

**1. When will Jamul Project be completed? What will be the new Capacity? What is the Capital Outlay? How is the project funded?**

- Project expected to be completed by 2015
- Jamul Capacity after expansion including the Satellite Grinding Units: 5.15 MTPA
- Incremental capacity approx 4 million tonnes, since some old equipment will be phased out.
- Capital Outlay: Approx Rs. 3300 crore
- Funding of the Project : To be funded through Internal Accruals

**2. What is the status of coal Blocks allotted to the Company?**

During the year under review, the preliminary and pre-development activities in the other three coal blocks are in progress. The Bicharpur Coal Block in Shahdol District is in an advanced stage of development. Subject to approvals, it is expected that we will get the First Coal by end of next year i.e. 2014 from this Block.

In Jan 2013, the Company received notice of de allocation of Simaria Piparia Coal block in Madhya Pradesh from the Ministry of Coal, Government of India, on the grounds of non-receipt of forest and environmental clearances from the Ministry of Environment and Forests, in view of the block's proximity to the National Tiger Reserve at Bandhavgrah. MPSMC along with our Joint Venture Company, have together filed a writ petition in the Jabalpur High court for relief in the matter.

**3. What steps are being taken by company to contain Coal Cost?**

Steps taken by company to contain cost rise are as under:

- Company has started procuring higher quantities of C & D grade coal and have reduced quantities of A& B grade coal.
- Company is also relying on higher usage of petcoke.
- The Company is also trying for mitigating its fuel risk further by increased usage of Alternative Fuels and optimization of Coal Mix.
- The Company also has initiated steps and is in the process of developing its own coal blocks which would partly go to meet its coal requirements.

**4. What is the Policy of the Company on Dividend?**

We have a progressive policy on dividends and the Board takes into consideration the following factors:

- a) The performance of the company for a particular year,
- b) Funds requirements for future growth, and
- c) Sustainability of dividend.

**5. Kindly elaborate on CSR activities undertaken by the Company. What were the expenses incurred.**

Company's total spending on CSR is 2% of the average profit after taxes in the previous three financial years.

	<u>2012</u>	<u>2011</u>	<u>2010</u>
CSR Spend in past three years (Rs.Crore)	25.51	22.00	13.00

Inclusive growth is central to all our CSR initiatives. People are involved in all the steps of development initiative i.e. need assessment, prioritisation, implementation, monitoring and evaluation. Our CSR initiatives focuses on the following areas to ensure inclusive growth and equitable development

a) Enhancing Literacy and Education for Community: This includes providing good education facilities, methods and teachers for the students from local communities, adult education program specifically targetted at women, special programs for weaker students and encouraging meritorious from poorer sections.

b) Livelihood, Employability and Income generation: Projects on Agriculture and Animal husbandry development. Skill development training for the rural unemployed youth, their placement, and organizing women and men in Self help groups and training them on various livelihood generating options and with facilitation for setting up micro enterprises.

c) Health and Sanitation Programmes: Initiatives on preventive as well as curative health care. Emphasis is mainly on preventive heath care including sanitation.

d) Equality and Women Empowerment: Includes initiatives on strengthening and empowering the weaker sections in the society particularly Women, Disabled, OBC, SC, ST and Minorities

e) Improving Water and Environmental conditions of Community: Projects focusing on water conservation, drinking and Irrigation water are taken up under this focus area.

f) Building of Community Infrastructure includes projects construction and maintenance of school, health facility, community hall, culverts, drinking water facility, pathways and roads.

To ensure direct involvement in the process, all CSR projects of the Company are implemented through an internal team which partners with specialised reputed non- governmental organisations (NGOs) and Government Institutions.D236

**6. Company has a large cash reserve as on 31<sup>st</sup> December 2012. What will be the use of it?**

Cash is being used for major projects. Preliminary work on the new Jamul Expansion Project has commenced with ground breaking at site and ordering out major plant equipment. Scheduled for completion in a phased manner in 2015, the project comprises a new clinkering line of 2.79 million tonnes capacity and grinding facility of 1.10 million tonnes at Jamul. In addition, it also includes the establishment of two satellite grinding units in Eastern India, which will together enhance our capacity by 5 million tonnes of cement per annum. The total estimated cost of this expansion is Rs. 3,300 crore and shall be funded through internal accruals.

The Company is also exploring the possibilities of inorganic acquisitions. If the target is a good strategic fit and the price payable is found to be reasonable after carrying out proper legal and Financial due diligence, the company will embark upon acquiring the target company.

**7. What action company has taken or will take on Renewable Energy Purchase Obligations?**

Green power initiatives undertaken by the company through the establishment of Wind Farms at Rajasthan, Tamil Nadu and Maharashtra.

We are exploring the possibilities of establishment of Wind farms and Solar based power plants taking into consideration the Renewable Energy Purchase power obligations in various states.

**8. What Benefits company will get from Holcim w.r.t. signing Technology Knowhow Agreement?**

Holcim which is more than 100 years old had over the years acquired various Technical information, knowhow, process related experiences etc., related to the business, which can improve efficiency and competitiveness of Operating Companies.

Holcim has now consolidated these intangible assets (IPs), capabilities and technical expertise (Manpower) in Holcim Technology Limited to provide a single point access and support to enable the Operating Companies leverage high value adding solutions & knowhow, patented or otherwise, trademarks etc., to create value in their organization.