Who we are

Relationships that foster value

Incorporated in 1936, ACC Limited (ACC), is one of the leading players in the Indian building materials market with a pan-India presence.

For over eight decades, ACC has been synonymous with cement in India, emerging as a pioneer in a rapidly evolving industry scenario. It has always set new benchmarks in research and innovative product development and introduced industry-leading brands. ACC was also among the first Indian companies to include commitment to environmental protection as one of its core corporate objectives.

Over the years, we have integrated this commitment across all aspects of our operations. The result is that we now have one of the lowest carbon footprints in the cement industry. Consistent focus on sustainable business practices with greater use of technologically advanced processes, have enabled us to grow stakeholder value with a long-term focus and a relationships-first approach.

Iconic landmarks testify to our experience, expertise and relentless drive to innovate.

OUR VISION
To be one of the most respected companies in India, recognised for challenging conventions and delivering on our promises.

ACC IN NUMBERS
33.05 MTPA
Installed cement capacity

17
Cement plants

9
Captive power plants

~6,400
Employees

56,000
Channel partners

LH KEY FACTS
~70,000
Employees

269
Cement and grinding plants

Shareholding pattern

Parent
63.11%

4.48%

63.11%

4.48%

Ambuja Cements Ltd.
Ownership by

Holderind Investments Ltd.
(A subsidiary of LH)

Our Parentage
We became a part of the Holcim Group, Switzerland, in 2005. Subsequent to the merger of Lafarge and Holcim in 2015, we became integral to LafargeHolcim (LH) Group—the world’s leading building materials player. Our well-balanced, nationwide footprint in India helps us serve our customers with speed and efficiency. Our Group’s guidance in terms of the usage of best-in-class technologies enables us to thrive in a dynamic market.
Ready mix concrete plants: 80° across 17 states
- Cement plants across 12 states
  - Grinding unit
  - Integrated plant
    - Andhra Pradesh
    - Chhattisgarh
    - Himachal Pradesh
    - Jharkhand
    - Karnataka
    - Jharkhand
    - Madhya Pradesh
    - Maharashtra
    - Odisha
    - Rajasthan
    - Tamil Nadu
    - Uttar Pradesh
    - West Bengal
  - Grind unit
    - Visakhapatnam
    - Jamul
    - Gagal 1
    - Gagal 2
    - Chabasa
    - Sindri
    - Kudthini
    - Thondeshbavi
    - Wadi 1
    - Wadi 2
    - Kymore
    - Chanda
    - Bargah
    - Lakhri
    - Madukkarai
    - Tikaria
    - Damodhar

NATIONAL OUTREACH
Over the years, we have set up manufacturing and grinding units, and ready mix concrete plants across the length and breadth of India.

Corporate office
Mumbai, Maharashtra

Regional sales offices
- Central and Eastern region: Kolkata, West Bengal
- Northern region: New Delhi, NCR
- Western region: Thane, Maharashtra
- Southern region: Bengaluru, Karnataka

Sales units
- Techport Thane, Maharashtra

Training centres
- ACC ACL Leadership Academy Thane, Maharashtra
- ACC Cement Technology Institute Jamul, Chhattisgarh
- Sumant Moolgaokar Technical Institute Kymore, Madhya Pradesh

Sustainable business model
To create long-term value, we embed sustainability principles across all aspects of our strategy and value-creation approach.

Expansive offerings
As a customer-centric organisation, we promote a range of blended cements and value added concrete solutions with advanced features suitable for different applications and local conditions.

Financial strength and flexibility
Diverse revenue streams, healthy free cashflow and balance sheet, and integrated operations facilitate efficient allocation and management of capital.

Experienced leadership and strong talent pipeline
ACC’s world-class leadership team has a proven track record of performance delivery, underpinned by ongoing talent development and succession planning.

Our strengths
- Sustainable business model
- Trusted brand for over 80 years
- Expansive offerings
- Financial strength and flexibility
- Experienced leadership and strong talent pipeline
**Product profile**

**An expansive portfolio driven by innovation**

Our ability to predict market requirements and identify consumer preferences has enabled us to launch products backed by intense research. Our diverse product bouquet ranges from cement and construction chemicals to ready mix concrete and dry mix products.

### CEMENT

The Gold and Silver range of cement assure superior quality for specialised applications and environment besides being immensely suited for general construction.

#### GOLD RANGE

- **ACC Gold Shield**
  Premium cement with a unique water repellent formula, which acts as a shield against water seepage.

- **ACC F2R Superfast**
  Scientifically developed with superior strength and superfine quality that enables robust construction in a short time.

- **ACC Concrete+ Xtra Strong**
  Specially formulated cement with unique binding properties designed to provide higher strength.

#### SILVER RANGE

- **ACC Gold Shield**
  Water Shield
  Premium cement with a unique water repellent formula, which acts as a shield against water seepage.

- **ACC Suraksha Power**
  Loaded with unique strength multipliers providing homes with strength that increases over time.

- **ACC Super Shaktimaan**
  Scientifically made keeping the consumer's need in mind of making their homes strong from the inside, year after year.

### CONSTRUCTION CHEMICALS

The ACC leak block range of construction chemicals helps provide 360° water resistance to structures.

- **ACC Leak Block Cement Mix LB 202**
  Integral waterproofing compound.

- **ACC Leak Block Cement Coat LB 303**
  Advanced acrylic emulsion-based waterproofing and bonding compound.

### DRY MIX RANGE - FOR RETAIL CUSTOMERS

The dry mix range is designed to address key pain points of retail consumers. With consumer-friendly packaging and ease of usage, these aim to make the journey of home building easier.

- **ACC Xtra Strong Tile on Tile Adhesive XT 222**
  A grey cement based tile adhesive used for fixing medium sized tiles for internal walls and floors and tile on tile applications.

- **ACC Xtra Strong Tile Adhesive XT 333**
  A grey cement based high polymer modified tile adhesive, suitable for external wall applications.

### READY MIX CONCRETE

Customised range of ready mix concrete to meet specific requirements of diverse clientele, from small homes to mega projects.

- **ACC Ultivacrete NX**
  Highest commercial (M 140) grade concrete available in India.

- **ACC Structlitecrete**
  High density cement that ranges from 1,500-1,900 kg/cum and finds exceptional utility in structural concrete, making it a good insulation material.

- **ACC Sustainocrete**
  A unique sulphate-resistant concrete that finds increasing applications in onshore and coastal structural requirements.

- **ACC Refraxcrete**
  Withstands high temperatures ranging from 200-250°C and can be used in refractories, where pits are heated.

- **ACC Suraksha Power**
  Loaded with unique strength multipliers providing homes with strength that increases over time.

- **ACC Super Shaktimaan**
  Scientifically made keeping the consumer’s need in mind of making their homes strong from the inside, year after year.

**Dry Mix Range – For Institutional Customers**

This dry mix range is designed to address key pain points of institutional consumers. With large 40 kg packs, these products provide customised solutions to suit various requirements of customers for fixing tiles and stones across the construction cycle.

- **ACC Suraksha Ready Use Plaster 101**
  Consists of well-proportioned blend of quality raw materials and well-graded sand

- **ACC Suraksha Waterproof Plaster 201**
  Consists of well-graded sand and special waterproofing and self-curing additives

- **ACC Suraksha Thin Bed Jointing Mortar 105**
  Consists of well-graded sand, ACC cement and special additives

- **ACC Suraksha Grout 275**
  High strength, shrinkage compensated and flowable cementitious grout

- **ACC Suraksha Tile Fix 111**
  A ready-to-use grey cement based tile adhesive used for fixing small-sized ceramic and mosaic tiles for internal application

- **ACC Suraksha Tile Fix 222**
  A grey cement based tile adhesive used for fixing medium size ceramic, mosaic and vitrified tiles for internal walls and floors and external floor application

- **ACC Suraksha Tile Fix 333**
  A grey cement based tile adhesive for fixing large format vitrified, ceramic mosaic tiles, stone, marbles and granite for internal and external, wall and floor applications

**ACC Admix – Range of Concrete Admixtures**

ACC Admix range are new generation super plasticiser based on modified poly carboxylic ether based polymers. Designed to impart exceptional performance in concrete.

- **ACC Admix**
  LP-4300 Modified poly carboxylic ether

- **ACC Admix**
  MP-5400 Poly Carboxylic Ether (PCE)

- **ACC Admix**
  HP-6500 High range of super plasticiser (PCE)

- **ACC Admix**
  HVF-7900 Special designed PCE to obtain desired rheology of fresh concrete

**ACC Green Building Centre**

Green Building Centre is a sustainable business model designed to provide durable and affordable housing solutions to rural customers, thereby enhancing lives and enabling livelihoods.

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**ACC User-Friendly Green Concrete Products**

- **ACC Designer Garden Benches**
  Excellent usage facility for parks, railway, platforms, schools, gram panchayats, etc.

- **Pre-Cast Boundary Wall**
  High structural efficiency and cost benefit compared to normal construction of boundary wall

- **ACC Kerb Stones**
  High strength perfect corners coloured designs available

- **ACC Green Cement Doors and Window Frames**
  High durability and customisable

**Wall Construction Offering**

- **ACC Green Bricks**
  Produced by both vibro and compaction process and helps in safeguarding seepage and efflorescence

- **ACC Green Concrete Hollow & Solid Blocks**
  Cost-effective due to reduction in mortar use and superior fire resistance

- **ACC Green AAC Blocks**
  Provides superior protection to steel rebars from rust and corrosion and enhances the life of the roof

- **ACC+ Green AAC Blocks**
  Provides low density and high strength

**Pavement Construction Offering**

- **ACC Interlocking Paver Blocks**
  A wide range of sizes, shapes, and strengths to suit usage requirements

- **ACC Green Cement Plain and Chequered Tiles**
  Usage in wet areas, stairways, entrances and driveways

**ACC Green Concrete Cover Blocks**

- **High Strength ACC Concrete Cover Block**
  Different sizes and shapes for use in various applications of a building i.e. footing, piles, beams and slabs
Chairman’s statement

Staying ahead, with responsibility and resilience

Dear Stakeholders,

I wish you all good health in these trying times. Adversity, they say, is a true test of character. At ACC, despite the unprecedented nature of the challenges we faced during the year, we delivered on the expectations of our stakeholders, thus cementing our relationship with them. We will continue to drive value creation with focus on sustainability, innovation, and inclusivity. We will continue to communicate our efforts on these three aspects as part of shaping the ‘ACC of the future’.

ACC reflects India’s new era of growth with a strong commitment to creating lasting value for all. We have built our legacy by prioritising inclusive growth based on mutual trust and strong relationships that stand the test of time.

THE YEAR IN RETROSPECT

2020 witnessed unprecedented disruptions in the lives and livelihoods of millions of people in India and across the world. After significant GDP contraction in the April to June quarter, the nation witnessed a gradual recovery in its economy. The Government has announced strong measures to bring the economy back on growth trajectory, thereby increasing the momentum of employment generation. The economy has begun to show growth in several core sectors.

A slow but sure recovery in demand growth has been in sight since the July-September quarter, which is expected to pick up further, supported by policy-driven initiatives. Aggregate demand has been better in the retail and rural segments with slower pick-up from the commercial segment.

The Government’s impetus on low cost housing and infrastructure is expected to bolster cement demand in the coming quarters.

COVID-19 RESPONSE

During the reporting year, the Business Resilience Team (BRT) took proactive steps in guarding the safety of our employees, business partners and communities.

With help from our CSR arm – ACC TRUST we procured and distributed food and ration to the poorest of the poor from across the country. With the help of Self Help Groups (SHGs), ACC TRUST stitched and distributed over 4 Lakh cloth masks. Our teams across plant locations also partnered with local government authorities to disinfect communities and surroundings. Our employees and associated volunteers on the ground spread awareness about the need for social distancing, personal hygiene and need to wear mask to avoid the spread of the virus. To support daily-wagers, migrant labourers and slum-dwellers stranded across the country during the lockdown, ACC supported three NGOs – Praja Foundation, Rob Bank and Goonj. These NGOs were at the forefront of disaster relief and distributed ration kits and cooked food to thousands of stranded migrant labourers. As the COVID-19 scenario is still evolving, we are mapping the developments on a real-time basis to ensure the health and safety of all our stakeholders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) OBJECTIVES

The Board is committed to strong sustainability practices. This includes ethical, environmental and corporate social responsibility principles supported by a robust governance structure.

We are playing our part in addressing the risks that climate change poses to our business. At the same time, we are also involving our stakeholders in our overall ESG strategy and its implementation. Our ESG agenda is supported by a detailed framework and comprehensive policies.

We are redefining the contours of the cement industry by bringing sustainable green products to India. We are committed to leading the way in sustainable construction. Our latest product ECOPact – the Green Concrete for high-performing, sustainable and circular construction was launched in Mumbai and Hyderabad. ECOPact range will be rolled out across India in a phased manner in the next few months.

COLLECTIVE ACTION

Building on our commitment to the United Nations Sustainable Development Goals (UN SDGs), we have formulated a set of sustainability targets with a 2030 vision. It supports our promise to build a better world and is aimed at helping solve some of the biggest challenges communities are facing today. We aim to establish leadership in energy performance, use circular approach in the management of materials, waste and water, and intend to develop and deliver climate-resilient solutions.

REACHING OUT TO COMMUNITIES

We have worked diligently through ACC TRUST towards the social and economic welfare of our host communities. Our CSR journey included various initiatives and projects to provide livelihoods, quality education and water sanitation. The community development projects touched more than 8.3 Lakh people, residing in 166 villages and 15 municipal areas in the vicinity of our plants.

PEOPLE REMAIN AT OUR CORE

Our people continue to be our key strength and every member of our workforce played an important part in delivering the business objectives and goals. We are committed to developing our people and would like to thank all our employees for their dedication.

INTO THE FUTURE

Our exciting journey of growth and holistic value creation will continue with the support and guidance of our customers, employees, shareholders, suppliers, bankers, government and the Board. Taking a broader perspective, the next few months may still be riddled with challenges. However, we will continue to draw strength from our strong relationship with our customers and business partners, as well as our robust and resilient business model and our strong financials. As a strong player, we are well positioned to take advantage of the industry upcycle and contribute to nation-building.

As we look forward to a year of recovery, let us continue to prioritise health and safety and commit ourselves to supporting one another. I am optimistic about the work that we all are doing and the processes that we have put in place for sustainable value creation.

Best regards,

Narotam Sekhsaria
Dear Stakeholders,

I take pride in leading an organisation that continues to play a pivotal role in nation building. It reflects the positive impact our teams continue to make in the face of unprecedented challenges. During the year, we ensured the health and safety of our people. We connected more closely with our customers and reinforced our market leadership with value-added products and services. We also optimised our operations for greater efficiency and strengthened our commitment to sustainability by driving focused efforts in the area.

MACRO DYNAMICS ARE TURNING FAVOURABLE

The government’s focus on infrastructure and affordable housing is expected to bolster cement demand. Affordable housing initiatives are expected to pick up pace under the Pradhan Mantri Awas Yojana (PMAY) with enhanced budgetary allocations. The Government spending on housing and infrastructure projects is expected to increase demand for cement and building materials. Good monsoon has helped to improve the agricultural output which also augurs well for increased cement demand.

As per the November 2020 India Brand Equity Foundation (IBEF) Report on Cement Industry, cement demand is expected to reach 550-600 MTPA by 2025, thanks to a gradual upswing in housing, commercial and industrial construction.

PERFORMANCE IN PERSPECTIVE

During the year, we reported net sales of ₹13,487 Crore and consolidated net profit of ₹1,430 Crore. We could ensure healthy cash flows due to rigorous working capital management. On the project front, we completed and commissioned the new grinding unit at Sindri in the state of Jharkhand, which is one of the fastest capex projects to be implemented despite the challenges posed due to COVID-19 and other restrictions. The new facility will add 1.4 MTPA of cement capacity to its existing 3 MTPA unit at this site. The foundation stone for Sindri grinding unit Phase-2 was laid in December 2019 with the objective to service the expanding market, strengthen presence in the eastern region and add value to the overall business.

A sharp focus on sustainable development embodies safety, conservation of energy and natural resources, preserving environment and biodiversity, water stewardship and the well-being of host communities. Our plan to set up Waste Heat Recovery System (WHRS)-based power plants at Jamul (Jharkhand) and Kymore (Madhya Pradesh), are a right step towards achieving efficiencies, while reducing CO₂ emissions.

STRATEGY AT PLAY

Although the disruption brought about by COVID-19 created short-term challenges, it also created medium-term opportunities. During the year, our core focus remained on ‘Health, Cost and Cash’. Our operations continued to pave the way for business continuity and resilience as we drove cost efficiencies and prudently optimised cash flows to conserve liquidity.

We are innovating more than ever and investing in our people, technology and operations to develop solutions that take advantage of emerging trends in the industry. We continue to invest in areas of solutions and products, digital initiatives, technology, sustainability and in people development to build the ACC of tomorrow.

RE-IMAGINING THE FUTURE WITH TECHNOLOGY

The way business environment is changing, organisations which embrace technology and remain focussed on digital innovation, intelligent use of data and excellence in customer services would be able to lead the way. Over the last few years, we have increasingly focused on transforming our business by leveraging IT and digital interventions.

We are enhancing customer experience through upgraded versions of Dealer Connect App. This offers additional functionalities. The Concrete Club App comes with a singular social platform for construction professionals such as architects and engineers.

TRUST AND INTEGRITY HELP US THRIVE

Companies today are judged as much by their integrity and trustworthiness as by their financial performance. At ACC, doing business with integrity goes hand in hand with our strong corporate governance framework, excellent safety protocols, care and concern for all stakeholders.

INVESTING IN PEOPLE

In order to build the ACC of tomorrow, we believe in the importance of a diverse workforce and an inclusive environment. We are working towards attracting and developing a workforce that is diverse and have set up the ACC-Ambuja Leadership Academy (AALA) to make learning an everyday employee experience. ACC continues to strengthen its ‘Zero Harm’ journey with the goal of zero injuries, onsite or offline, in all its operations so that ‘Every day is a Safe day at ACC’.

COMMITMENT TO TACKLING CLIMATE CHANGE

Our sustainability strategy is led by our Sustainable Development 2030 Plan, which focuses on four broad pillars of climate and energy, circular economy, environment, and people and communities. We are working intensively at our plants, to further reduce our CO₂ emissions. We are investing to improve the energy efficiency of our production facilities. This is ensured by using alternate raw materials and fuels and replacing CO₂ intensive clinker in our cement with waste derived resources such as fly ash and slag. This results in products, which have significantly lower carbon footprint.

Through the ‘Geycycle’ brand, we continue our efforts to provide safe waste management solutions to industries and municipalities, while meeting the highest standards of health, safety and sustainability. Geycycle processes waste materials of various kinds to be used as kiln fuel, thereby offsetting the need for fossil fuel to an increasing extent.

ESG FOCUS – WORKING TOWARDS A BETTER WORLD

The long-term success of our business is rooted in our ability to keep sustainability at the core of our endeavours. Our unwavering commitment towards balancing business growth, environmental stewardship and social progress bears testimony to our concerted and responsible efforts towards transitioning to a brighter future.

REACHING OUT TO COMMUNITIES

ACC continues its social development initiatives to support our host communities as well as assist those affected by disasters in various parts of the country. The initiatives focused largely on our key impact areas — DISHA (Sustainable Livelihood), VIDYA UTKARSH (Quality Education) and WASH (Water, Sanitation, Health & Hygiene). In 2020, we kick-started off malnutrition mitigation project in partnership with the State Government and district administration.

Since the COVID-19 outbreak, ACC touched millions of lives by manufacturing and distributing triple layered face-masks and food packets, sanitising villages, towns and hamlets and spreading awareness.

ACC has taken steps to alter the attitude of the nearby communities towards health and hygiene through awareness campaigns. Here’s wishing you all a healthy, safe, and productive year ahead.

Regards,

Sridhar Balakrishnan

Managing Director and CEO’s message

ACCelerating value creation

During the year, our core focus remained on ‘Health, Cost and Cash’.
Performance

Delivering results through optimisation

DURING 2020, OUR CORE FOCUS WAS ON:

Health
Robust business continuity plan to ensure health and well-being of employees

6.83 Lakh
Lives touched with COVID-19 relief efforts

Cost
Cost management and operational efficiency programmes

₹250+ Crore
Total cost savings from Parvat programme

₹5,800 Crore
Cash and cash equivalents

2020 OPERATIONAL HIGHLIGHTS

Parvat: Implemented several initiatives relating to efficiencies and input cost levers across the value chain. Cost savings on track from these initiatives

CO2
Achieved specific carbon emissions of cementitious materials below 500 kg/t

Rolled out a new digital-first campaign for our innovative product – Gold Water Shield, a water-repellent cement

Marginal growth driven by product mix optimisation and cost-efficiency initiatives

Generation of additional cash and cash equivalents driven mainly by strong working capital actions

PERFORMANCE HIGHLIGHTS (STANDALONE FINANCIALS)

Net Sales, Operating EBITDA & Operating EBITDA Margin

<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>2016</td>
<td>10,722</td>
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<tr>
<td>2020</td>
<td>13,487</td>
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Profit Before Tax (PBT) & Profit After Tax (PAT)

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit Before Tax (₹ Crore)</th>
<th>Profit After Tax (₹ Crore)</th>
</tr>
</thead>
<tbody>
<tr>
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<td>2019</td>
<td>647</td>
<td>1,006</td>
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<tr>
<td>2020</td>
<td>915</td>
<td>1,415</td>
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</table>

Average Capital Employed & Return on Capital Employed (RoCE)

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Capital Employed (₹ Crore)</th>
<th>RoCE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
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<tr>
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<tr>
<td>2020</td>
<td>11,024</td>
<td>18</td>
</tr>
</tbody>
</table>

Cement Sales Volume & Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Cement Sales Volume (MT)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>22.99</td>
<td>15</td>
</tr>
<tr>
<td>2017</td>
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<td>2019</td>
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<tr>
<td>2020</td>
<td>25.53</td>
<td>56</td>
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</table>

Ready Mix Concrete Operating EBITDA & Operating EBITDA Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Ready Mix Concrete Operating EBITDA (₹ Crore)</th>
<th>Operating EBITDA Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
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<td>7.3</td>
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<tr>
<td>2020</td>
<td>153</td>
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PERFORMANCE HIGHLIGHTS (STANDALONE FINANCIALS)

*Excluding charge of ₹29 Crore towards time value of money of Government incentives in 2020

6.83 Lakh Lives touched with COVID-19 relief efforts

ACC Limited  I  Integrated Report 2020

Cementing relationships through Sustainability. Innovation. Inclusivity.
**PERFORMANCE HIGHLIGHTS (STANDALONE FINANCIALS)**

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend Per Share (\text{\textcurrency\per share})</th>
<th>Earnings Per Share (\text{\textcurrency\per share})</th>
<th>Dividend Payout Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>674</td>
<td>614</td>
<td>561</td>
</tr>
<tr>
<td>2017</td>
<td>222</td>
<td>202</td>
<td>17</td>
</tr>
<tr>
<td>2018</td>
<td>561</td>
<td>547</td>
<td>26</td>
</tr>
<tr>
<td>2019</td>
<td>17</td>
<td>17</td>
<td>19</td>
</tr>
<tr>
<td>2020</td>
<td>14</td>
<td>14</td>
<td>14</td>
</tr>
</tbody>
</table>

* EPS is calculated excluding write-back of tax provision
**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 Assets (\text{\textcurrency\Crore})</th>
<th>Asset Turnover Ratio (times)</th>
</tr>
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<tbody>
<tr>
<td>2016</td>
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<td>2019</td>
<td>7,427</td>
<td>1.9</td>
</tr>
<tr>
<td>2020</td>
<td>7,074</td>
<td>2.1</td>
</tr>
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</table>

### Book Value Per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>Book Value Per Share (\text{\textcurrency\per share})</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>470</td>
</tr>
<tr>
<td>2017</td>
<td>499</td>
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<tr>
<td>2018</td>
<td>561</td>
</tr>
<tr>
<td>2019</td>
<td>614</td>
</tr>
<tr>
<td>2020</td>
<td>674</td>
</tr>
</tbody>
</table>

### Market Capitalisation

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Capitalisation (\text{\textcurrency\Crore})</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>24,995</td>
</tr>
<tr>
<td>2017</td>
<td>33,021</td>
</tr>
<tr>
<td>2018</td>
<td>28,320</td>
</tr>
<tr>
<td>2019</td>
<td>27,147</td>
</tr>
<tr>
<td>2020</td>
<td>30,377</td>
</tr>
</tbody>
</table>

### Contribution to Exchequer

<table>
<thead>
<tr>
<th>Year</th>
<th>Contribution to Exchequer (\text{\textcurrency\Crore})</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>4,007</td>
</tr>
<tr>
<td>2017</td>
<td>5,331</td>
</tr>
<tr>
<td>2018</td>
<td>6,796</td>
</tr>
<tr>
<td>2019</td>
<td>7,055</td>
</tr>
<tr>
<td>2020</td>
<td>6,364</td>
</tr>
</tbody>
</table>

### Corporate Social Responsibility Expenditure

<table>
<thead>
<tr>
<th>Year</th>
<th>Corporate Social Responsibility Expenditure (\text{\textcurrency\Crore})</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>22</td>
</tr>
<tr>
<td>2017</td>
<td>22</td>
</tr>
<tr>
<td>2018</td>
<td>20</td>
</tr>
<tr>
<td>2019</td>
<td>25</td>
</tr>
<tr>
<td>2020</td>
<td>32</td>
</tr>
</tbody>
</table>

**COST AND PROFIT AS A PERCENTAGE OF REVENUE FROM OPERATIONS**

2020

- **Profit before tax**: \text{\textcurrency\1,864}\textper\textcurrency\Crore (14%)
- **Profit before exceptional item and tax**: \text{\textcurrency\1,673}\textper\textcurrency\Crore (13%)
- **Cost of materials consumed**: \text{\textcurrency\2,572}\textper\textcurrency\Crore (19%)
- **Power and fuel**: \text{\textcurrency\2,956}\textper\textcurrency\Crore (20%)
- **Freight and forwarding expense**: \text{\textcurrency\2,452}\textper\textcurrency\Crore (25%)
- **Employee cost**: \text{\textcurrency\839}\textper\textcurrency\Crore (6%)

2019

- **Profit before tax**: \text{\textcurrency\2,031}\textper\textcurrency\Crore (13%)
- **Profit before exceptional item and tax**: \text{\textcurrency\2,258}\textper\textcurrency\Crore (14%)
- **Cost of materials consumed**: \text{\textcurrency\3,131}\textper\textcurrency\Crore (20%)
- **Power and fuel**: \text{\textcurrency\3,131}\textper\textcurrency\Crore (20%)
- **Freight and forwarding expense**: \text{\textcurrency\4,050}\textper\textcurrency\Crore (25%)
- **Employee cost**: \text{\textcurrency\864}\textper\textcurrency\Crore (6%)

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* ACC Limited | Integrated Report 2020

Cementing relationships through Sustainability. Innovation. Inclusivity.
Operational review

Maximising our performance, with an eye to the future

We operated under challenging circumstances for the entire reporting period. The worst is definitely behind us, and business is gaining momentum. However, what deserves a mention is our strong will to deliver, despite the headwinds.

Our manufactured capital comprises our countrywide network of integrated cement manufacturing and grinding units, ready mix concrete plants, offices and other state-of-the-art movable and immovable infrastructure, including warehouses, machinery and vehicles. The management of these assets is a key business imperative and is considered an important element in delivering manufacturing excellence and healthy operational performance. The COVID-19 crisis disrupted supply chains and operations across the country during Q2 2020. To serve the needs of our consumers, we resumed operations in a phased manner in line with prescribed safety protocols. While resuming operations, we put in place various safety measures, from social distancing, touch-free handwashing to sanitisation of tools and vehicles to ensure the safety of our teams.

Overall, our cement business demonstrated encouraging performance, driven by stringent cost optimisation, efficiency improvements and better price realisation.

CAPACITY EXPANSION AND CAPEX PROJECTS

With cement demand projected to rise significantly in India, development capex projects were kickstarted to increase clinker and cement capacities in the attractive and highly profitable central region of India. This, in turn, will ensure that we have ample capacity to cater to a rising demand scenario.

Clinker unit
2.7 MT
AMETHA, MP

Grinding unit
1.0 MT
AMETHA, MP
2.2 MT
SHONEBHADRA DISTRICT, UP
1.6 MT
TIKARIA, UP
1.4 MT
SINDRI, JHARKHAND*

*Commissioned in January 2021

<table>
<thead>
<tr>
<th>Year</th>
<th>Cement Sales Volume (MT)</th>
<th>Ready Mix Concrete Production Volume (Lakh m³)</th>
<th>Cement EBITDA Per Tonne of Cement Sold (`)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>22.99</td>
<td>24.43</td>
<td>24.43</td>
</tr>
<tr>
<td>2017</td>
<td>26.21</td>
<td>27.29</td>
<td>27.29</td>
</tr>
<tr>
<td>2018</td>
<td>28.37</td>
<td>31.29</td>
<td>31.29</td>
</tr>
<tr>
<td>2019</td>
<td>28.89</td>
<td>35.24</td>
<td>35.24</td>
</tr>
<tr>
<td>2020</td>
<td>25.53</td>
<td>22.70</td>
<td>22.70</td>
</tr>
</tbody>
</table>


*Cement Sales Volume, Ready Mix Concrete Production Volume and Cement EBITDA Per Tonne of Cement Sold for the years 2016-2020 include the contribution of Shri Venkateshwar Construction Materials Ltd. (SVCML). SVCML was acquired on 1 January 2019, and its results were consolidated from the financial year 2019-20. SVCML has been renamed as ACC Shri Venkateshwar Construction Materials Ltd (SVCM) from financial year 2020-21.

*excluding charges of `129 Crore

Cementing relationships through Sustainability. Innovation. Inclusivity.
PARVAT
Parvat is an efficiency optimisation programme initiated in 2019 to bring radical changes in the cost structure and to improve delivered cost. Our plants help us deliver on the expectations of our esteemed customers. Therefore, it is only natural that the execution of ‘Parvat’ is in line with the requirements of our plants.

2020 saw us conducting workshops and brainstorming sessions, assisted by an external consulting agency at all our plants across the country. Simultaneously, the leadership took turns to visit different plants to explain the underlying intent and the overarching objective of ‘Parvat’ to our people.

Once the direction was set, the potential savings from the identified initiatives were calculated by the finance department and projected as monthly targets. The ideas were reviewed in marathon sessions with cluster managers and plant directors. The ideas shortlisted were entered into a business intelligence tool, especially created for the management to review all initiatives.

Following the roll-out, progress across these initiatives was mapped every month and at various levels. These reviews helped pre-empt the roadblocks and remove bottlenecks and catalysed better decision-making. Even as the COVID-19-induced lockdown threatened to slow the progress, the teams were quick to resume in full spirit, as soon as the restrictions were lifted. As a result, in 2020, about 500 initiatives were implemented successfully in manufacturing alone.

SUPPLY CHAIN AND LOGISTICS
Our logistics strategy is based on four pillars, which include distribution safety, cost efficiency, use of technology and environmental sustainability. We engage with suppliers, governments, industry bodies, businesses and other partners to collaborate and find new ways to innovate and create positive change.

At ACC, we aspire to create a supply chain mechanism, which is agile, cost competitive and sustainable, leading to customer delight. Our logistics team drives various initiatives at each node to ensure that the distribution network is constantly evolving across services, cost and sustainability.

Case Study
Supply chain automation and optimisation
To accelerate automation and optimisation in our supply chain, ACC and Ambuja Cement launched a strategic and all-encompassing supply chain project in partnership with Blue Yonder – the world’s leading, end-to-end, digital supply chain platform provider.

The initiative is aimed at:
• Generating monthly demand plan based on forecast from grassroots level
• Consensus planning resulting in better capacity utilisation
• EBITDA maximisation by shifting volumes from low to high EBITDA markets
• Network optimisation to improve services and boost secondary distribution cost
• Framework for strategic simulation to facilitate decisions related to future expansions

The initiative will maximise EBITDA by effectively using technology for capacity utilisation improvement, shift from low to high EBITDA markets, and enable cost optimisation and improved customer services.

To modernise and enhance our supply chain, we:
1. Focused on digitalisation through the ‘Plants of tomorrow’ initiative. We implemented Technical Information Systems (TIS) that record minute-by-minute data from all key assets at the plants.
2. Performance And Collaboration Tool (PACT), a cross platform dashboard/decision support system to view critical parameters from TIS data, collaborate and take actions on alerts, has also been implemented at all plants.
3. EDGE AI has been implemented in some of our plants as an advanced analytics platform to facilitate integration of all Machine Learning (ML) and Artificial Intelligence (AI) initiatives.
4. This has helped improve operations, generating automatic alerts and has laid the foundation for implementing Industrial Internet of Things (IoT) use cases. We also piloted the use of AI/ML into predicting cement strength, fineness and predictive maintenance of critical equipments like Vertical Roller Mill (VRM).
5. Launched an integrated planning tool that enables, sales & operation planning and network optimisation to improve customer service, cost optimisation and organisational profitability.
6. The extensive use of Transport Analytics Center (TAC) has helped in real-time information dissemination and analytics to improve distribution safety, cost optimisation and operational efficiencies.
7. Enhanced the ‘Dealer Connect App’ with additional functionalities like real-time tracking of deliveries, faster ordering and improved and timely communication.
8. Improved the functionalities of ‘Concrete Club app’, a singular social platform for construction professionals such as architects and engineers to connect, interact and share knowledge with each other, with dashboards for regional teams to run loyalty programmes.
9. Utilised the digital platforms to share invites to knowledge series initiative, where experts from construction and building industry shared their learnings and expertise with these influencers segments through webinars.
10. Developed digital kit comprising e-visiting cards, e-catalogues and posts to promote app adoption for the influencers and internal stakeholders.
11. Undertook continual measures to build a better fuel mix by maximising the use of cheaper fuel through judicious procurement of coal from the market through e-auctions and imports; higher consumption of alternative fuels and improvement in competencies and efficiencies at plants.
## Strong basics, sustainable value creation

### Inputs

<table>
<thead>
<tr>
<th>SUSTAINABILITY</th>
<th>Natural capital</th>
<th>Innovations capital</th>
<th>Manufactured capital</th>
<th>Inclusivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural resources impacted by the Company’s activities</td>
<td>3.63 Million m³ Total water consumption in cement operations</td>
<td>85.27 Million units Total green energy consumed</td>
<td>17.4% Water recycled/reused in cement operations</td>
<td>0.29 MT Usage of alternative fuels</td>
</tr>
<tr>
<td>0.57 MT Total waste co-processed</td>
<td>11 Integrated plants</td>
<td>6 New products launched</td>
<td>6 New grinding units launched</td>
<td>6 Wind farms</td>
</tr>
<tr>
<td>33.05 MTPA Installed capacity for cement manufacturing</td>
<td>82 MW Solar power portfolio (operational and under implementation)</td>
<td>5 R&amp;D facilities</td>
<td>3 Offices</td>
<td></td>
</tr>
</tbody>
</table>

### Core activities

- **Mining**
- **Raw material preparation**
- **Drying and grinding of raw materials**
- **Clinkerisation**
- **Cement grinding**
- **Packing and dispatch**

### Value generated

- **For providers of financial capital**
  - Consistent, profitable and responsible growth
- **For customers**
  - High-quality and sustainable products
- **For our people**
  - Steady growth and stable career path with equal opportunities through consistent capacity building, and a safe work environment
- **For suppliers**
  - Consistent growth through an optimum supply chain to support seamless operations. Close collaboration and a partnership-driven approach to value creation
- **For communities around us**
  - Enhanced living conditions through our CSR activities while minimising the impact on the environment

### Outputs

- **23.77 MT** Total cement production
- **100%** Cement products complying to BIS quality requirements
- **22.70 Lakh m³** Ready mix concrete production volume
- **225** People completing >5 years at ACC

### Outcomes

- **3.7%** Reduction in specific CO₂ emissions
- **27%** Reduction in specific dust emissions
- **9%** Reduction in specific water consumption in cement operations
- **72%** Average capacity utilisation of plants
- **1.37%** Average clinker factor reduction (2020 over 2019)
- **₹34 Crore** Sales from solutions and new products category
- **Best-in-class ecosystem benefiting customers**
- **369** Suppliers assessed on human rights compliance
- **76,000** Channel partners
- **369** Suppliers onboarded
- **T32 Crore** CSR expenditure
- **T123 Crore** Total expenditure for environment protection
- **22.70 Lakh m³** Ready mix concrete production volume
- **55,818 Litres** Waste oil
- **8,884 Tonnes** Waste scrap steel
Operating context

Broad trends shaping our business

As a leading player in India’s building materials business, we are aware of the forces shaping our industry. Climate change is growing as a critical concern leading to the need for sustainable solutions being more keenly felt. At ACC, we understand the challenges facing the industry and our business, and the prospects for us to make a difference and create value.

FAVOURABLE DEMAND-SUPPLY DYNAMICS
India is the world’s second largest cement producer, with growing demand in the construction, infrastructure, and housing segments. The sector notably plays a critical role in the economic growth of the country in its journey towards inclusive growth. Although India is the second largest consumer of cement, its per capita cement consumption is significantly lower than the global average, which provides ample headroom for growth. Despite a recent slowdown in growth, the future remains quite positive, thanks to new government infrastructure initiatives and a fast-growing population.

KEY TRENDS

Rising urbanisation
India’s growing population and the need for housing has been impacting cement demand for some time. India’s urban population is expected to reach 525 Million by 2025, up from an estimated 463 Million in 2020. This is expected to translate into higher demand for housing and related amenities.

Increasing working population
India has one of the largest young populations in the world, with a median age of 28 years. The young population is likely to drive demand for real estate in the country.

Continued focus on infrastructure and housing
As India gradually reboots its economy, increasing demand from affordable housing, infrastructure, roads, metros, airports, and irrigation bodes well for the cement sector. The infrastructure sector has received a big boost from the Government of India in the Union Budget of 2021-22. The National Infrastructure Pipeline (NIP), announced in December 2019 with a financial outlay of ₹111 Lakh Crore with 6,835 projects; the project pipeline has been expanded to 7,400 projects in the 2021-22 Union Budget.

Our response

1. With cement demand projected to increase in India, we have started scaling our capacities in the attractive and highly profitable central region of India.

2. Cement demand is closely linked to the overall economic growth, particularly of the housing and infrastructure sector.

3. Our strong network has been instrumental in driving our retail portfolio, which contributes over 79% of revenue.

Cement Sector Break-up (%)

- Infrastructure: 24
- Rural housing: 35
- Urban housing: 26
- Industrial and commercial: 15

Source: CRISIL Research

Revenue (%)

- Retail (B2C): 79
- Wholesale (B2B): 21

The market for the affordable housing segment looks quite promising. Around 1.06 Crore homes have been sanctioned under the Pradhan Mantri Awas Yojana (PMAY), of which 33% are completed while another 66.23 Lakh units have been grounded for construction.

Government of India’s budgetary allocation for rural infrastructure development in 2022 (From ₹30,000 Crore in 2021)
Stakeholder engagement

Continuous dialogues that guide our priorities

Our strong sense of purpose helps us connect more deeply with our stakeholders and align to the changing expectation of society. For ACC, stakeholder engagement is the key to long-term value creation and sustainability. These engagements shape the way we think, act, and create value.

We have evolved a planned mechanism of engagement to ensure timely communication of precise and relevant information to the concerned stakeholder group in a consistent manner. Our conversations continue throughout the year, and the insights we garner help us improve the way we operate.

STAKEHOLDER EVALUATION

We conduct regular stakeholder analysis to identify relevant stakeholders of the organisation, map their interface and influence, which helps us to prioritise them. The priority matrix and the engagement mechanisms are presented here.

USING OUTCOMES OF STAKEHOLDER DIALOGUE

<table>
<thead>
<tr>
<th>Stakeholder groups</th>
<th>Importance</th>
<th>Key concerns</th>
<th>Mode of engagement</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>Our employees are at the centre of our operations. Their collaborative skill and expertise are essential for our growth</td>
<td>Health and safety, Training and development, Performance evaluation and recognition, Sharing knowledge and best practices, Fair practices and work-life balance</td>
<td>Town hall meetings and webcasts, Intranet portal, newsletter, Cultural events, Safety committees and toolbox talks, Training and performance management system, Reporting mechanisms</td>
<td>Continuous engagement</td>
</tr>
<tr>
<td>Vendors and suppliers</td>
<td>Our operations are closely linked with the timely availability of supplies, quality of raw materials, and services that we source. These, in turn, have a material impact on the efficiency of the production process</td>
<td>Registration as approved vendor, Product specifications, Pricing and terms of payment, Delivery period, Product Failures and user complaints, Compliance</td>
<td>Ethical View Reporting, By phone, VC, email or in person, Suppliers’ meet, Capacity building on supplier code of conduct, Surveys.</td>
<td>High frequency and continuous contact visits</td>
</tr>
<tr>
<td>Channel partners – dealers and retailers</td>
<td>As a key influence on how we operate our business, we seek a relationship of professional dependence while expecting adherence to high standards of conduct</td>
<td>Assured quality, Support in sales promotion, Regular supply and timely delivery, Profitability and return on investment</td>
<td>Webinars, Annual Dealer Meet, Sales calls, Relationship-building activities such as meets, events and engagements, Satisfaction survey</td>
<td>Continuous contact visits, Dealer meetings and satisfaction survey</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stakeholder groups</th>
<th>Importance</th>
<th>Key concerns</th>
<th>Mode of engagement</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumers</td>
<td>Consumers are key stakeholders as they are direct users of our products. Their pain points and needs act as inputs to develop innovative products and unique service offerings of the brand</td>
<td>Assured quality, Selection of right cement category, Process of construction, Troubleshooting</td>
<td>Calls/visits by customer service, Assurance of waste disposal, Release of case studies and articles in reputed publications, Committee to addresses grievances of investor and shareholders</td>
<td>Regular customer visits; others based on needs and opportunities</td>
</tr>
<tr>
<td>a) Trade- Individual home and contractors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stakeholder groups</th>
<th>Importance</th>
<th>Key concerns</th>
<th>Mode of engagement</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors</td>
<td>As providers of capital, they are key stakeholders in our growth and expansion plans</td>
<td>Information on Company’s performance, Company’s financial growth and performance, Dividend payments</td>
<td>Investor calls, conference and meetings, Annual General Meetings, Stakeholders’ Relationship Committee to address grievances of investor and shareholders, Email ID and toll-free number for investors</td>
<td>Quarterly/annually/as and when required</td>
</tr>
<tr>
<td>Waste generators</td>
<td>Help in reducing the environmental impact of our operations and products, minimising our ecological footprint and in turn, decreasing our operational cost</td>
<td>Awareness of safe and sustainable waste disposal, Awareness of co-processing, Delay in permit process, Handling and transporting waste, Assurance of waste disposal</td>
<td>Regular visits, emails and telephone conversations, Participation in various forums, release of case studies and articles in reputed publications, Customer events, GeoCycle Week</td>
<td>Monthly or more frequent</td>
</tr>
<tr>
<td>Trade associations and industrial bodies</td>
<td>We develop constructive relationships with policymakers and regulators, seek regular and engage with the government during public consultations on issues that are relevant to our business</td>
<td>Issues faced by the Company/industry, Need for policy intervention</td>
<td>Sharing best practices and benchmarks, Participating in regional and national events/conferences of industry bodies, Participating in regular meetings of various committees</td>
<td>As and when required and organised</td>
</tr>
<tr>
<td>Government/Regulators/local authorities</td>
<td>Key for ensuring compliance, interpretation of regulations and key to uninterrupted operations, policy matters, changes in law, rules and regulations, as part of ease of doing business</td>
<td>Compliance with laws and regulations, Regular reporting</td>
<td>Regular visits and applications, Meetings, presentation, reports and networking in different forums organised by regulatory authorities, Presentations from management</td>
<td>As and when required</td>
</tr>
<tr>
<td>Media</td>
<td>Improving the understanding of industry’s positive impact on sustainability and climate change and the drivers for further development</td>
<td>Transparent disclosure and information sharing, Press releases, Publishing articles and news, Meetings and interviews</td>
<td></td>
<td>As and when required</td>
</tr>
</tbody>
</table>
Holistic view of aspects impacting our business

As a responsible corporate citizen, we place utmost importance on constantly improving our understanding of issues that are material to our stakeholders, based on continuous engagement.

Our material issues inform our strategy development, reporting approach, governance and strategy development.

During 2020, we did not undertake a new materiality assessment thus material issues, presented here are same as our last assessment which we did in 2018. We plan to do our next materiality assessment in 2021-2022. The material issues presented here are aligned to the aspects recognised by the Sustainability Development 2030 (SD 2030) Plan. Boundaries for each material topic are also mentioned within the materiality matrix. While this report includes discussions on all such matters, issues identified as critical on both parameters will find a detailed note.

*Climate Change and Global Warming has been renamed as Global Warming
Strategy

Progressing on the long-term roadmap

Our strategy aims to deliver strong returns to shareholders, best-in-class and sustainable products to customers and create shared value for our communities and employees. Our business model is attuned to our strategic priorities of expanding and upgrading capacity, enhancing profitability, reimagining consumer value proposition and embedding ESG principles across operations.

<table>
<thead>
<tr>
<th>STRATEGIC FOCUS AREA (SFA)</th>
<th>PROGRESS MADE DURING THE YEAR</th>
<th>KPIs</th>
<th>GOALS FOR 2021</th>
<th>CAPITALS IMPACTED</th>
<th>CRITICAL MATERIAL ISSUES</th>
</tr>
</thead>
</table>
| S1  | Expanding and upgrading capacities | • Upgraded existing facilities with contemporary technology and new processes  
    • Commissioned new 1.4 MTPA cement grinding unit at Sindri in Jharkhand | • Capacity increase (MT)  
    • Cost of expansion  
    • Average capital utilisation | • Leverage capacity to further value creation and to meet growing customer demand  
    • Execution of Ametha and associated grinding units | | |
| S2  | Enhancing profitability | • Under Project Parvat, undertook several cost-saving projects like renegotiation of warehouse rents, increased direct dispatches of sales, and renegotiated fuel/freight mix  
    • Investment in efficiency initiatives such as Waste Heat Recovery Plants (WHRPs) at Jamul and Kymore  
    • Ensured healthy cash flows through rigorous working capital management | • Earnings Before Interest and Taxes (EBIT)  
    • Free Cash Flow (FCF)  
    • RoCE  
    • Cost measures | • Improve operational efficiency of manufacturing and logistics network  
    • Focus on growing the premium product portfolio and value added services (VAS) to achieve better margins  
    • Focus on profitable markets and segments | | |
| S3  | Reimagining our business proposition | • Engaged with employees across levels by sharpening our approach to digital learning and through various engagement programmes  
    • Continued focus on talent identification and succession planning  
    • Embracing innovation and sustainability  
    • ACC RMX introduced new low carbon range of concrete – ECOPact – the green concrete for high-performing, sustainable and circular construction | • Digital learning adoption rate  
    • Growth of ready mix concrete – value added products and services  
    • Growth of low carbon and sustainable product portfolio | • Continued focus on performance management and people development to create a future ready organisation  
    • Focus on new product development to drive growth  
    • Drive logistics excellence to achieve greater efficiencies  
    • Enhance our brand equity | | |
| S4  | Embedding ESG principles across our areas of operations | • Committed to ESG actions and on track to achieve SD 2030 plan  
    • Improved performance on climate, water and other emissions  
    • Healthy progress made on decarbonisation roadmap  
    • Increase in share of blended cement | • Percentage of sales from green products and solutions  
    • Specific CO₂ emissions intensity  
    • Percentage of operations powered by renewable WHRS  
    • Waste derived resources used  
    • Thermal Substitution Rate (TSR)  
    • Freshwater withdrawal  
    • CSR spend, beneficiaries and impact  
    • Percentage of Independent Directors on the Board | • Continue to build our sustainable product portfolio  
    • Improve our ESG rating/ranking and enhance reputation  
    • Promote strong ethical, environmental and corporate social responsibility principles  
    • Continue our efforts towards achieving SD 2030 Plan | | |

Read our detailed coverage on expansion efforts on Page 21  
Read our detailed coverage on cost efficiencies on Page 22  
Read our detailed coverage on innovation and new product launches on Page 50
**Good governance in letter and spirit**

With a decision-making process based on decentralisation, empowerment and meritocracy, we remain custodians of a strong stakeholder stewardship. Our governance practices are representative of this, mirroring our commitment towards the greater good.

Good governance, comprehensive risk management and operational excellence are integral to our business and sustainability. We have an active, experienced and a well-informed Board. The ACC Governance framework enables the Board and its Committees to deliver on strategy, risk management and long-term value creation. The Executive Committee and management is responsible for delivering in terms of business performance ensuring transparency, fair play and independent decision-making.

**COMMITMENT TO ETHICAL AND EFFECTIVE GOVERNANCE**

The Board is dedicated to good governance and international best practices. It is committed to ensuring a decisive attitude from the top that requires a commitment from all Directors and employees to the values of integrity, transparency and continuous oversight of the Company’s performance.

We conduct our business with the highest standards of business ethics. We have an obligation to our business partners, employees, investors, and other stakeholders to be honest, fair, and sincere in all our business activities. EthicalView Reporting Policy (‘EVRP’) is the vigil mechanism we have instituted to report concerns about unethical behaviour, in compliance with the requirements of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. A dedicated ‘ACC Ethics Helpline’ has been set up which is managed by an independent professional organisation. You can access the details of the EthicalView Reporting Policy here [www.acclimited.com/sh/ERP.pdf](http://www.acclimited.com/sh/ERP.pdf)

**ACC BUSINESS RESILIENCE TEAM**

We constituted a Business Resilience Team (‘BRT’) in early March 2020 to address the COVID-19 challenges, comprising experts from Human Resources, Health & Safety, Communications, Operations, Procurement, IT, Legal, and Security to provide guidance, advice, monitoring and reporting on the preparedness of our India operations. Our response was prepared using a four alert level Trigger Action Response Plan (TARP), with specific actions at each alert level. The team works closely with the BRT at LafargeHolcim.

**BOARD’S COMMITMENT TO ESG**

Our Board has integrated ESG considerations into the policies and principles that govern our business. These include:

- Having robust governance systems, risk management and controls
- Serving our customers remarkably and transparently
- Investing in our employees and nurturing a diverse and inclusive work environment
- Strengthening the communities in which we live and work
- Expanding sustainable solutions for our customers and within our operations

**INTERNAL CONTROL FRAMEWORK**

Our internal control framework covers financial, operational, compliance and information technology controls, as well as risk management policies and systems. The system diligently records all transaction details towards ensuring regulatory compliance. Our robust risk management processes embedded within the business enable us to identify, evaluate, record, and monitor significant risks.

**ACCOUNTABILITY AND TRANSPARENCY**

Our Board is committed to transparency and the highest levels of accountability with regard to disclosures and compliance, through internal and/or external assurance and governance procedures.
Mr Sridhar Balakrishnan
Managing Director and Chief Executive Officer
Qualifications: Engineering graduate from Institute of Technology, Varanasi and Diploma in Business Management from University of Economics in Vienna

Mr Neeraj Ahkoury
Non-Executive and Non-Independent Director
Qualifications: Bachelors Degree in Economics and MBA from University of Liverpool, General Management from XLRI, Jamshedpur and alumni of Harvard Business School (GMP)

Ms Falguni Nayar
Non-Executive and Independent Director
Qualifications: Graduate from Sydenham College of Commerce and Economics, postgraduate from Indian Institute of Management, Ahmedabad

Mr Vinayak Chatterjee
Non-Executive and Independent Director
Qualifications: Economics (Hons) from St. Stephen's College, Delhi University and an alumni of Indian Institute of Management, Ahmedabad

Mr Jan Jenisch
Non-Executive and Non-Independent Director
Qualifications: Postgraduate in Management Studies (MMS), Fellow, Institute of Cost Accountants, Harvard Business School’s Advanced Management Programme

Mr Martin Kriegner
Non-Executive and Non-Independent Director
Qualifications: Graduate from Vienna University with Doctorate in Law and MBA from University of Economics in Vienna

Mr S K Roongta
Non-Executive and Independent Director
Qualifications: Bachelor of Engineering from the Birla Institute of Technology & Science (BITS), Pilani and PG Diploma in Business Management-International Trade from IIFT, New Delhi, Fellow member of All India Management Association (AIMA)

Mr Damodarannair Sundaram
Non-Executive and Independent Director
Qualifications: Postgraduate in Management Studies (MMB), Fellow, Institute of Cost Accountants, Harvard Business School’s Advanced Management Programme

Mr Sunil Mehta
Non-Executive and Independent Director
Qualifications: Chartered Accountant, Cost Accountant, Certified Internal Auditor, Financial Planner and Fraud Examiner

Mr M. R. Kumar
Non-Executive and Independent Director
Qualifications: Bachelor of Science, Licentiate
LEADERSHIP

Role of the Board
The Board is responsible for the adoption and implementation of strategic plans, monitoring of operational performance and development of appropriate and effective risk management policies and processes. The Board stewards our efforts to deliver sustainable value to our key stakeholders, and encourages a culture of risk awareness, openness and debate.

Board committees
The Board has delegated its authority to various Board committees with the mandate to deal with governance issues and report to the Board on their activities on a quarterly basis. Each committee operates under terms of reference/Charter which set out their respective roles and responsibilities, composition and scope of authority. The following are the Board Committees:
- Audit Committee
- Nomination & Remuneration Committee (N&RC)
- Risk Management Committee
- Corporate Social Responsibility & Sustainability Committee (CSR & Sustainability)
- Stakeholders’ Relationship Committee
- Compliance Committee

Skills and experience
ACC’s Board brings together a wealth of knowledge, perspectives, professionalism, diverse thinking and experience. Our Board members have a deep understanding of governance, technical, financial and non-financial issues.

Independence
Our Board currently comprises six (6) Independent Directors, bringing further objectivity and diverse mindsets to the boardroom.
At ACC, being a responsible and sustainable company forms the foundation of our business. We are committed to make a tangible difference in the areas of carbon footprint reduction, circular economy, protection of natural resources, and enabling progress and welfare of our communities.

**CO₂ emissions**
(kg/t of cementitious material)

- 2018: 506
- 2019: 512
- 2020: 493

**Usage of waste derived resources**
9.3 MT

**Reduction in specific water consumption in cement operations**
9%

**Total green energy consumed**
85.27 Million units

Note: From 2020, we have been reporting the specific CO₂ emissions in kg/t of cementitious material (instead of kg/t of cement).
Our approach to sustainability

We are constantly incorporating best practices to achieve our sustainability goals and targets.

**Climate and energy**

Climate change is among the most pressing issues facing humanity, with all nations being urged to meet the goals of UN SDG 13 Climate Action. As a leading building materials company, we are committed to meeting the rising demands for sustainable cities, while conforming to a low-carbon circular economy. While ACC has already committed to the Science Based Targets initiative (SBT), we are also gearing up to follow in the footsteps of our parent LafargeHolcim, which has signed the net-zero pledge with SBT.

**REDUCTION OF CO₂ EMISSIONS**

ACC's SD 2030 Plan, aligning with that of LafargeHolcim, has adopted ambitious targets for reduction of specific CO₂ emissions to 400 kg/t of cementitious material*. We reduced our specific CO₂ emissions to 493 kg/t of cementitious material in 2020, from 512 kg/t of cementitious material in 2019.

<table>
<thead>
<tr>
<th>Year</th>
<th>Green Energy Consumed (Million units)</th>
<th>Thermal Substitution Rate (TSR) (%)</th>
<th>Specific Thermal Energy (GJ/t of cement)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>80.68</td>
<td>4.47</td>
<td>3.09</td>
</tr>
<tr>
<td>2019</td>
<td>82.39</td>
<td>5.14</td>
<td>3.13</td>
</tr>
<tr>
<td>2020</td>
<td>85.27</td>
<td>6.93</td>
<td>3.11</td>
</tr>
</tbody>
</table>

**Initiatives**

**Reducing clinker factor**

We continued to reduce average clinker factor across the full range of our cement portfolio. During the year, we increased the blended cement portfolio from 89% to 90%. All these initiatives helped in significant reduction of average clinker factor by 1.37%.

**Challenges**

Power generated from waste heat recovery decreased by ~14% due to a reduction in the kilns owing to COVID-19. There was a marginal increase in specific electrical energy because of the fluctuations in operations during the pandemic.

**Case Study: Energy conservation efforts at Bargarh**

ACC Bargarh has undertaken various technology-driven measures towards improving its performance on sustainability, such as:

- Replaced old cooler with new kiln cooler to improve thermal and electrical energy and kiln output
- Installed Variable Frequency Drives (VFD) in coal mill dusting bag filter, CF silo bag filter, packing house silo top bag filter and cement mill dusting bag filter fans

Cautious of depleting raw materials and to ensure sustainable growth, the plant is utilising 30% medium grade limestone, red mud waste from aluminium industry, slag from steel industry, fly ash from power plant (after 100% utilisation of our own Captive Power Plant (CPP) generated fly ash and bed ash).
Circular economy

Producing lower-carbon cement and concrete is not only about using new technologies, it is also about making proven technologies more effective. We are working to enhance the reuse of waste materials from other sectors to increase our contribution to circular economy.

**BLENDED CEMENT**

Around 90% of our product portfolio comprises blended cements (PPC, PSC and Composto cements) which use fly ash and slag to replace clinker. Also, we have modified the process of manufacturing PPC by using wet fly ash (pond ash), which is usually dumped and remains unutilised. During the year, we consumed 5.33 MT of fly ash and 2.82 MT of slag, 0.4 MT synthetic gypsum, including phosphogypsum and 0.57 MT of alternative fuels and raw materials in cement manufacturing. Additionally, 0.16 MT of waste derived resources comprising fly ash, slag and so on were consumed in concrete production.

**ALTERNATIVE FUELS AND RAW MATERIALS**

We use advanced technology to provide eco-friendly solutions for waste management, which also helps in substituting traditional raw materials and fossil fuels.

### Geocycle Bubble Barrier Technology

The Geocycle Bubble Barrier concept, derived from bubble curtain technology, is a non-invasive solution to stop plastic from entering oceans. The bubble screen is created by pumping air through a tube with holes, located at the bottom of the waterway. The upward flow of the bubble barrier brings waste to the surface of the water. The natural current is used to guide the plastic on the riverside making it accessible for collection and removal. In this process, ships and fish can pass through but plastics will be stopped. Geocycle has partnered with Canadian Pond to implement the ‘bubble curtain’ technology.

### Case Study

**Freeing Agra from plastic**

Using the first-of-its-kind ‘Geocycle Bubble Barrier’ concept, Geocycle India launched the ‘Plastic Free Agra Mission’ in Agra city, Uttar Pradesh. This project was conducted under the aegis of the United Nations Environment Programme (UNEP) in line with its initiative of ‘Air Pollution Control Plan of Agra’. The project involved collecting non-recycled plastic waste from the drain (near Taj Mahal) leading to Yamuna river. The plastic waste thus collected was segregated into recyclable and non-recyclable waste. Further, the non-recyclable plastic waste was transported and co-processed at one of our cement manufacturing plants. Additionally, the project was also traced through a digital platform to ensure zero leakage of the plastic waste throughout the disposal process.

### Case Study

**A greener, cleaner Kerala**

Kerala is well-known for its natural beauty, spices, wildlife and scenic landscapes, making it a major tourist destination in India. However, with significant increase in industrial and commercial centres, there has been a noteworthy rise in plastic waste, e-waste, construction sector waste and household waste. The Government of Kerala launched the Haritha Keralam (Green Kerala), an umbrella mission to integrate waste management, organic farming, and water resources management.

Geocycle India signed a MoU with Clean Kerala Company for disposal of non-recyclable plastic waste.

Geocycle’s impact and benefits:

- Helping the Clean Kerala Company and the government achieve zero waste to landfill using a sustainable way of waste disposal at ACC’s cement plants.
- Aiding the customer in finding solutions for the complexities and problems involved in waste management.
- With its world-class facilities providing end-to-end service.

Geocycle also saves a huge investment from being borne by the government for setting up waste treatment plants.

- Conducted workshops for creating awareness on safe and scientific waste disposal methods. Additionally, educating and promoting household waste segregation.

### IMPROVING WASTE MANAGEMENT

While our industry does not generate any process-related waste, there are ancillary activities like maintenance, housekeeping and so on, which generate waste materials like oil-soaked cotton waste, steel scrap, used oil, used filter bags, electrical waste such as used bulbs, batteries and others. We mostly adopt a 3R (Reduce, Reuse and Recycle) approach for managing our waste, wherever practically possible. We are dedicated to complying with all regulations concerning the safe and responsible management of waste materials. Waste, including waste oil and grease, electrical, electronic waste and steel scrap, is sold to the authorised recyclers. For hazardous waste, the relevant returns are filed with the respective regulatory authorities from time to time.

### 9.3 MT

Waste-derived resources consumed in 2020

(as compared to 9.90 MT* in 2019)

*Note: Last year, the reported figure was 12.47 MT which included Crushed Rock Fines but this year onwards it is excluded.

### 99,517 Tonnes

Plastic waste/Refuse Derived Fuel (RDF) co-processed at cement plants

**Geocycle**

Going plastic neutral with Geocycle

According to World Wildlife Fund report, plastic pollution worldwide will double by 2030. With the alarming numbers, government bodies are becoming cautious and are emphasising on ‘Plastic Neutrality’ by making the producers compliant and responsible for their products and packaging.

Geocycle, a global waste management brand of LafargeHolcim Group is a leading provider of industrial, agricultural, municipal and plastic waste management services worldwide.

Co-processing and innovative technologies for plastic waste management

Co-processing is a globally recognised technology through which waste is treated in energy intensive industries such as cement. Co-processing is positioned as a recovery solution and the preferred technology for achieving sustainability in waste management with zero residue providing the end-to-end solution.

**Case Study**

**Plastic waste/Refuse Derived Fuel (RDF)**

Co-processed at cement plants

**Table:**

<table>
<thead>
<tr>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>99,517</td>
</tr>
</tbody>
</table>

**Note:** Last year, the reported figure was 12.47 MT which included Crushed Rock Fines but this year onwards it is excluded.
**Environment**

**PROTECTING WATER RESOURCES**

Freshwater is critical for sustaining healthy communities and natural ecosystems. During the year, we continued our efforts to conserve water and improve our water harvesting capacities. We comply with stringent environmental regulations to ensure that our activities, in particular raw material quarrying, do not endanger local water bodies and groundwater. During the year, various efforts were made for strengthening water conservation and harvesting to closely monitor water consumption, augmenting water harvesting structures in communities and optimising processes.

While specific freshwater consumption in cement operations remained almost the same as in 2019 with 77.8 litre/t of cementitious material, we consumed ~1.75 Million m³ of harvested rainwater in our cement operations, which is ~50% of the total water consumption.

<table>
<thead>
<tr>
<th>Surface Water Consumption (Million m³)</th>
<th>Harvested Rainwater Consumption (Million m³)</th>
<th>Groundwater Consumption (Million m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.3</td>
<td>2.28</td>
<td>0.27</td>
</tr>
<tr>
<td>2018</td>
<td>2018</td>
<td>2018</td>
</tr>
<tr>
<td>2.0</td>
<td>2.46</td>
<td>0.22</td>
</tr>
<tr>
<td>2019</td>
<td>2019</td>
<td>2019</td>
</tr>
<tr>
<td>1.7</td>
<td>1.75</td>
<td>0.17</td>
</tr>
<tr>
<td>2020</td>
<td>2020</td>
<td>2020</td>
</tr>
</tbody>
</table>

**9% Reduction in specific water consumption**

(from 165 litre/t of cementitious material in 2019 to 151 litre/t of cementitious material in 2020)

**ENHANCING BIODIVERSITY**

During the year, we continued our efforts to conserve nature and preserve biodiversity. Our initiatives focused on the conservation of particular floral/faunal group at some plant locations under the ‘B-Buzz’ project. As part of the B-Buzz programme, while one unit worked towards improving avian biodiversity by creating a fruit garden, two units developed a herbal garden – ‘Aushadi Udyan’ at their locations. Some of our sites have also initiated their ‘B-Buzz’ with a Butterfly Garden within their own premises.

**Case Study**

**Stepping up rainwater harvesting**

Jamul Cement Works decided to develop rainwater harvesting structures in nearby village schools to help conserve water to solve acute water crisis faced by the community. While it rains heavily in the area during the monsoon, the communities are unable to store the runoff water. Also, school premises witness heavy waterlogging during monsoons. Thus, a solution was devised to help address both the issues at once.

The plant installed three rainwater harvesting structures at Government Primary School, Pathariya and Government Primary School Nandini Khundini, which solved the problem. This initiative conveyed an important message to the students and community members about the conservation of a precious resource in a cost-effective manner.

**Case Study**

**Adopting innovative plantation techniques**

*Van Upvan* is an initiative under the B-Buzz programme, which focuses on creating a forest by adopting Miyawaki methodology. This is a Japanese afforestation technique that helps plants grow 20 times faster and ensures that the resulting plantation is 30 times denser than usual. In 2020, Chanda Cement Works tried Miyawaki plantation method in a small area of 300 sq m on a trial basis. Steps followed in this process included:

- Layout of land for plantations
- Preparing the soil
  
  (i) Mulching the biomass solution over the plantation area
  
  (ii) Mixing the perforator (rice husk) and water retainer
- Filing the soil on top of mixing materials
- Plantation of saplings
- Covering the plantation area with rice straw
- Monitoring the plantation

Similarly, Wadi Cement Works has also developed a small Miyawaki forest near the truck parking yard area. In 2019, the site planted 1,200+ plants (comprising 12 local species) over an area of 500 sq m. The small forest has grown to an approximate height of 12 feet by the end of 2020.
Sustainability, a commitment (Contd.)

ACC Limited I Integrated Report 2020

PERFORMANCE AGAINST THE SD 2030 PLAN

<table>
<thead>
<tr>
<th>SUSTAINABILITY PILLARS</th>
<th>CLIMATE AND ENERGY</th>
<th>CIRCULAR ECONOMY</th>
<th>ENVIRONMENT</th>
<th>PEOPLE AND COMMUNITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Metrics</td>
<td>CO₂ emitted</td>
<td>Waste re-used</td>
<td>Water Positivity Index</td>
<td>No. of new beneficiaries</td>
</tr>
<tr>
<td></td>
<td>(kg/t cementitious material)</td>
<td>(Million tonnes)</td>
<td>(Ns of times)</td>
<td>(Million new beneficiaries)</td>
</tr>
<tr>
<td>2020 Actual</td>
<td>493</td>
<td>9.3</td>
<td>1.1*</td>
<td>0.4</td>
</tr>
<tr>
<td>2030 Target</td>
<td>400*</td>
<td>30</td>
<td>5</td>
<td>0.9</td>
</tr>
</tbody>
</table>

*Not externally verified.

*Note: From 2020, we have been reporting the specific CO₂ emissions in kg/t of cementitious material (instead of kg/t of cement).

CDP rating
During the year, we attained CDP – B rating which is the management band, indicating that a company is taking coordinated action on climate issues.

AWARDS
- ACC Bargarh team was adjudged Excellent Energy Efficient Unit during the 21st edition of the National Award for Excellence in Energy Management
- Won the Climate Action Programme (CAP) 2.0 Degrees – Oriented award in LM&M Sector for 2019-20, by the Confederation of Indian Industry (CII)

GREEN BUILDING CENTRES (GBCs)
During the year, we set up 43 new GBCs totaling 187 by the end of December 2020. GBCs have collectively helped utilise 70,740 tonnes of fly ash, conservation of 1,53,271 tonnes of the Earth’s natural topsoil and avoidance of 10,788 MT of CO₂ emission during the year.

31,477
Low cost housing projects facilitated through GBCs

EMISSIONS
We have a long and successful track record of meeting ambitious targets for reducing CO₂ emissions from our activities. We report on our CO₂ emissions in line with the Greenhouse Gas Protocol developed by the World Resources Institute and the World Business Council for Sustainable Development (WBCSD).

To control other air emissions, we invest in advanced technologies such as filter systems and ensure regular maintenance of equipment at our manufacturing operations.

Dust emission control: Various maintenance activities were undertaken through in-house and third-party teams for rectification of Electrostatic Precipitator (ESP) internals, replacement of damaged bags, etc. These resulted in ensuring stack dust emissions in cement plants was <30mg/Nm³.

NOx emission control: NOx emission compliance was ensured through primary and secondary measures for NOx control and implementation of Systematic Non-Catalytic Reduction (SNCR) systems in integrated cement plants.

SOx emission control: SOx emissions are well within the specified regulatory limits. There is a significant increase in SOx emissions intensity in the year 2020 as compared to 2019. This is due to change in raw material quality and change in fuel at Chanda. Appropriate measures are being taken to keep SOx emission within regulatory limits.

<table>
<thead>
<tr>
<th>Dust Emissions (g/t of cement)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dust Emissions</td>
<td>17.40</td>
<td>16.93</td>
<td>12.33</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NOx Emissions (g/t of cement)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx Emissions</td>
<td>1,051.30</td>
<td>836.56</td>
<td>634.90</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SOx Emissions (g/t of cement)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOx Emissions</td>
<td>78.20</td>
<td>64.21</td>
<td>82.40</td>
</tr>
</tbody>
</table>
Our environment is evolving faster than ever before. Our ability to deliver sustainable and profitable growth hinges on our ability to pre-empt and act on the megatrends and deliver the right product to the consumer at the right time.

**DELIVERING SOLUTIONS THROUGH INNOVATION**

<table>
<thead>
<tr>
<th>Sales from value added products (£ Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
</tr>
<tr>
<td>35</td>
</tr>
</tbody>
</table>

- 6 New products launched
- 100% Reduction in CO₂ emissions (ECOPact – the Green Concrete)
Our approach to innovation

Our building solutions enhance durability of constructions and are environmentally compliant. This is in line with our overall sustainability commitment. At a time when physical proximity to customers was a challenge, our digital presence facilitated constant engagement with customers to know their side of the story and enrich the solutions they need.

Unveiling possibilities

We have recently added several new products that have widened our portfolio of value added and eco-friendly varieties of cement and concrete for special and customised applications. These have received favourable market acceptance.

Case Study
New-age solutions help attain higher quality standards

Our solutions are now an important part of several landmarks across India. Due to its ability to dissipate heat, ACC Thermoflimate, our newly launched product, was the preferred solution for a greenfield airport, as normal concrete failed to dissipate the heat from the power conduits.

During the construction, underground high-tension electrical power conduits with 220 KW voltage had to be laid. The heat generation from the high-tension power cables and inability of the conduits to dissipate the heat, caused overheating of the cables, thereby reducing cable life. Additionally, replacing the non-operating cables by breaking the concrete structure laid above the power conduits was a cumbersome task. It was also difficult to replace the non-operative power cables by breaking concrete surface. ACC Thermoflimate led to efficient laying of underground power transmission cables and duct insulation. As it can dissipate heat, power conduits do not suffer any damage. The shallow trenches also help lower the cost associated with excavation, backfilling and compaction.

Case Study
Reaching out and deepening connect

The foundation for construction in areas with high-water table needs to be made carefully, so that the groundwater does not exert pressure on the foundation or cause dampness in future.

We have brought to the market ACC Suraksha NX Antiwashout Concrete, a high-performance anti-washout concrete, which enables customers to pour the concrete without worrying about the high-water table in their foundation. The innovative product mix maintains the desired properties of concrete even when poured on surfaces with high-water content.

With the help of advanced R&D, ACC is developing an innovative range of ready mix concrete solutions to cater to the varied requirements of our customers. These solutions enjoy rapid setting time of ~2 hours. Therefore, these products are finding wide market acceptance. Innovative products like ACC Suraksha NX anti-washout concrete is helping us create a stronger brand equity in Tier-II cities.

ECOPact – Making a #PositiveImPACT

The ready mix concrete division launched a new low carbon range of concrete: ECOPact – the Green Concrete for high-performing, sustainable and circular construction.

With ECOPact, we are equipped to make a #PositiveImPACT on our community of builders and on every Eco-conscious home builder. The innovative manufacturing process of the ECOPact range reduces CO2 emissions by up to 100% and further enhances our sustainable offerings for the construction industry.

Investing in digital capabilities

During the reporting period, we continued to invest in digital assets to step up the level of automation in our operations. Artificial Intelligence, big data, cloud, and systems integration are some of the new technology horizons that we are currently focusing on. During the year, we worked on the following:

1. Strengthening online presence through websites, social media campaigns and other digital mediums
2. Introduced real-time journey visibility and tracking
3. Integrated dashboards and in-time data for key insights into our business
4. Improved workforce mobility through digital tools
5. Deployed smart assets with sensors, tracking devices and real-time communications both internally and for our customers
6. Enforced integrated planning and workforce management, which enabled optimisation and key efficiencies in the business for planning and scheduling to best meet demand
INCLUSIVITY, THROUGH GROWTH FOR ALL

Through our responsible business strategy, we foster wide-ranging transformation in ACC and the communities in which we operate. We closely collaborate with employees, partners, and stakeholders for shared value creation.

<table>
<thead>
<tr>
<th>CSR beneficiaries (Lakh)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.79</td>
<td>5.04</td>
<td>8.30</td>
<td></td>
</tr>
</tbody>
</table>

6.83 Lakh
COVID-19 relief beneficiaries

7,87,233
Total Boots on Ground (BoG) hours conducted at manufacturing sites
Our approach to inclusivity

We aim to use our reach and influence to grow our positive impact. We are committed to creating inclusive, sustainable and empowering workplaces where employees can reach their potential. Our community initiatives are designed to enable community members to live a better and fulfilling life.

1. Corporate social responsibility

We aim to build more capable, inclusive and resilient communities through a shared approach that takes into cognisance the specific needs of each community. Our social strategy aligns with our core business strategy to empower communities and provide opportunities for us to create common value across our footprint.

ACC TRUST is the Corporate Social Responsibility (CSR) arm of ACC, committed to fueling the development of communities around ACC’s business presence. Its initiatives are focused on our key impact areas—DISHA (Sustainable Livelihood), VIDYA UTKARSH (Quality Education) and WASH (Water, Sanitation, Health & Hygiene).

**CSR Expenditure**

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure (₹ Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>22</td>
</tr>
<tr>
<td>2017</td>
<td>22</td>
</tr>
<tr>
<td>2018</td>
<td>20</td>
</tr>
<tr>
<td>2019</td>
<td>25</td>
</tr>
<tr>
<td>2020</td>
<td>32</td>
</tr>
</tbody>
</table>

**OUR CSR FOOTPRINT IN 2020**

During the year, our community development projects touched more than 8.30 Lakh people, residing in 166 villages and 15 municipal areas in the vicinity of our plants. We undertook major interventions and projects to provide quality education, sustainable livelihood and WASH.

**VIDYA UTKARSH (Quality Education)**

- 34,801 Lives touched
- 133 Schools supported for quality education
- 13,576 Children supported through Anganwadis

**DISHA (Sustainable Livelihood)**

- 14,304 Lives touched
- 1,737 Young men benefitted through employability-linked skill training
- 7,695 Women empowered through Self Help Groups (SHGs)
- ₹4.52 Crore Savings and bank loan mobilised through SHGs

**WATER, SANITATION, HEALTH & HYGIENE (WASH)**

- 2.26 Lakh Lives touched
- 29,293 People covered through safe drinking water projects
- 38,339 People reached through health camps
- 5,654 People combated HIV/AIDS through ART/STI centres
- 90 Water harvesting structures erected
- 9 Villages supported for achieving Open Defecation Free (ODF) status
- 26,923 People benefitted through solid waste management projects
‘POSHAN Abhiyaan’ to make India malnutrition free by 2022

ACC TRUST has been playing an active role in ‘POSHAN Abhiyaan’, a flagship programme of the Government of India, to improve nutritional outcomes for children, pregnant women and lactating mothers and achieve the goal to make India malnutrition free by 2022. The TRUST is working closely on 14 Integrated Child Development Services (ICDS) projects around our manufacturing units. Among the steps undertaken under the Malnutrition Eradication Project is closely working with government health workers to create Model Anganwadi Centres (Childcare Centres) around our plants, benefiting ~30,000 children (under six years), adolescent girls and pregnant and lactating women.

13,576
Children benefitted through Anganwadi centres

Water positivity

Foreseeing the risk of water scarcity in the communities, ACC TRUST designed a programme Low External Inputs for Sustainable Agriculture (LEISA) and Sanrakshit Paryavaran. These programmes include interventions towards water conservation and also stress on the importance of water management. In partnership with community members, the government’s irrigation department and civil society organisations, ACC TRUST took several steps to ensure that lives and livelihoods in surrounding communities flourish. In 2020, ACC TRUST undertook various projects such as construction of check dams, renovation and pond desiltation activities.

90
Rainwater harvesting structures created

Case Study
Rehabilitating and empowering vulnerable rural women

Amid the challenges posed by the pandemic, ACC TRUST Chaibasa (Jharkhand) and ACC TRUST Madukkarai (Tamil Nadu) swiftly sprang into action and rescued a group of 24 women stranded in Coimbatore. These women were victims of human trafficking and faced unfair labour practices.

Approached by the state’s COVID-19 Response Team and Department of Labour, Employment & Training, ACC TRUST Chaibasa swiftly coordinated and made arrangements to airlift these women from Coimbatore and bring them home safely.

In association with NGOs PHIA and ASRA, our team initiated counselling and provided psychological support to these women. The women will now be trained in livelihood skills at ACC TRUST DISHA centre.

Upon safe arrival of the rescued women, Deputy Commissioner West Singhbhum, Mr Arwa Raj Kamal appreciated the support received from ACC at a press conference which was also attended by ACC Chaibasa Director Plant, Mr Raj Gurung and Mr Lalit Biswal, CSR co-ordinator, ACC TRUST Chaibasa.

PUTTING UP AN AGILE COVID RESPONSE

At ACC, we stepped up our efforts to protect and support communities in the wake of the sudden outbreak of the pandemic. Across large parts of the country, we focused on multiple initiatives: from distributing food and provisions, to disinfecting rural areas; from facilitating the production of cotton masks to educating people on the need for social distancing, washing hands and maintaining respiratory hygiene.

13,576 Children benefitted through Anganwadi centres

4,00,000 Cotton masks produced and distributed

2,81,000 Packets of cooked food distributed

30,000 Packets of foodgrains distributed

Offering support to migrant workers

Lives and livelihoods of migrant workers living away from their families, were severely impacted as India imposed one of the most stringent lockdowns in the world. ACC provided fuel wood to brick kiln labourers stuck in Medersara village in Chhattisgarh and collaborated with the local gram panchayat to make food arrangements for these labourers.

Aiding vulnerable communities

The nationwide lockdown on account of COVID-19 and absence of daily wages badly affected workers at Wadi in Karnataka’s Gulbarga district, forcing them to take shelter in public areas having insufficient basic facilities. During the quarantine period, our volunteers provided food and provisions as well as basic necessities.
Inclusivity, through growth for all (Contd.)

Cementing relationships through Sustainability. Innovation. Inclusivity.

Supporting communities in trouble

ACC and Ambuja Cements together contributed ₹3.30 Crore to three NGOs - Goonj, Praja Foundation and Mumbai Roti Bank, to support daily wage earners and migrant labourers trapped due to the lockdown, with food and ration kits. Our volunteers also distributed food and provisions to such migrants in areas near our operations.

Expanding sanitisation drive

The COVID-19 induced lockdown disturbed lives in many villages of India. This also included the largest village of Himachal Pradesh - Dehlan with a population of over 13,000 inhabitants. ACC TRUST tied up with the local village authorities of Dehlan to sanitise the entire village comprising ~250 households.

4,45,000
People benefited through sanitisation drives

Creating social-distancing awareness

At Khushbeniya and Simatand villages in Sindri, Jharkhand, our volunteers used microphones to educate people about COVID-19 and social distancing.

4,59,000
People educated about social distancing

Case Study
Doorstep rural banking during the lockdown

Dungri Gram Panchayat is one of the remotest areas of Bargarh district (Odisha). There is a single bank named Utkal Gramya Bank, which caters banking services to 10,000 people. The nearest SBI branch is at Ambalorsa Block headquarters, 20 kms from Dungri village.

During September 2019, kiosk banking service was initiated by Pratigya Trust, a registered body for a women federation, supported by ACC TRUST.

During the lockdown, volunteers like Smt Sulekha Nair, from Pratigya Trust, were trained on the operating procedure of POS. Sulekha started providing banking services to Dungri, Sauntamal and Badmal villages benefiting ~5,500 households.

Sulekha Nair and her co-workers are unsung warriors whose relentless efforts made rural banking services possible during the lockdown and offered support to thousands of villagers.

AWARDS

- ACC’s ‘Together For Communities’ initiative won a Bronze trophy in the Social Responsibility Communication category at the 59th Association of Business Communicators of India Annual Awards
2. Human resources

The team worked on a few employee learning engagement levers to help employees stay anchored to learning during the pandemic.

Building a common cause and purpose for learning during the pandemic: The Business Resilience Team (BRT) was constituted to direct, guide and monitor the organisation during the pandemic with regard to employee well-being, health and safety. It was with the BRT inputs that the ACC-Ambuja Leadership Academy (AALA) started some of its first outreach programmes to establish a meaningful connect with the employees.

Building internal championship, volunteering and encouraging internal experts: AALA partnered with over 260 internal experts to build various large business sessions. During the year, 94% of the programmes conducted were created in-house.

An inclusive approach to learning: AALA took a step further during the lockdown by opening 90% of its large webinar sessions to employees across the organisation. Employees across different levels, functions and locations could register for a topic of their choice. Senior leaders, team leaders and individual contributors could participate in the learning programmes. The topics and the themes drove the audience – not their designation.

Learning format: One of the key drivers of success was the simple and intuitive approach that the team called the Learning Model or Learning Format. This model proved to be critical for effective employee engagement through learning during the lockdown.

AALA leveraged technology and crafted its bespoke programmes in the following three formats:

1. Large instructor-led virtual webinars – master classes mostly open to all levels, across the organisation
2. Smaller virtual instructor-led sessions and programmes tailored to the needs of a specific team
3. Programmes that supported key organisational development initiatives (successor development/creating culture of safety, and more)

E-learning modules: Videos were also used to complement training done through the above three formats. The entire learning format was housed on Super Assisted Intelligent Learning (SAIL), the in-house LXP platform.

When AALA introduced SAIL – a learning experience platform in 2019, it gave the Learning and Development (L&D) team a lot of insights into individual-driven learning. The team learnt that technology had to adapt to the learner and not the other way around, paving the way for the utilisation of SAIL during the pandemic.

The AALA learning experience platform was unique in a way that it could be owned by every function, department and team. Teams could also have their own coaches through the platform with whom they connect.

AALA used SAIL to complement all the earlier-mentioned formats of learning in the following manner:

- To accommodate pre-work and assessments for certification programmes
- As a repository for keeping all recorded webinars and presentations of the master classes, so that employees can use them at a later date
- To house company-created modules and programmes
- To accommodate pre-work and assessments for certification programmes

Different strokes for different folks: Other learning engagement initiatives

In addition to hosting various learning options, AALA also provided other learning-oriented services:

- Library services and free e-learning modules
- E-graduation of certified LOTOTO champions
- Celebrating learning through e-felicitations of all internal experts and faculty
- Emotional Intelligence Club: Community of Practice

<table>
<thead>
<tr>
<th>Area-wise Learning</th>
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<tbody>
<tr>
<td>Manufacturing</td>
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<tr>
<td>Sustainability &amp; Geocycle</td>
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<tr>
<td>Compliance</td>
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<tr>
<td>Sales &amp; Marketing</td>
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<tr>
<td>Business &amp; Strategy</td>
</tr>
<tr>
<td>Wellness, Health &amp; Safety</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Learning engagement statistics</th>
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</thead>
<tbody>
<tr>
<td>Total ACC people logged in SAIL</td>
</tr>
<tr>
<td>Total ACC learning hours in SAIL</td>
</tr>
<tr>
<td>No. of ACC employees participated in webinars</td>
</tr>
<tr>
<td>Total internal/external faculty involved</td>
</tr>
<tr>
<td>Total topics covered</td>
</tr>
<tr>
<td>In-house courses/e-modules created at no cost</td>
</tr>
<tr>
<td>Total sessions</td>
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</tbody>
</table>

At ACC, we offer our teams a defined talent value proposition to enrich and fulfil their aspirations so that they can realise their true potential to ‘make a difference’.

DIVERSITY AND INCLUSION

Our values underpin our commitment to be an equal opportunity employer that ensures respect, dignity, fairness and human rights for all our members. ACC is committed to:

- Creating and sustaining a diverse and inclusive workplace with zero tolerance for any form of discrimination/harassment
- Ensuring there is no bias and all members have equal access to information and opportunity
- Accepting and appreciating diverse points of view/new ideas/unpopular opinions leading to enhanced creativity, innovation and high performance

PEOPLE STRATEGY IS CRITICAL

Our people matter to us. We empower them and they empower the business. We are always learning, and this process helps our teams to deliver better, faster and accelerate their high performance.

AALA took a step further during the lockdown by opening 90% of its large webinar sessions to employees across the organisation. Employees across different levels, functions and locations could register for a topic of their choice. Senior leaders, team leaders and individual contributors could participate in the learning programmes. The topics and the themes drove the audience – not their designation.

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- To accommodate pre-work and assessments for certification programmes
- As a repository for keeping all recorded webinars and presentations of the master classes, so that employees can use them at a later date
- To house company-created modules on COVID safety, office productivity, road safety – defensive driving, as there was a probability of increased road accidents post lockdown

Different strokes for different folks: Other learning engagement initiatives

In addition to hosting various learning options, AALA also provided other learning-oriented services:

- Library services and free e-learning modules
- E-graduation of certified LOTOTO champions
- Celebrating learning through e-felicitations of all internal experts and faculty
- Emotional Intelligence Club: Community of Practice
CULTURE OF COMMUNICATION
We foster a culture of open communication, which drives understanding of the needs of our employees while enabling them to acquire the information and skills needed to deliver on our strategy. ‘Pratibha Ke Rang’ was a great platform for all our employees and their family members to showcase their diverse talent in photography, drawing and performing arts to a wider audience. With the help of digital technology, the spectacular event turned out to be a resounding success.

EMPLOYEE WELL-BEING
We implement employee health and well-being programmes, providing incentives, tools, social support and strategies on physical and mental health.

The programmes mentioned below help our employees maintain health and general well-being:
• Well-designed and transparent communications plan for critical messaging and sharing of accurate information
• Emotional and professional coaching via industry leaders and life coaches
• Mental health support with the help of counsellors, psychologists and psychiatrists via dedicated helplines

• Engaging, empowering and energising the workforce via motivational speakers, experts from various walks of life through webinars, and dedicated organisational communication channels

• A continuous employee awareness campaign to promote hygiene across multiple organisation communication channels

HEALTH AND SAFETY
At ACC, Health & Safety (H&S) is a core value and our declared ambition is to achieve zero harm in our operations. The culture of H&S is driven by our employees at every level, as we work to achieve our common goal that – Every Employee should go Back Home Safely Every Day.

Health and Safety Improvement Plan (HSIP) was developed for the year 2020 to further improve Leadership involvement in H&S. Specific actions were executed to ensure health management, risk management, Lock out Tag out and Try out (LOTOTO), and road safety. During the year, we implemented several leading measures to improve our H&S performance, including the following:

• All cement and ready mix concrete plants were audited for health and safety management
• Systems to provide assurance on the implementation and effectiveness of these systems
• We implemented Boots on Ground – a landmark initiative to improve risk management and engagement on shop floor
• Health & Safety Culture Perception survey was conducted covering all management staff, Shop Floor Associates (SFAs) and contract employees at manufacturing units to understand and address the issues
• Certification training process implemented across the organisation for LOTOTO, rail safety and working at height
• Critical risks associated with coal shop, conventional fuels, mining operation, hot meal handling, structural stability were addressed in a phased manner to improve our H&S performance

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fatalities</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Lost Time Injury (LTI)</td>
<td>21</td>
<td>15</td>
<td>11</td>
</tr>
<tr>
<td>Lost Time Injury Frequency Rate (LTIFR)</td>
<td>0.49</td>
<td>0.34</td>
<td>0.31</td>
</tr>
</tbody>
</table>
ROAD SAFETY
We achieved significant progress in road safety with focus on skill development and driving behaviour management. By leveraging technology, data analytics and assessment of capabilities of drivers, we achieved 60% decline in offsite incidents against 2019.

### Offsite Incidents

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offsite Incidents (No.)</td>
<td>52</td>
<td>39</td>
<td>25</td>
</tr>
</tbody>
</table>

### Offsite Injuries

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offsite Injuries (No.)</td>
<td>37</td>
<td>36</td>
<td>16</td>
</tr>
</tbody>
</table>

#### Key achievements
- The three key focus area continued to be ‘driving behaviour management’ through in-Vehicle Monitoring System (iVMS) data and DMC counselling and ‘skill management’ through in-cab training and assessment, and ‘engagement with drivers and transporters, especially post opening up after COVID disruption
- 5700+ iVMS devices were installed by the end of 2020
- Voice-box was installed in all vehicles to give real-time alerts to drivers, thus helping them improve their driving behaviour on the go. The voiceover is available in multiple languages such as Hindi, Kannada, Tamil and Malayalam. Our efforts resulted in 38% decrease in harsh driving, 18% decrease in harsh acceleration and 2% decrease in over speeding count
- e-Passport documents were issued to enable capturing through Near Field Communication (NFC) tags and tablets. This document includes all details of the driver (trainings and licence, among others) and details of the vehicle (legal requirements and vehicle check points like under run protection, visibility, seat belt, among others) that are checked every time the trucker or the vehicle enters the plant to ensure safe delivery of consignment
- 53% of the total number of kms driven for movement of goods is driven with an active iVMS that monitors the driving behaviour. More the distance covered under this monitoring tool, better it is for us to make intervention and make our trips safer. While we have surpassed the targets we had set for ourselves, we are striving to cross 80% in the future
- 73% of the total number of kms driven for movement of raw material and finished goods across the plants were driven by drivers qualified under the LH skilling programme. This is an important measure towards helping them avoid risk situations while in transit
- Improvement in safe kilometres driven:
  - 2017: 18
  - 2018: 41
  - 2019: 45
  - 2020: 73
  - 53% of the total kms moved by iVMS fleet

3. **Relationship management**
We undertake various initiatives to empower, educate and engage with our stakeholders, to continue cementing relationships with them.

#### Initiatives
- **Kamaal Ka Sawaal:** An engaging series on social media to provide construction-related knowledge to our stakeholders
- **Newsletters/Journals**
  - **ACC Sambandh:** It is a bi-monthly digital channel partner newsletter, published in six regional languages. This is a relationship building tool that celebrates excellence of our channel partners, and provides them unique insights into ACC’s achievements, new launches, recent innovations and customer service initiatives
  - **ACC TRUST:** This is a relationship management tool that engages with 10,000+ channel partners across 6 regional languages through the use of our premium product offering
  - **India Concrete Journal:** This is a monthly journal published since 1927. It endeavours to present its readership, academia and professionals with contributions that are relevant, contemporary, and forward-looking
- **Kamaal Ki Kahani:** ACC Kamaal Ki Kahani is a video series chronicling real-life motivational stories of resilience to engage with consumers
- **Kamaal Ki Baat:** A knowledge series where experts from construction and building industry share their learnings, experiences and key expertise with our influencer segments

### Vijayanathi Scholarship scheme launched through ACC TRUST, which benefited over 50 truck driver’s children to pursue higher education.

#### Improvement in safe kilometres driven (Kms)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement in safe kilometres driven (%)</td>
<td>18%</td>
<td>41%</td>
<td>45%</td>
<td>73%</td>
</tr>
</tbody>
</table>

#### Vidyasarathi Scholarship scheme launched

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vidyasarathi Scholarship scheme launched through ACC TRUST, which benefited over 50 truck driver’s children to pursue higher education.</td>
<td>53%</td>
<td>64%</td>
<td>58%</td>
<td>60%</td>
</tr>
</tbody>
</table>

#### ACC Limited I Integrated Report 2020

Cementing relationships through Sustainability. Innovation. Inclusivity.
Supporting the United Nations Sustainable Development Goals (UN SDGs)

The United Nations (UN) Sustainable Development Goals (SDGs) provide an ambitious and urgent call-to-action and a practical framework for businesses to chart their sustainability journey. At ACC, each sustainability initiative is linked to one or more of the UN SDGs.

SDGs with significant contributions (highlighted in the above diagram):
SDG 1, SDG 4, SDG 6, SDG 8, SDG 9, SDG 11, SDG 12, SDG 13, SDG 15 and SDG 17

Statutory Reports
70 Management Discussion and Analysis
94 Boards’ Report
126 Report on Corporate Governance
164 Business Responsibility Report

Financial Statements
192 Standalone Financial Statements
192 Independent auditor’s report
202 Balance sheet
203 Statement of profit and loss
204 Statement of changes in equity
206 Statement of cash flow
208 Notes to the financial statements
286 Form ACC-1
288 Consolidated Financial Statements
288 Independent auditor’s report
296 Consolidated balance sheet
297 Consolidated statement of profit and loss
298 Consolidated statement of changes in equity
300 Consolidated statement of cash flow
302 Notes to the consolidated financial statements
387 Consolidated net profit and equity
388 Statement containing extract of subsidiaries financial statements