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### ANNUAL GENERAL MEETING

On Wednesday, June 13, 2018, at 3:00 pm at Birla Matushri Sabhagar 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020

### REGISTERED OFFICE

Cement House, 121, Maharshi Karve Road Mumbai 400 020

Website: www.acclimited.com
Dear Shareholders,

At ACC, 2017 was a year of new momentum, focused cost discipline and an emphasis on performance — and the results are commendable.

The year came with major challenges — the post-demonetisation slowdown, teething troubles of GST migration, and rising input costs of fuel and power for the cement industry. However, economic growth picked up during the year with consumption-related indicators and industrial output improving in the latter half of the year.

Your company worked diligently to mitigate the headwinds of the year and has come out well ahead, setting a strong foundation to shape a great future in the years to come. Through concerted efforts, ACC improved its delivery on all important performance metrics — volume share, margins and market share. Our consolidated operating EBITDA grew by 29% from ₹ 1,478 crore to ₹ 1,912 crore.

I am even more proud of the fact that our success in business went hand in hand with our pursuit to conserve the environment and uplift communities. Committed to ensuring sustainable development aligned to our SD 2030 plan, your company has significantly reduced energy consumption, cut CO₂ emissions and improved water positivity.

The current year holds out exciting possibilities. The strong allocation towards infrastructure development made in the Union Budget 2018 augurs well for the cement industry. We believe that the Government’s impetus in creating smart cities, new infrastructure and affordable housing will act as a stimulus for further growth.

However, we do hope the government reviews and lowers the GST rate of 28% on cement which is currently in the highest ‘luxury goods’ category whereas housing, and therefore cement, is the basic requirement to fulfil a person’s fundamental right to live a life of dignity.

The building blocks that your company put in place during 2017 have set us up well for the next year. We have ambitious goals and bold plans for 2018, and are going after them with a sense of purpose and belief. I’d like to thank the ACC Parivaar, led by its management team, for their outstanding performance.

As always, I’d like to thank you, our shareholders, for your support and encouragement as we embrace new opportunities and new thinking that will help us scale greater heights as one of India’s leading corporate houses.

Narotam Sekhsaria
Board of Directors

Mr Ashwin Dani
Mr Shailesh Haribhakti
Mr Neeraj Akhoury
Mr Jan Jenisch
Mr V K Sharma

Ms Falguni Nayar

Managing Director & Chief Executive Officer
Deputy Chairman

Executive Committee

Mr Procyon Mukherjee
Mr Neeraj Akhoury
Mr Sunil Nayak

Chief Procurement Officer
Managing Director & Chief Executive Officer
Chief Financial Officer

Mr Philip Mathew
Mr Behram Sherdiwala

Chief Manufacturing Officer
Chief People Officer
AUDIT COMMITTEE
Mr Arunkumar R Gandhi, Chairman
Mr Martin Kriegner
Mr Sushil Kumar Roongta
Mr Ashwin Dani
Mr Farrokh K Kavarana

STAKEHOLDERS’ RELATIONSHIP COMMITTEE
Mr Farrokh K Kavarana, Chairman
Mr Shailesh Haribhakti
Mr Arunkumar R Gandhi
Mr Neeraj Akhoury

NOMINATION & REMUNERATION COMMITTEE
Mr Ashwin Dani, Chairman
Mr N S Sekhsaria
Mr Martin Kriegner
Mr Shailesh Haribhakti
Mr Farrokh K Kavarana

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr Shailesh Haribhakti, Chairman
Ms Falguni Nayar
Mr Farrokh K Kavarana
Mr Neeraj Akhoury

RISK MANAGEMENT COMMITTEE
Mr Shailesh Haribhakti, Chairman
Ms Falguni Nayar
Mr Sushil Kumar Roongta
Mr Neeraj Akhoury

COMPLIANCE COMMITTEE
Mr Farrokh K Kavarana, Chairman
Mr Shailesh Haribhakti
Mr Sushil Kumar Roongta
Mr Neeraj Akhoury

CHIEF FINANCIAL OFFICER
Mr Sunil Nayak

COMPANY SECRETARY & HEAD COMPLIANCE
Mr Ramaswami Kalidas

AUDITORS
STATUTORY AUDITOR
Deloitte Haskins & Sells LLP

COST AUDITOR
D C Dave & Co.

SECRETARIAL AUDITOR
Pramod S Shah & Associates

BANKERS
State Bank of India
Citibank NA
HDFC Bank
At a Glance

India’s leading cement brand

17 Cement plants
62 READY MIX Concrete plants
26.21 MILLION TONNES of cement sold

₹ 12,909 Crore net sales
7,422 Employees
10,000+ Dealers

4,82,000 People benefited from CSR INITIATIVES
4,00,000 TONNES of waste processed
19,259 Houses built through GREEN BUILDING CENTRES
Customer above all

Value-added services and solutions build strong connections

Anticipating customers’ needs early and being able to serve them with differentiated products and solutions is a key pillar of ACC’s commercial strategy. ACC creates deep-rooted engagements with end-use customers, and our initiatives to drive commercial excellence are shaping the future, with new concepts such as ‘Construction Ka Doctor’, a web sales platform, and the ACC Dream Home App.

‘Construction Ka Doctor’
In rural areas, retail outlets function as information hubs, and ACC is successfully leveraging them to build a stronger connect with customers. ACC’s Construction Ka Doctor is our popular engagement platform at dealer counters.

Web Sales
ACC’s online sales platform delivers convenience to its channel partners. Dealers can track and update sales invoices, outstandings, etc 24x7. Going forward, a significant percentage of cement sales will be routed through this digital channel.

ACC Dream Home App
For dealers, masons, engineers, architects
10,000+ downloads on Google Playstore

Construction Ka Doctor: A helping hand

ACC’s Individual Home Builder (IHB) solutions have redefined construction

Building one’s own home can be a challenge. ACC’s IHB solutions offer information and technical assistance to customers in terms of products and services — from giving advice on appointing architects, contractors and masons, to choosing the right home plan, budgeting and scheduling. Our engineers conduct site visits to educate home owners and masons, besides supervising critical stages like slab casting. Our innovative solutions have helped ACC become a trusted voice in the construction industry.

CASE STUDY
Khalid Siddique, a house-owner from Kushinagar, Uttar Pradesh, is among thousands of customers who have benefited from our IHB initiative. At Construction Ka Doctor, we guided Khalid throughout his home building process.

“The ACC Customer Service Officer advised me on using the right cement for my home. The company officials even personally came to inspect the work and ensured that everything was done perfectly. I am thankful to ACC.”

— Khalid Siddique, Kushinagar
**High performance cements and solutions**

ACC is leading from the front and constantly pushing the boundaries by developing modern product and service solutions that score high on performance, durability, strength and power. Our differentiated offerings are the result of our deep understanding of every consumer segment and tailoring our value propositions to their needs. Innovation and premium brand positioning are at the core of our portfolio, that has been reshaping the way India builds.

**Speedcrete revives roads in just 24 hours**

Road repair is a time-consuming job. However, ACC helped repair over 20km of Chennai’s arterial roads in record-breaking time — a testimony to its industry-leading engineering expertise and experience! Maintaining asphalt roads during the monsoons was a tough challenge for the Chennai Municipal Corporation. That’s where ACC’s specialised expertise in composite road pavement solutions helped. ACC’s Ultra-Thin White Topping 24, known as ACC Speedcrete, is a unique solution that sets rapidly and allows resurfacing of roads in record time of just 24 hours. The repaired roads were open for traffic within a day and ACC’s innovative concrete solutions ensured that Chennai’s citizens were able to enjoy the luxury of smooth new roads with minimum disturbance.

**Speedcrete sets the pace on Chennai roads**

- Constructed **20 km** in just **30 days**
- Paved **70 bus routes**
Imprinting India’s landmark infrastructure

From the Bhakra Nangal Dam in 1960 to the Sainj Hydro Power Project in Himachal Pradesh, ACC has helped build numerous landmark projects.

**World record in concrete pumping**

Circa 2017, ACC supported building of the Sainj Hydroelectric Power Project in Kullu, Himachal Pradesh. This mammoth operation was carried out under tough conditions, supplying cement on tight schedules and supporting the mix design. Engineering expertise and seamless teamwork led to pumping of ACC concrete to a world record distance of 2.43km.

**Tough cement for tough conditions**

The Qazigund-Banihal high-altitude twin tunnel in Jammu & Kashmir sculpts an 8.5km path through the mighty Himalayas. ACC helped develop the most appropriate mixes. The mountainous terrain proved to be a major challenge to cement being delivered by rail and road over 700km from Gagal Works. This marvel of human endeavour and engineering that stands on the tough and resilient shoulders of ACC cement, will transform lives of people in the valley, giving all-weather connectivity and shrinking travel by 70km.

**Participation in India’s longest single-pillar elevated Viaduct**

India’s longest elevated six-lane single pillar road bridge is backed by ACC’s consistent quality delivered on time. This 10.3km elevated road will ease commute in the NCR region.
Cementing a bright future
ACC’s manufacturing excellence has made a significant and visible impact

Manufacturing is the mainstay of our ambition to shape the future and at ACC, we set the benchmark in quality and productivity, adopting global best practices in our quest for excellence.

We have increased our manufacturing capacity through expansions at our Jamul and Sindri plants, adding 2.79 mtpa to our clinker units and 2.45 mtpa at our grinding units. With a capacity of 33.41 million tonnes, ACC is one of India’s largest cement manufacturers.

Our Dream Run programme for Manufacturing Excellence identified new potential and redefined the benchmarks of systems and processes to achieve and sustain results.

Sustainable Development
ACC is committed to sustainable development, with some of our manufacturing units having the lowest carbon footprint in the industry. Our robust quarry rehabilitation, water management, and ‘greening’ initiatives ensure that the company actively promotes the use of alternative fuels and resources and offers effective solutions for waste management through co-processing of wastes in cement kilns. We are strengthening our infrastructure with new pre-processing facilities at Madukkarai, Tamil Nadu and Wadi, Karnataka, to increase the company’s waste processing capacity, with the support of Geocycle.

Preventive Maintenance
Our state-of-the-art preventive maintenance systems, such as real-time remote monitoring of vibration and torque data, Mechanical Kiln Measurement tool (MKM) and Total Lubrication Management (TLM) provide us with timely insights into equipment condition. These systems help us achieve better plant reliability and higher productivity. Our Variable Voltage Frequency Drive for energy management helps in reducing energy consumption and additional costs.

The Cement Industrial Performance Report’s global ranking of LafargeHolcim’s 137 integrated cement plants around the world rated Galag 2 as the best performing integrated cement plant, while Galag 1 came in a close second and Lakheri was ranked 14th worldwide.

Awards
ACC Jamul won the National Award for Manufacturing Competitiveness in the Silver category from the International Research Institute for Manufacturing.
Nurturing our most valuable asset

People excellence forms a core pillar of ACC’s success along with products and services

Human capital is ACC’s biggest asset and people strategies form the core of our organisational strategy. This was validated in 2017, with ACC bagging the highest favourable score in the LH Global Pulse survey, which mapped employee feedback across group companies.

Human Resources

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Innovate to Excel is a national-level initiative that encourages and rewards ideas that lead to improvement of products and processes.

2017 saw us taking further strides in our people processes with the implementation of Workday, a robust cloud-based HR information platform. Workday provides line managers with employee information while allowing agility and ease of collaboration to HR managers.

ACC has consistently and continuously strived to create a diverse and more inclusive workforce. To support its gender diversity goals,

ACC has an institutionalised culture to develop the capabilities of our employees, nurture their careers, and manage the performance of individuals and teams. This has helped ACC build a steady and reliable pipeline of leadership talent. Over 90% of top leadership roles in core functions such as manufacturing, sales and logistics are occupied by our internal talent pool.

ACC’s robust reward and recognition programme is a testament to our deep-rooted culture of celebrating employees and their contributions. ACC’s Innovate to Excel is a national-level initiative that encourages and rewards ideas that lead to improvement of products and processes.

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Safety first and foremost

Health & Safety is at the core of our business, and zero-harm to all stakeholders is a continuous mission

‘Zero Harm’ is a core objective for us and a key driver to build a safe and secure workplace for all our stakeholders. Our Health and Safety (H&S) Management Systems are benchmarked against global standards, and designed to continuously improve performance and actively manage risks in the business. In 2017, we focused on engagement at all levels.

A key initiative, the Health & Safety Improvement Plan has been designed to improve the areas of H&S Leadership & Accountability, capability of our people, the H&S Management Systems, Health, Road Safety and Electrical Safety. Through our ‘More Boots on the Ground’ initiative, launched in 2017, the senior leadership spends quality time at the plants and amidst the teams to encourage the culture of safety, and inculcate a sense of ownership.

H&S Feedback App
Our new H&S Feedback App gives real time access to the feedback management system for Health & Safety training and events.

Logistics Safety
Suraksha Chaupals were set up for truck drivers to provide facilities that went beyond rest areas and amenities at our parking yards. Launched in Tikaria in 2015, the initiative now covers all our plants. Concerted efforts focusing on people and processes are helping us build on our logistics safety benchmarks. To accelerate our automation efforts towards LafargeHolcim’s sustainability aspiration of zero manual handling by 2030, custom-designed table conveyors were deployed for easier loading and unloading of cement bags at all our plants.

Our Star Warehouse Rating Programme (SWRP) was launched in September to cross-pollinate best practices, raise standards and provide high levels of customer service.
ACC’s SD 2030 plan on course across operations in line with UN Sustainable Development Goals

Sustainability is an integral part of our business strategy. As an industry leader, ACC is committed to ensuring a sustainable business. Climate, Circular Economy, Water & Nature and People & Communities — these are the four pillars of its sustainability focus, where ACC has made impactful contributions. Working consistently towards achieving the 2020 goals set under each pillar, ACC has done robust work in 2017 to surpass its targets in each of the focus areas — reduced specific CO₂ emissions by 34% per tonne of cement, utilised ~10 million tonnes of waste-derived resources, conducted the BIRS (Biodiversity Indicator and Reporting System) assessment at its mines, reduced specific fresh water withdrawal in cement operation by 15% and implementing the WASH (Water, Sanitation and Hygiene) pledge to ensure access to safe water, sanitation and hygiene at the workplace, besides touching nearly half a million lives through its Corporate Social Responsibility initiatives across the country.

ACC will generate one-third of its turnover from enhanced sustainability solutions

We will
Reduce net specific CO₂ emissions by 34% per tonne of cement (vs. 1990)

We will
Use 9.6 million tonnes of waste-derived resources per year

We will
Reduce specific freshwater withdrawal in cement operations by 19%
Complete BIRS baseline assessments at all quarries
Have BMP for all quarries

We will
Reduce net specific CO₂ emissions by 40% per tonne of cement (vs. 1990)

We will
Use 10.7 million tonnes of waste-derived resources per year

We will
Reduce specific freshwater withdrawal in cement operations by 30%
Show a positive change for biodiversity
Implement WASH pledge at all our sites

We will
Have zero fatalities
Reduce LTI FR < 0.20
Reduce TIFR by 50%
Benefit 3.25 million people from our social programmes
Assess 100% high risk active suppliers + Top sub-suppliers with high risk identified and assessed

ACC Gagal awarded the Sustainability 4.0 Award by Frost & Sullivan & TERI, in the ‘Challengers’ category for Large Business.

Note: Baseline year is 2015 unless stated otherwise
Striving for a zero-waste future
ACC’s innovative and sustainable solutions recycle waste, reduce air and soil pollution levels

LafargeHolcim, having expertise in waste management, is deploying cutting-edge technology to sustainably manage industrial, municipal and agricultural waste. The entire management of waste is done scientifically, using co-processing technology that ensures complete destruction of waste. Handling of waste through this technology ensures that no residue is left and the resource value of waste is recovered.

In 2017 alone, Geocycle sustainably managed more than 4,00,000 tonnes of waste from various sources by co-processing in cement kilns of ACC. This includes more than 3,10,000 tonnes of industrial waste and more than 31,000 tonnes of waste from municipal sources. In addition to this more than 51,000 tonnes of agricultural residue were sustainably managed in ACC kilns. The model not only conserves land for other purposes but also reduces air and water pollution.

Geocycle also helps manage plastic and agricultural waste from local communities. It has co-processing facilities and dedicated pre-processing facilities across cement kilns of ACC and is working with 200 customers. Waste co-processing in cement kilns recovers energy and recycles material. This reduces our dependency on traditional fuels and raw materials.

Green Building Centres

Our Green Building Centre (GBC) initiative is a holistic approach to sustainable rural development, which enables livelihoods and promotes affordable housing. The GBCs are based on the triple bottom-line approach of delivering social, environmental and financial performance, in sync with our 2030 sustainable development goals.

The GBCs support local micro-entrepreneurs to make and distribute affordable cement-based home building components and pre-fabricated materials such as fly ash bricks, concrete blocks, tiles, pavers, roofing, walling, frames and sanitation units. Our goal is to promote sustainable construction through a business model that provides affordable and green building materials, with each GBC currently enabling 100 homes every month, generating 30 direct and 120 indirect jobs.

Our aim is to facilitate the construction of one million affordable houses and toilets over the next 10 years. The GBCs represent ACC’s construction expertise and demonstrate the company’s support to sustainable rural enterprise.

Panel of toilet built to specifications of Prime Minister’s Swachh Bharat Scheme

Sample toilet built to specifications of Prime Minister’s Swachh Bharat Scheme

Geocycle’s goal
zero-waste future

Network of 9 co-processing and 3 specialised pre-processing facilities

53 GBCs in 2017
(38 active, 15 under implementation)

19,259 affordable homes built through GBCs
Creating better lives, brighter futures
ACC works actively at grassroots to enhance local economies and give quality education to the needy

ACC is working steadfastly to improve the lives of people living in marginalised or economically backward communities, with programmes that encompass livelihoods, education, health & sanitation and women empowerment. In 2017, the company’s community development programmes touched the lives of over 4,82,000 people in 202 villages across India. A recent report released by IIM-Udaipur on ‘India’s Top Companies for Sustainability and CSR 2017’ ranked ACC among the top 10 in India.

Disha
Our skilling initiative, Disha, supports rural youth in learning new employable skills and gaining opportunities for sustainable livelihoods. Disha conducts programmes for a range of vocations. The CSR team identifies candidates for the training, who are then either placed in a job or encouraged to start their own ventures.

Vidya Utkarsh
We provide needy students with a healthy and safe learning environment. Vidya Utkarsh has improved and positively impacted the lives of more than 23,968 students.

Besides running ACC’s 15 own schools and enhancing the quality of education in 178 government-run schools, in 2017 we awarded scholarships to 1,009 meritorious students and helped 1,415 girls to get back to school through 50 ‘ACC Ki Laadli’ centres.

Awards
- Prestigious ‘2 Good’ rating by Economic Times & KPMG for CSR performance, integrated processes and CSR expenditure over and above 2-4% of net profits for 2015-16.
- ISC-FICCI first-ever Sanitation award for ‘Best Corporate Initiative in Sanitation’.
- ACC’s Madukkarai Clean and Green CSR project — being replicated at Jamul, Kymore and Wadi — receives Chhattisgarh Chief Minister’s memento for innovative solution for municipal waste.

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<td>20,761</td>
<td>23,968</td>
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<tr>
<td>lives touched through alternate livelihood projects</td>
<td>children benefited through education initiatives</td>
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CASE STUDY

Disha: Changing lives

ACC helps reduce unemployment in rural areas through its skilling initiatives that help men and women become employable and find jobs or start micro-enterprises

ACC’s Disha initiative focuses on skilling and entrepreneurship development of underprivileged and unemployed rural youth who are provided training in home appliances servicing, automobile repair, welding, and more. Post training, they are offered suitable jobs or encouraged to start their own micro enterprises. Currently operational in 14 locations, the Disha initiative trained more than 3,745 youth in 2017. Women are also trained to become self-reliant through micro enterprises at Disha centres.

Empowering Women to Take on New Frontiers

ACC inducted 56 women for training as Control Room Operator (CRO)-cum-Quality Analysts in September 2017. This first-of-its-kind initiative aims to train women with the required technical skills as well as soft skills, enabling them to earn a sustainable livelihood. The 3-year-residential course at the ACC Cement Technology Institute (ACTI) in Jamul, is specially curated for women aspirants and imparts classroom as well as practical on-the-job training. Come 2020, all 56 girls will complete their course to become eligible for opportunities at ACC and other leading manufacturing companies.

Driving his own business

31-year-old Mohammed Irfan Patel exemplifies the success of Disha. A decade ago, Patel had just completed a course at the local ITI and had no job. “I saw some ACC posters about a driver training programme,” he recollects. ACC Wadi helped him secure a driving license and trained him to drive, after which he began working for the company by driving around guests visiting the plant. He started earning ₹ 1,500 a month, and slowly his wages doubled. In 2012, he decided to start his own driving school in Wadi, with support from Disha, Wadi. Today, Patel runs his own A-1 Motor Driving School. “My business has been successful. Over the last five years, ACC has sent around 100 students to my academy for training,” says a thankful Patel, who earns about ₹ 25,000 a month now.

“I am grateful to ACC Disha for giving me the opportunity to make a living and to start my own enterprise.”
— Mohammed Irfan Patel

“Thanks to ACC, today I can inspire young girls who have similar dreams.”
— Srisha Badholia, ACTI Trainee
Empowering the girl child through education

ACC Ki Laadli initiative is transforming the lives of girls across five states in India and is a testament to our ethos of good corporate citizenship

ACC is a firm believer in the indispensability of education for economic and political empowerment of socially and economically disadvantaged communities. The teaching of 3 R’s to girls has the potential to not only uplift them but also improve the condition of the family. This conviction serves as the bedrock of ACC Ki Laadli, a flagship initiative, which has empowered over 1500 girls each year, since it was launched in 2013. The initiative endeavours to provide meaningful education to girls, especially those out of school and belonging to marginalised and deprived sections of the society, up to grade V. ACC has partnered with IIMPACT, a nonprofit, to establish learning centres in Uttar Pradesh, Madhya Pradesh, Uttarakhand, Haryana, Bihar and Himachal Pradesh. ACC Ki Laadli now covers 50 villages across the six states. ACC’s supply chain partners have played a proactive role in the success of the initiative. ACC’s dealers, retailers and CFAs contribute towards the project cost. Today, the initiative has grown into a movement and is expanding with each passing year.

CASE STUDY

14-year-old Sima’s story is a vindication of ACC’s sustained efforts in transforming rural communities. Sima, a resident of Nanhupur Pada in Uttar Pradesh, lost her mother at an early age. Her father, a labourer, struggled to feed his family of five. With such a grim situation, her father was reluctant to send Sima to school. Sima would have ended up like other girls; however, a routine survey under the ACC Ki Laadli initiative changed her destiny. Sustained efforts resulted in Sima’s father consenting to send her to the local IIMPACT centre. The happy sight of children and the innovative teaching methods, led to Sima becoming a regular. A quick learner, she can converse fluently in Hindi, read and speak elementary English, and rattle off tables up to 20. Education has transformed her and she is taking care of her home as well, says a family member. “Sima is encouraging me to read and write, and also helps me with the records,” says her father. The ACC Ki Laadli initiative is helping Sima to dream big.

“ACC has given me a new dream in life and an opportunity to fulfil it.” — Sima
ACC Limited is India’s foremost manufacturer of cement and ready mix concrete with 17 cement plants, 62 ready mix concrete plants, 1 bulk terminal, a vast distribution network of over 10,000 dealers and a countrywide spread of sales offices.

**Corporate Office**
Mumbai (Maharashtra)

**Cement Plants**

**Andhra Pradesh**
1. Vizag

**Chhattisgarh**
2. Jamul

**Himachal Pradesh**
3. Gagal I
4. Gagal II

**Jharkhand**
5. Chaibasa
6. Sindi

**Karnataka**
7. Kudithini
8. Thondebhavi
9. Wadi I
10. Wadi II

**Madhya Pradesh**
11. Kymore

**Maharashtra**
12. Chanda

**Odisha**
13. Bargarh

**Rajasthan**
14. Lakheri

**Tamil Nadu**
15. Madukkarai

**Uttar Pradesh**
16. Tikaria

**West Bengal**
17. Damodhar

**Regional Sales Offices**
18. Eastern Region (Kolkata)
19. Northern Region (New Delhi)
20. Western Region (Thane)
21. Southern Region (Bengaluru)

**Our Network**

This map is of 31st December 2017. It is illustrative and not drawn to scale.
Delivering value to shareholders

A healthy top-line and a robust bottom-line. Taking challenges like GST implementation and switchover to Indian Accounting Standards in its stride, our company turned in a solid performance quarter-on-quarter to cap the year with robust revenue growth.

Internal Control Systems
The company calibrates its business processes and operations framework to continuously improve efficiencies. These include automated internal business workflow and controls.

There is a robust system of internal audit and automated control procedures to ensure discipline and compliance, backed by a robust Internal Audit framework.

Corporate Governance
ACC’s rich legacy of ethical governance, strong sense of values and business practices have earned the trust and goodwill of its investors and stakeholders. The objective is to assure the long term value, successful fulfilling of aspirations and interests of all stakeholders.

Awards
ACC’s annual report for 2016 was awarded the ‘Certificate of Merit’ in the ‘Manufacturing Sector’ category by the South Asian Federation of Accountants.

Performance Highlights

Performance Highlights*
(Standalone Financial)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Sales (Crore)</th>
<th>Operating EBITDA (Crore)</th>
<th>Operating EBITDA Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>10,889</td>
<td>1,629</td>
<td>15</td>
</tr>
<tr>
<td>2014</td>
<td>11,481</td>
<td>1,507</td>
<td>13</td>
</tr>
<tr>
<td>2015</td>
<td>11,433</td>
<td>1,537</td>
<td>13</td>
</tr>
<tr>
<td>2016</td>
<td>10,772</td>
<td>1,474</td>
<td>14</td>
</tr>
<tr>
<td>2017</td>
<td>12,909</td>
<td>1,909</td>
<td>15</td>
</tr>
</tbody>
</table>

*Figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP

Net Sales, Operating EBITDA & Operating EBITDA Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Sales (Crore)</th>
<th>Cement Operating EBITDA (Crore)</th>
<th>Cement Operating EBITDA Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>10,889</td>
<td>1,609</td>
<td>15.6</td>
</tr>
<tr>
<td>2014</td>
<td>11,481</td>
<td>1,473</td>
<td>13.6</td>
</tr>
<tr>
<td>2015</td>
<td>11,433</td>
<td>1,483</td>
<td>13.9</td>
</tr>
<tr>
<td>2016</td>
<td>10,772</td>
<td>1,399</td>
<td>14.0</td>
</tr>
<tr>
<td>2017</td>
<td>12,909</td>
<td>1,794</td>
<td>15.0</td>
</tr>
</tbody>
</table>

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Net Sales, Operating EBITDA & Operating EBITDA Margin

Corporate Governance

AAA rating by CRISIL

Consolidated Operating EBITDA
₹ 1,912 Crore

Consolidated Profit after tax
₹ 925 Crore

Net Sales
₹ 12,909 Crore

ACC’s annual report for 2016 was awarded the ‘Certificate of Merit’ in the ‘Manufacturing Sector’ category by the South Asian Federation of Accountants.
Performance Highlights*
(Standalone Financial)

Cement Sales Volume & Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Million Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>23.93</td>
</tr>
<tr>
<td>2014</td>
<td>24.21</td>
</tr>
<tr>
<td>2015</td>
<td>23.62</td>
</tr>
<tr>
<td>2016</td>
<td>22.99</td>
</tr>
<tr>
<td>2017</td>
<td>26.21</td>
</tr>
</tbody>
</table>

Sales Volume: Orange Bar
Growth (%): Yellow Line

Ready Mix Concrete Operating EBITDA & Operating EBITDA Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>19.61</td>
</tr>
<tr>
<td>2014</td>
<td>34.12</td>
</tr>
<tr>
<td>2015</td>
<td>54.29</td>
</tr>
<tr>
<td>2016</td>
<td>74.78</td>
</tr>
<tr>
<td>2017</td>
<td>114.98</td>
</tr>
</tbody>
</table>

Op. EBITDA: Orange Bar
Op. EBITDA Margin (%): Yellow Line

Profit Before Tax & Profit After Tax

<table>
<thead>
<tr>
<th>Year</th>
<th>Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,135</td>
</tr>
<tr>
<td>2014</td>
<td>1,168</td>
</tr>
<tr>
<td>2015</td>
<td>784</td>
</tr>
<tr>
<td>2016</td>
<td>647</td>
</tr>
<tr>
<td>2017</td>
<td>915</td>
</tr>
</tbody>
</table>

PBT: Orange Bar
PAT: Blue Bar

Average Capital Employed & Return On Capital Employed (ROCE)

<table>
<thead>
<tr>
<th>Year</th>
<th>Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>7,703</td>
</tr>
<tr>
<td>2014</td>
<td>8,048</td>
</tr>
<tr>
<td>2015</td>
<td>8,339</td>
</tr>
<tr>
<td>2016</td>
<td>8,637</td>
</tr>
<tr>
<td>2017</td>
<td>9,099</td>
</tr>
</tbody>
</table>

Average Capital Employed: Orange Bar
ROCE (%): Yellow Line

*Figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP
### Performance Highlights*  
*(Stand-alone Financial)*

#### Dividend Per Share, Earning Per Share and Dividend Payout Ratio*

<table>
<thead>
<tr>
<th>Year</th>
<th>EPS</th>
<th>DPS</th>
<th>Dividend Payout Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>30</td>
<td>51</td>
<td>1.7</td>
</tr>
<tr>
<td>2014</td>
<td>34</td>
<td>55</td>
<td>1.5</td>
</tr>
<tr>
<td>2015</td>
<td>17</td>
<td>32</td>
<td>1.5</td>
</tr>
<tr>
<td>2016</td>
<td>17</td>
<td>34</td>
<td>1.4</td>
</tr>
<tr>
<td>2017</td>
<td>26</td>
<td>53</td>
<td>1.7</td>
</tr>
</tbody>
</table>

*Dividend payout ratio is calculated without considering dividend distribution tax

#### Net Fixed Assets & Asset Turnover Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Fixed Asset</th>
<th>Asset Turnover Ratio (Times)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>6,324</td>
<td>1.7</td>
</tr>
<tr>
<td>2014</td>
<td>7,513</td>
<td>1.5</td>
</tr>
<tr>
<td>2015</td>
<td>7,656</td>
<td>1.4</td>
</tr>
<tr>
<td>2016</td>
<td>7,786</td>
<td>1.7</td>
</tr>
<tr>
<td>2017</td>
<td>7,503</td>
<td>1.5</td>
</tr>
</tbody>
</table>

#### Book Value Per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>₹ Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>416</td>
</tr>
<tr>
<td>2014</td>
<td>439</td>
</tr>
<tr>
<td>2015</td>
<td>450</td>
</tr>
<tr>
<td>2016</td>
<td>470</td>
</tr>
<tr>
<td>2017</td>
<td>499</td>
</tr>
</tbody>
</table>

#### Market Capitalisation at Year End

<table>
<thead>
<tr>
<th>Year</th>
<th>₹ Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>20,806</td>
</tr>
<tr>
<td>2014</td>
<td>26,278</td>
</tr>
<tr>
<td>2015</td>
<td>25,546</td>
</tr>
<tr>
<td>2016</td>
<td>24,995</td>
</tr>
<tr>
<td>2017</td>
<td>33,021</td>
</tr>
</tbody>
</table>

#### Corporate Social Responsibility Expenditure

<table>
<thead>
<tr>
<th>Year</th>
<th>₹ Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>23</td>
</tr>
<tr>
<td>2014</td>
<td>27</td>
</tr>
<tr>
<td>2015</td>
<td>31</td>
</tr>
<tr>
<td>2016</td>
<td>22</td>
</tr>
<tr>
<td>2017</td>
<td>22</td>
</tr>
</tbody>
</table>

#### Contribution to Exchequer

<table>
<thead>
<tr>
<th>Year</th>
<th>₹ Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3,766</td>
</tr>
<tr>
<td>2014</td>
<td>3,790</td>
</tr>
<tr>
<td>2015</td>
<td>3,913</td>
</tr>
<tr>
<td>2016</td>
<td>4,007</td>
</tr>
<tr>
<td>2017</td>
<td>5,331</td>
</tr>
</tbody>
</table>

*Figures for 2017 and 2016 are as per Ind AS and remaining figures are as per Previous GAAP*
Cost & Profit as a Percentage of Revenue from Operations (Net)

2017

- Other income: ₹ 132 Crore (1%)
- Finance costs: ₹ 102 Crore (1%)
- Depreciation: ₹ 640 Crore (5%)
- Manufacturing and other costs: ₹ 2,387 Crore (18%)
- Freight and Forwarding expense: ₹ 3,451 Crore (26%)
- Power and fuel: ₹ 2,714 Crore (20%)
- Employee Cost: ₹ 819 Crore (6%)
- Finance costs: ₹ 102 Crore (1%)
- Depreciation: ₹ 640 Crore (5%)
- Manufacturing and other costs: ₹ 2,387 Crore (18%)
- Freight and Forwarding expense: ₹ 3,451 Crore (26%)
- Power and fuel: ₹ 2,714 Crore (20%)
- Employee Cost: ₹ 819 Crore (6%)
- Profit before tax: ₹ 1,298 Crore (10%)
- Cost of material consumed: ₹ 1,983 Crore (15%)

2016

- Other income: ₹ 128 Crore (1%)
- Finance costs: ₹ 83 Crore (1%)
- Depreciation: ₹ 605 Crore (5%)
- Manufacturing and other costs: ₹ 2,366 Crore (22%)
- Freight and Forwarding expense: ₹ 2,655 Crore (24%)
- Power and fuel: ₹ 2,157 Crore (20%)
- Employee Cost: ₹ 755 Crore (7%)
- Profit before Exceptional item and tax: ₹ 914 Crore (8%)
- Cost of material consumed: ₹ 1,587 Crore (14%)