN Global Compact Principle Linkage

ACC signed the United Nations Global Compact in 2006. The table below lists the ten principles of the UNGC and indicates the relevant chapter of this report where the organization's activity with respect to each principle is addressed. To that extent, this table and the report also serve as a Communication on Progress (COP) required to be disclosed by signatories of the UNGC.

Serial No	Principle	Section
Human Rights		
1	Businesses should support and respect the protection of internationally proclaimed human rights	Respecting Human Rights, Employee Well Being
2	Make sure that they are not complicit in human rights abuses Labour Standards	
Environment		
3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining	Respecting Human Rights, Employee Well Being
4	The elimination of all forms of forced and compulsory labour	
5	The effective abolition of child labour	
6	The elimination of discrimination in respect of employment and occupation	
Anti-Corruption		
7	Businesses should support a precautionary approach to environmental challenges	Risks and Opportunities, Being Environmentally Conscious
8	Undertake initiatives to promote greater environmental responsibility	
9	Encourage the development and diffusion of environmentally friendly technologies	
Anti-Corruption		
10	Businesses should work against corruption in all its forms, including extortion and bribery	Code of Conduct, Policies

11.4 Memberships

1. Bombay Chamber of Commerce & Industry
2. Bombay First
3. Bombay Management Association
4. British Safety Council (BSC)
5. Confederation of Indian Industry (CII)
6. Council for Fair Business Practices
7. Employers Federation of India
8. Federation of Indian Chambers of Commerce & Industry (FICCI)
9. Federation of Indian Mineral Industries
10. Indian Geological Congress
11. Indian Merchants' Chamber
12. Indian Roads Congress
13. Indo American Chamber of Commerce
14. International Management Institute, New Delhi
15. National Safety Council (NSC)
16. Progress Harmony Development Chamber of Commerce and Industry (PHDCCI), Delhi
17. Ready Mix Concrete Manufacturers' Association (RMCMA)
18. Swiss Indian Chamber of Commerce, India

11.5 Glossary

Absolute Gross Emissions - Total amount of CO2 emissions from cement production activities.

Absolute Net Emissions - Gross CO2 emissions minus credits for indirect savings such as by use of alternative waste materials as fuel.

ACC AHEAD - Association for Health, Education and Development, a social volunteering initiative of members of ACC's Ladies Clubs and spouses of ACC employees.

ACC Cement Technology Institute (ACTI) – The company's institute in Madhya Pradesh which offers specialized technical training to young engineering graduates.

Alternative Fuels and Raw Materials (AFR) - Inputs derived from waste streams contributing energy and/or resource recovery.

Bag House - Air pollution control equipment that removes particulates from flue gas released in manufacturing processes.

Biodiversity - Refers to the variety of life on earth - the different animals, plants and micro-organisms, their genes and the ecosystems of which they are a part.

Biodiesel - It is a domestically produced, renewable fuel that can be manufactured from vegetable oils, animal fats, or recycled restaurant grease for use in diesel vehicles.

Blended Cement – Hydraulic cements consisting essentially of an intimate and uniform blend of ordinary Portland cement with either slag or fly ash.

Business Risk Management Process (BRM) – A process in ACC to help identify various risks and opportunities associated with our business.

Captive Power Plants (CPP) - Power plants including Generation Sets, normally established by an industry to meet its own power requirements.

Carbon Footprint - The total set of greenhouse gas emissions caused by an organization.

Castor - A type of tree which produces the castor bean that yields castor oil. This oil is one of hard oils, where the oil content in the seed is relatively high. Castor oil's numerous chemical derivatives are "renewable sources, bio-degradable and eco-friendly.

CDM - Clean Development Mechanism, a flexible scheme provided in the Kyoto Protocol that assists countries and business entities in achieving compliance with their quantified emission limitation and reduction commitments.

Cement - a building material made by grinding calcined limestone and clay to a fine powder. It acts as a binding agent when mixed with sand, gravel or crushed stone and water to make concrete.

Cement Sustainability Initiative (CSI) - a global group of 24 major cement producers set up under the World Business Council for Sustainable Development for the pursuit of issues concerning sustainable development in the cement sector.

CEMS - Continuous Emissions Monitoring Systems

CER – Certified Emission Reduction, a type of tradable carbon credit issued in lieu of emission reduction achieved by projects qualifying under the Clean Development Mechanism (CDM).

CFO – Chief Financial Officer

CII - Confederation of Indian Industry, a non-government, not-for-profit, industry-led and industry-managed organisation that facilitates dialogue with industry and government.

Clinker - An intermediate product in cement manufacture that is produced by sintering and fast-cooling ground limestone.

Clinker Factor - The percentage of clinker in cement.

Community Advisory Panel - A group of persons selected to represent the target community whose views are considered as being representative of the community in matters concerning its social needs and development schemes.

Community Needs Assessment - A systematic process to acquire an accurate understanding of a community's needs and priorities in the context of its economic and social development.

Concrete - A building material produced by mixing cement, water and aggregates comprising sand and gravel or crushed stone. Co-processing - The act of adapting an existing industrial process in a single combined operation, whereby certain so-called 'waste' materials may be put to use as alternative fuel or raw material in cement kilns, dryers and captive power plants.

Corporate Social Responsibility (CSR) – In a wider context the term indicates the commitment of business to contribute to sustainable development, working with various stakeholders like employees, their families, the local community and society at large to improve their quality of life. We generally use this term to refer specifically to community development and engagements.

Central Pollution Control Board (CPCB) - A statutory organisation under the Ministry of Environment and Forests responsible for maintaining national standards under a variety of environmental laws, in consultation with zonal offices, and local governments.

Country Coordination Mechanism (CCM) – Country-wise committees that implement programmes of the Global Fund to Fight AIDS, TB and Malaria.

Critical Incident - An incident (Independent of the outcome eg: Near Miss, FAI, MTI, LTI) which had the potential to cause serious injuries (single fatality, multiple fatalities) or to cause substantial property damage or loss (eg: fire, explosions, geotechnical or structural failures).

Dolochar - A waste material generated in sponge iron industry used as a substitute fuel for coal used in captive power plants.

DOTS - Directly Observed Treatment Short-course

DRT – the company's Disaster Response Team

Energy Activation across Regional Network (EARN) – An initiative practiced in the South-East Asian region of Holcim defining five pillars for improving energy efficiency.

Eco-Efficiency - Reduction in the resource intensity of production, i.e. the input of materials, natural resources and energy compared with the output: essentially, doing more with less.

Employee Lost Time Injury - A work-related injury after which the injured person cannot work for at least one full shift/full working day.

Lost Time Injury Frequency Rate - refers to the rate of occurrence of workplace incidents that result in an employee's inability to work the next full work day. Calculated as the number of lost-time injuries within a given accounting period relative to the total number of hours worked in the same accounting period.

Employee Lost Working days - Those days on which, because of occupational injury or illness, the employee was away from work or limited to restricted work activity.

Environmental Impact Assessment (EIA) - An assessment of the possible impacts that a proposed project may have on the environment, consisting of the environmental, social and economic aspects.

FICCI - Federation of Indian Chambers of Commerce and Industry, an association of business organizations in India.

Fly Ash - Waste particulate residue from thermal power plants or incineration plants.

Focus Group - A form of qualitative research, which involves interviews and interaction with a representative sample of community or population segment.

Fossil Fuels - Non-renewable carbon-based fuels like coal and oil etc.

Fraud Risk Management (FRM) Policy – The policy under which reviews are done and appropriate actions are taken in cases of suspected fraud or misconduct in the company.

Geocycle - The brand name under which Holcim offers sustainable solutions for waste management.

GIZ - Deutsche Gesellschaft für Internationale Zusammenarbeit or German Society for International Cooperation, a German state enterprise that works on a host of global development issues.

Global Reporting Initiative (GRI) - An International framework recommended for reporting progress against Sustainable Development. In May 2013, GRI released the fourth generation of its Guidelines – G4.

Governance Risk and Compliance (GRC) Module – A module initiated in 2011 which contributes significantly to enhance our IT Governance framework.

GPS – Global Positioning System

Green Building – A Building which uses less water, optimizes energy efficiency, conserves natural resources, generates less waste and provides healthier spaces for occupants, as compared to a conventional building.

Greenhouse Gases - Gases that absorb and emit radiation within the thermal infrared range of the earth's atmosphere.

Human Development Index (HDI) - A composite statistic of life expectancy, education, and income indices used to rank countries into four tiers of human development.

IFA - Iron Folic Acid tablets

IUCN - The International Union for Conservation of Nature, an international organisation working for natural resource conservation.

Industrial Training Institute (ITI) – Government-run Training institutes which provide post-school technical training.

Infant Mortality Rate (IMR) - The death rate during the first year of a child's life.

Jatropha - A genus of plants and trees whose fruit and seeds contain oil which serves as a replacement of fossil fuels. They are amenable to bio-diesel production.

Key Account Management (KAM) - A professional sales approach which involves the supplier and customer's business working together to achieve common goals.

Kiln - Large rotating cylindrical industrial oven used in the manufacture of cement clinker. In this report, "kiln" always refers to a rotary kiln. A cement kiln is believed to be among the largest moving machines.

Limestone – A sedimentary rock composed of calcium carbonate used as the main input in cement manufacture.

Materiality - Topics and indicators that reflect the organization's significant economic, environmental, and social impacts or that would substantially influence the assessment and decisions of stakeholders. According to GRI guidelines, Materiality is the threshold at which an issue or indicator becomes sufficiently important that it should be

Mother Mortality Rate (MMR) - Maternal mortality ratio is the number of women who die during pregnancy and childbirth, per 100,000 live births.

MT – Metric Tonne

MW – Megawatt, a unit of power equal to one million watts.

NABARD - National Bank for Agriculture and Rural Development

NOx – A generic term for Nitrogen oxides, usually refers to it as an air pollutant.

Occupational Health and Safety (OH&S) - Policies and activities to promote and secure the health and safety of employees, subcontractors, third parties and visitors.

Ordinary Portland Cement (OPC) - Cement made by inter-grinding clinker and gypsum.

Order Execution Time (OET) – The total time taken to execute an order.

Perform Achieve Trade (PAT) Scheme - A trading scheme aimed to reduce energy consumption in industries across India using market oriented mechanisms. The scheme is designed and implemented by the Bureau of Energy Efficiency (BEE), under the Ministry of Power, India.

Profit After Tax (PAT) - It is the net profit earned by the company after deducting all expenses like interest, depreciation and tax.

Personal Protective Equipment (PPE) - Protective clothing, helmets, goggles, or other garments or equipment designed to protect the wearer's body from injury.

Pet Coke - Petroleum coke which is a carbon solid derived from oil refinery Coker units or other cracking processes.

Portland Pozzolana Cement (PPC) - Cement produced by inter-grinding a pozzolanic material such as fly-ash with clinker and gypsum.

Portland Slag Cement (PSC) - Cement produced by inter-grinding slag with clinker and gypsum.

Public–Private Partnership (PPP) - A government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies.

Radio Frequency Identification Device (RFID) - The wireless non-contact use of radio-frequency electromagnetic fields to transfer data, for the purposes of automatically identifying and tracking tags attached to objects.

Ready Mix Concrete (RMX) - Concrete that is specifically manufactured for delivery to the construction site in a freshly mixed and plastic or unhardened state.

Regional Sustainable Development Federations (RSDF) – Federations in North, East and South-west India to build our Sustainable Development framework.

Renewable Purchase Obligation (RPO) - The obligation imposed by law on some entities to either buy electricity generated by specified 'green' sources, or buy, in lieu of that, 'renewable energy certificates (RECs)' from the market.

SA8000 – It is an auditable certification standard that encourages organizations to develop, maintain, and apply socially acceptable practices in the workplace.

Self-Help Group (SHG) - A village-based voluntary support group usually composed of 10–20 local women or men who come together to address a shared cause or objective.

Slag - A non-metallic product consisting essentially of glass containing silicates, alumino-silicates of lime and other bases. It is obtained as a waste by-product in the manufacture of pig iron in a blast furnace or electric furnace.

SO_2 – The chemical formula for Sulphur dioxide, usually understood to be an air pollutant that plays a critical role in global warming.

Stakeholder - Individuals or groups whose actions significantly affect or can be affected by an organization's activities, products or services.

Stakeholder Dialogue - A structured way to solicit feedback from a company's stakeholders, typically by inviting them to comment on specific issues or problems.

Stakeholder Engagement - The process by which an organization involves its stakeholders, that is, the people who may be affected by its decisions or can influence the implementation of its decisions.

SES – Stakeholder Engagement Surveys

SOT – Safety Observation Tour

STI - Sexually Transmitted Infections

Sumant Moolgaokar Technical Institute (SMTI) – An institute established by ACC in 1949 to train young people in specialized trades to become artisans, foremen and first line supervisors.

Sustainable Construction - Building in a way that is socially, economically, environmentally, functionally and aesthetically balanced to meet today's needs and to provide and conserve resources for future generations.

Sustainable Development - Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Sustainability Reporting - the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable development

Techport – Technical center for ACC and ACL which provides consultancy services in various activities during cement manufacturing.

TERI - The Energy & Resources Institute, a global think tank and research institute that works in the areas of energy, environment and sustainable development.

Thermal Substitution Rate (TSR) - The amount of energy used from alternative fuels as a percentage of the total energy consumed in the process.

TJ – TeraJoule, a measurement of energy equivalent to one trillion (10^{12}) joules.

Triple Bottom Line - A business accounting framework that incorporates three dimensions of an organization's performance: social, environmental and financial. TBL dimensions are also commonly called the three Ps: people, planet and profit.

UN Global Compact (UNGC) - A UN initiative to encourage global businesses to adopt ten principles covering Human Rights, Labour Standards, Environment and Anti-corruption.

United Nations Framework Convention on Climate Change (UNFCCC) - An international environmental treaty whose objective is to stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous interference with the climate system by humans.

Waste Heat Recovery – Generating power by utilizing waste heat from preheater and cooler gases.

(Rain) Water Harvesting (RWH) - Techniques used for collecting and storing, and using rainwater

World Business Council for Sustainable Development (WBCSD) – A CEO-led organization of forward-thinking companies that galvanizes the global business community to create a sustainable future for business, society and the environment.

ACC Sustainable Development Report 2013 Feedback

Your feedback is important in helping us improve our Sustainability Reporting and performance. Please spare a few minutes to answer the below:

1. Rate the report on the following parameters (1= Poor, 5= Excellent)

Layout and Design	
Quality of Information Provided	
Honest and Transparent Approach	
Depth of Report	
Ease of understanding content	
Scope of Report	
Usage of G4 Guidelines	

2. How do you rate our performance (1= Poor, 5= Excellent)

Governing Carefully	
Working Inclusively with Customers	
Sustainable Supply Chain	
Sustainable Construction and Responsible Products	
Energy	
Emissions	
Material Use	
Effluents and Waste	
Occupational Health and Safety	
Employee Wellbeing	
Building Community	
Being Environment Friendly	

3. Is there any other information you would like us to include in the Report

_____

_____

4. How are you related to ACC?

Employee	
Shareholder	
Client	
Regulatory Body	
Contractor	
Consultant	
NGO Partner	
Industry Peer	
Supplier	
Customer	
Other	

5. How do you rate the Report overall on a scale of 1-5 (1= Poor, 5= Excellent) _____

Respondent Details:

Name: Organisation:

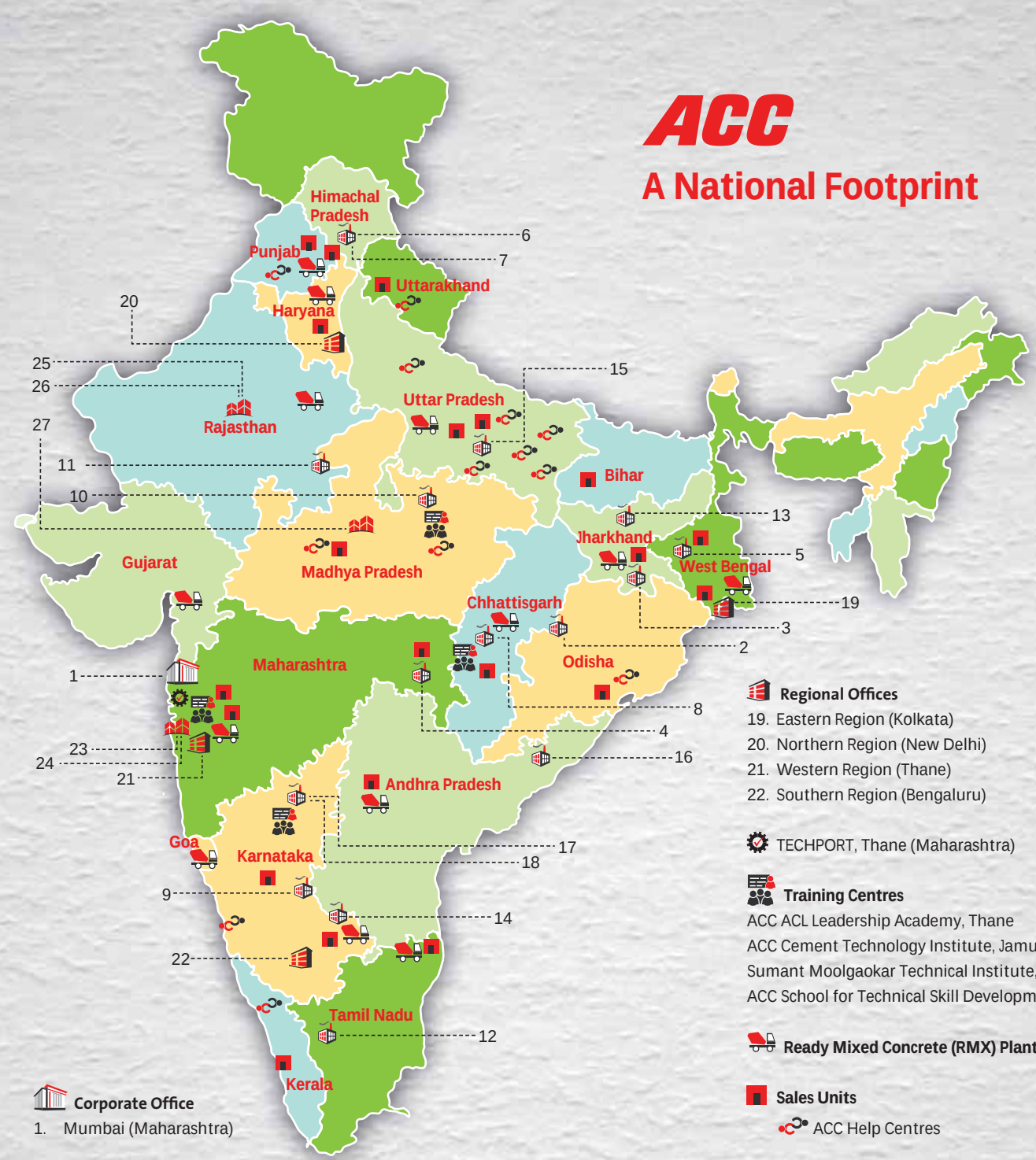
Address:

Tel: Email:

Please email your response to: Mr. K N Rao, Director (Energy & Environment)
ACC Limited, Cement House, 121 MaharshiKarve Road, Mumbai 400 020, India
Email: narayanarao.kapilavai@acclimited.com

ACC

A National Footprint



Corporate Office

1. Mumbai (Maharashtra)

Cement Plants

2. Bargarh (Odisha)
3. Chaibasa (Jharkhand)
4. Chanda (Maharashtra)
5. Damodhar (West Bengal)
6. Gagal I (HP)
7. Gagal II (HP)
8. Jamul (Chhattisgarh)
9. Kudithini (Karnataka)
10. Kymore (MP)
11. Lakheri (Rajasthan)
12. Madukkarai (TN)
13. Sindri (Jharkhand)
14. Thondebhavi (Karnataka)
15. Tikaria (UP)
16. Vizag (AP)
17. Wadi I (Karnataka)
18. Wadi II (Karnataka)

Regional Offices

19. Eastern Region (Kolkata)
20. Northern Region (New Delhi)
21. Western Region (Thane)
22. Southern Region (Bengaluru)

TECHPORT, Thane (Maharashtra)

Training Centres

ACC ACL Leadership Academy, Thane
ACC Cement Technology Institute, Jamul
Sumant Moolgaokar Technical Institute, Kymore
ACC School for Technical Skill Development, Wadi

Ready Mixed Concrete (RMX) Plants

Sales Units

ACC Help Centres

Subsidiary Companies

23. ACC Mineral Resources Limited (Maharashtra)
24. Bulk Cement Corporation (India) Limited (Maharashtra)
25. Lucky Minmat Limited (Rajasthan)
26. National Limestone Company Pvt. Ltd. (Rajasthan)
27. Singhania Minerals Pvt. Ltd. (Madhya Pradesh)

This map is as of February 6, 2014. It is illustrative and not drawn to scale.
Andaman, Nicobar and Lakshadweep islands are not shown.

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