






Auditors' Report – Clause 31(a) of Listing Agreement

Pursuant to Clause 31(a) of the Listing Agreement, we give below in Form A information on "Matter of Emphasis" in the Auditors' Report for the year ended 31st December, 2014.

Form A

1.	Name of the Company	ACC Limited
2.	Annual Financial Statements for the year ended	31 st December, 2014
3.	Type of Audit Observation	Un-qualified/Matter of Emphasis – We draw attention to Note 36(A)(e) of the Financial Statements, relating to the order of the Competition Commission of India (CCI), concerning alleged contravention of the provisions of the Competition Act, 2002 and imposing a penalty of ₹1,147.59 Crore on the Company. Based on the advice of external legal Counsel no provision has been considered necessary by the Company in this regard. Our opinion is not qualified in respect of this matter.
4.	Frequency of Observation	<p>Appeared in the Audit Report on the Financial Statements for the year ended 31st December, 2014.</p> <p>A similar note also appeared in the Limited Review Report on the statement of unaudited financial results for the quarters ended 31st March, 2014, 30th June, 2014 and 30th September, 2014</p>
5.	<p>For S R B C & CO LLP Firm Registration No. 324982E Chartered Accountants</p> <p> Per Ravi Bansal Partner Membership No. 49365 Statutory Auditor</p> <p></p>	<p> Arunkumar R Gandhi Chairman-Audit Committee</p> <p> Harish Badami Chief Executive Officer & Managing Director</p> <p> Sunil Nayak Chief Financial Officer</p>



Enhancing
Customer Value

ACC LIMITED
79th Annual Report 2014



Board Of Directors

(As on February 3, 2015)

Mr N S Sekhsaria
Chairman

Mr Bernard Terver
Deputy Chairman

Mr Harish Badami
*Chief Executive Officer &
Managing Director*

Mr Bernard Fontana

Mr Shailesh Haribhakti

Mr Aidan Lynam

Mr Sushil Kumar Roongta

Mr Ashwin Dani

Mr Farrokh K Kavarana

Mr Vijay Kumar Sharma

Mr Arunkumar Ramanlal Gandhi

Mrs Falguni Nayar

AUDIT COMMITTEE

Mr Arunkumar Gandhi
Chairman

Mr Bernard Terver

Mr Sushil Kumar Roongta

Mr Ashwin Dani

Mr Farrokh K Kavarana

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr Bernard Terver
Chairman

Mr Shailesh Haribhakti

Mr Harish Badami

NOMINATION AND REMUNERATION COMMITTEE

Mr Ashwin Dani
Chairman

Mr N S Sekhsaria

Mr Bernard Terver

Mr Shailesh Haribhakti

Mr Farrokh K Kavarana

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr Shailesh Haribhakti
Chairman

Mrs Falguni Nayar

Mr Farrokh K Kavarana

Mr Harish Badami

RISK MANAGEMENT COMMITTEE

Mr Shailesh Haribhakti
Chairman

Mrs Falguni Nayar

Mr Aidan Lynam

Mr Harish Badami

COMPLIANCE COMMITTEE

Mr Farrokh K Kavarana
Chairman

Mr Bernard Terver

Mr Shailesh Haribhakti

Mr Harish Badami

CAPEX COMMITTEE

Mr Bernard Terver
Chairman

Mr Aidan Lynam

Mr Sushil Kumar Roongta

Mr Shailesh Haribhakti

Mr Harish Badami

EXECUTIVE COMMITTEE

Mr Harish Badami
Chairman

Mr Sunil Nayak

Mr J Datta Gupta

Mr Rajiv Prasad

Mr P N Iyer

Mr Joydeep Mukherjee

Mr Ranjan Sachdeva

Mr Behram Sherdiwala

COMPANY SECRETARY & HEAD COMPLIANCE

Mr Burjor D Nariman

AUDITOR

S R B C & CO LLP

COST AUDITOR

N I Mehta & Company

ANNUAL GENERAL MEETING

On Friday, March 20, 2015 at 3.00 p.m.
at Birla Matushri Sabhagar
19, Sir Vithaldas Thackersey Marg
Mumbai 400 020

*Members are requested to kindly
bring their copies of the Annual
Report to the Meeting.*

BANKERS

State Bank of India
Citibank NA
HDFC Bank Limited

REGISTERED OFFICE

Cement House
121 Maharshi Karve Road
Mumbai 400 020

Website: www.acclimited.com

CONTENTS

01-13	Introductory Profile
14-16	Performance Highlights
17	Financial Highlights
18	Value Added Statement
19-24	Notice
25-42	Board's Report and Management Discussion & Analysis
43-63	Annexures A-D to Board's Report
64-97	Corporate Governance

98-110	Business Responsibility Report
111-118	Financial Analysis
119-123	Auditor's Report
124	Balance Sheet
125	Statement of Profit and Loss
126-127	Cash Flow Statement
128-168	Notes to Financial Statements
169	Statement under Section 212
170-215	Consolidated Financial Statements

Subsidiary Companies

S1-S12	ACC Mineral Resources Limited
S13-S27	Bulk Cement Corporation (India) Limited
S28-S41	Lucky Minmat Limited
S42-S56	National Limestone Company Private Limited
S57-S69	Singhania Minerals Private Limited

Enhancing Customer Value

Inspired by our Group vision, we follow a Customer Charter that comprises a set of guiding principles to lead us on the path to be a customer-centric organisation. Three fundamental commitments ensure that we remain focused on the customer in everything we do:

- We are easy to do business with
- We keep our promises
- We create value

The main customers we serve are end consumers - individual home builders, industrial, infrastructure and commercial projects and those who use our cement as raw material. But we also serve many others who in turn assist us in reaching and servicing our end consumers - our vast network of channel and supply chain partners, masons, contractors, architects, and engineers.

In keeping with our commitments, our Customer Charter puts forth three simple objectives for us to follow:

- Consistently meet highest product quality standards
- Consistently serve, support and seek feedback from end-consumer
- Consistently develop and upskill our channel partners and influencers

Foremost in the charter is the demand that we provide a safe and secure environment which ensures zero harm to customers and the communities we deal with, beyond the boundaries of our plants and establishments.

Our customer-centric approach is designed to enrich the customer experience and enhance customer value.



A Customer Centric Approach

In adopting a customer-centric approach we mean simply to demonstrate value in everything we do for our customers. We endeavour to give our customers three valuable offerings:

Superior products

Superior logistics

Superior Query & Complaint Handling

We have strived to ensure that the customer - the most valued among our stakeholders - sees and experiences value in everything we do to fulfil his or her needs at every stage, in every transaction, in every interface.

Superior Products

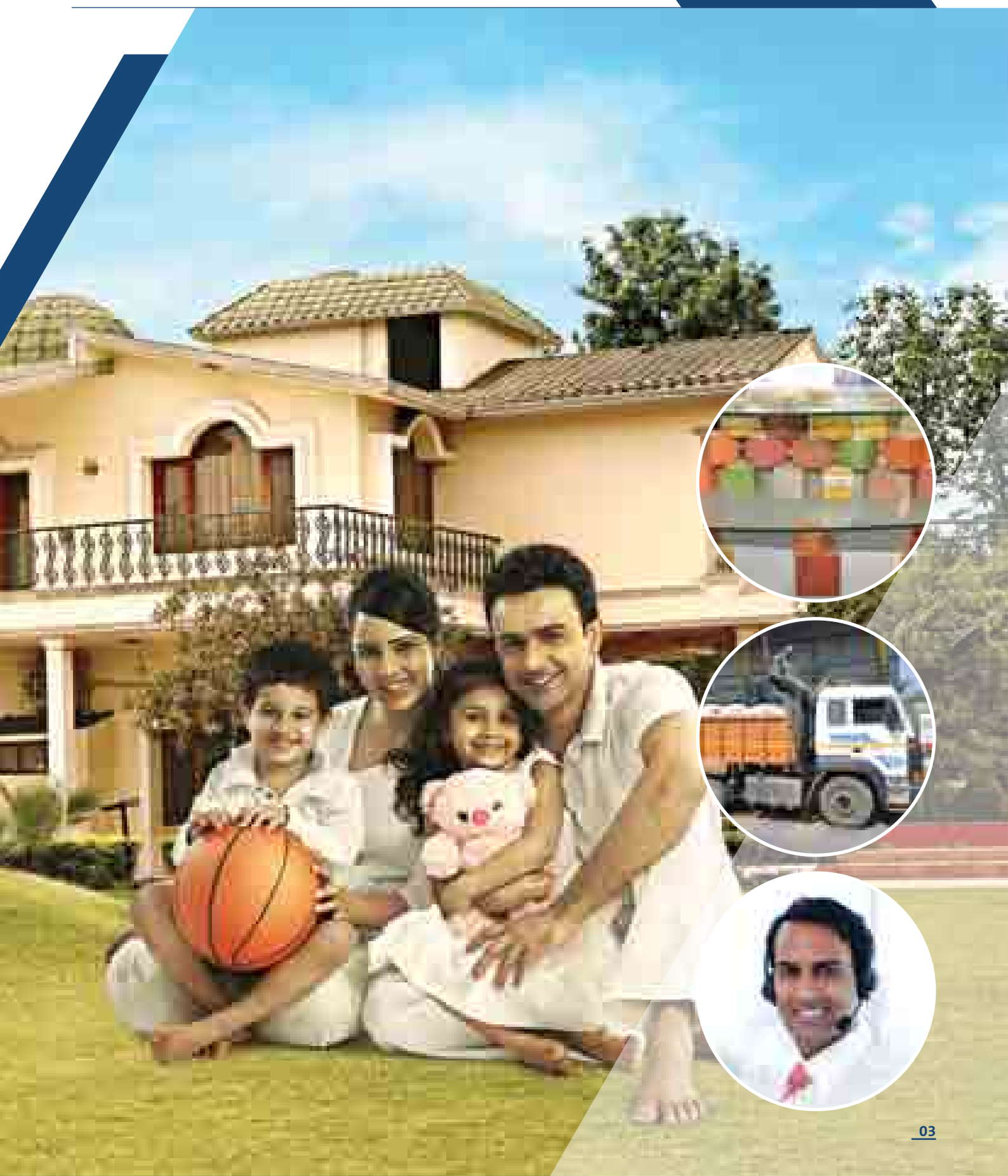
This translates into Quality Products and Quality Packaging that are designed to far exceed minimum statutory standards or meet the specifications agreed with the customer. We assure the customer the best in cement and ready mixed concrete.

Superior Logistics

We promise to deliver on-time and in full. We continue to make steady progress with our on-going logistics management plan to achieve best-in-class performance in terms of cost-to-serve and time-to-serve, reducing lead distances and eliminating multiple handling through a focus on safety, people, vehicles and processes. A logistics strategy blueprint tool is in place that maps every plant on critical key performance indicators. GPS (Global Positioning Systems) and RFID (Radio Frequency Identification Device) modules have been successfully deployed at eleven and nine plants respectively which is helping improve overall turn-around time.

Superior Query & Complaint Handling

Customer relationship management systems help us manage interactions and transactions with customers. A multi-nodal system is now in place for complaint logging and handling and targeted cycle closure. We track the resolution of issues and complaints through Loop closures for complaint through the Customer Complaint System. In addition, our frontline sales force now interacts increasingly with end-consumers to understand their expectations through the unique 5Ps survey for feedback on product, packaging, pricing, promotion and placement.



Enriching Customer Experience



Our vision requires that we work to ensure that the customer perceives value in all that we do to fulfil his needs in every interface with us. It is this that creates a special customer experience which we strive to enhance. Again, our customer denotes every partner in our supply chain right up to the end user.

Our Clean Bag project is based on the belief that cement bags create an enduring impression in the customer's mind. We define a "Clean" bag as one that not only looks appealing but also carries the correct weight, is dust free and sturdy enough to withstand multiple handling without any unseemly damage in the journey to the end user. It is a tough task that involves a host of improvements

from the plant to the customer. A clean bag signifies concern for all stakeholders.

Every frontline sales personnel spends a day at a retail counter to observe in-store consumer behavior from the moment a customer enters till the actual purchase is concluded. This helps us understand the buying process, what a consumer is looking for and the drivers that lead to final purchase.

We engage with each group of customers, supply chain members and influencers to impart product knowledge and appropriate skill development.

Individual Home Builders are offered Technical Services by our Customer Service teams from basic visits to give knowledge to more customized and fee-based services like site mix concrete design, concrete testing at site and site supervision. We conduct regular Consumer Camps and family level meets for the customers in addition to distributing product literature and informative pamphlets on good construction practices. In 2014, our sales offices interacted with 3000 individuals in family meets while 30,000 attended our consumer camps.

Our Customer Service teams also connect with construction engineers and contractors through a mix of engagements such as technical training programmes, seminars and plant visits. In 2014, we conducted such training for 8000 persons while 500 persons made visits to our cement plants.



Our Channel Partners



ACC's vast network of dealers and retailers, our channel partners, plays a fundamental role in reaching out to customers - in making our cement available and providing them primary service. Channel partners play a vital role in the successful sale of our products. They are central to the continued success of our brand equity. Through their effort and attentiveness, channel partners are responsible for contributing over three-fourths of our business.

On our part, we endeavour to team up with channel partners who have the required mind-set that makes them responsive to customers. Channel partners work in tandem with our sales teams. We provide them with a range of our quality products and assure them of the marketing, customer service and logistics support they need to succeed in serving the market and delivering value to satisfied customers. We offer them opportunities for skill development and training in product knowledge. We measure our responsiveness to them with tools like Easy ACCess. And we gauge their satisfaction with us through regular structured surveys. Channel partners act as our valuable ambassadors.

Our latest initiative of Green Building Centres being established in semi-urban and rural markets as a hub for affordable cement based products, other building materials and housing components has unfurled a whole new kind of opportunity in creating a different kind of channel partnership.



Cementing Relationships

Going well beyond being a mere tagline, this means so much more to us. Cementing relationships represents the core of our philosophy in the manner we engage with our stakeholders beginning with the customer and all others in our supply chain - our channel and logistics partners, engineers, contractors, masons and other influencers.

We reach out to customers through promotion campaigns in print and electronic media as well as through social media to create continuous visibility that makes a strong brand impact. We track our brand equity regularly to get insights that help us assess how we are perceived and identify areas of improvement.

Our sales force and customer service personnel regularly connect with customers to meet their needs, thus creating enduring relationships. In addition, other employees are also encouraged to spend a day with customers on a regular basis so that the whole organization is engaged around what the customer needs and values in our products and service. As our network and products reach out to touch the lives of millions of Indians, it is a privilege to receive the customers' vote of confidence that recognizes ACC as being one of the country's most trusted brands.





Embracing Tomorrow

As the national economy follows a revival path amid countrywide housing, commercial and infrastructure development, new growth prospects open up for cement and concrete. We are taking necessary steps to make the organisation future ready to enjoy these opportunities as they unfold.

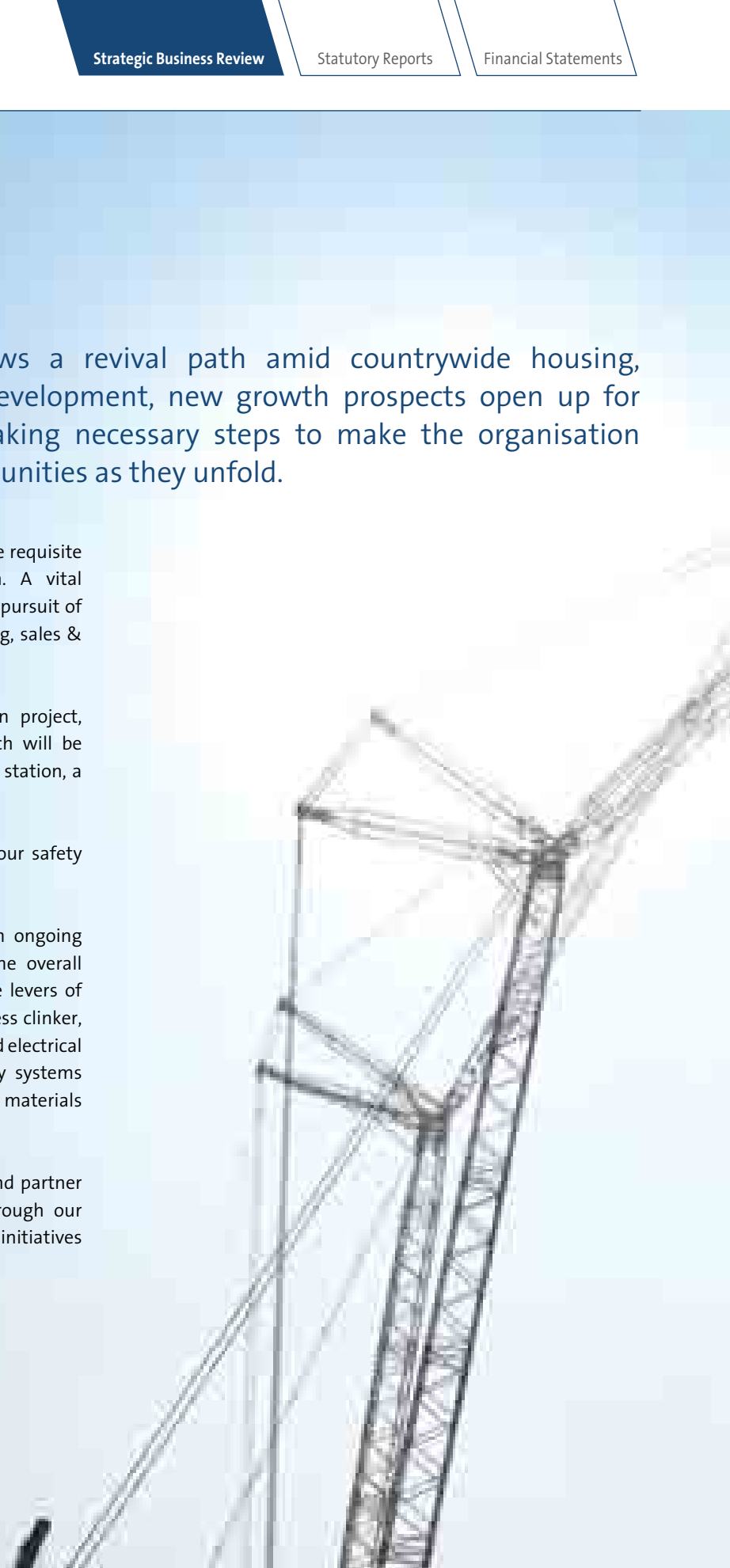
In the past few years we have been busy building the requisite capability and people skills in the organization. A vital component of this journey has been the continuous pursuit of improvements in the key functions of manufacturing, sales & marketing, logistics and procurement.

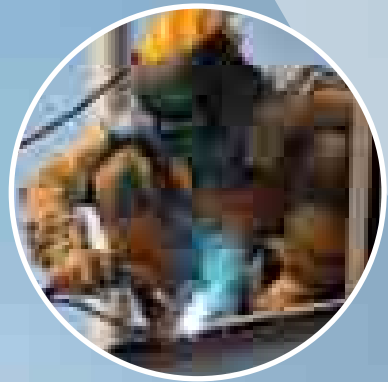
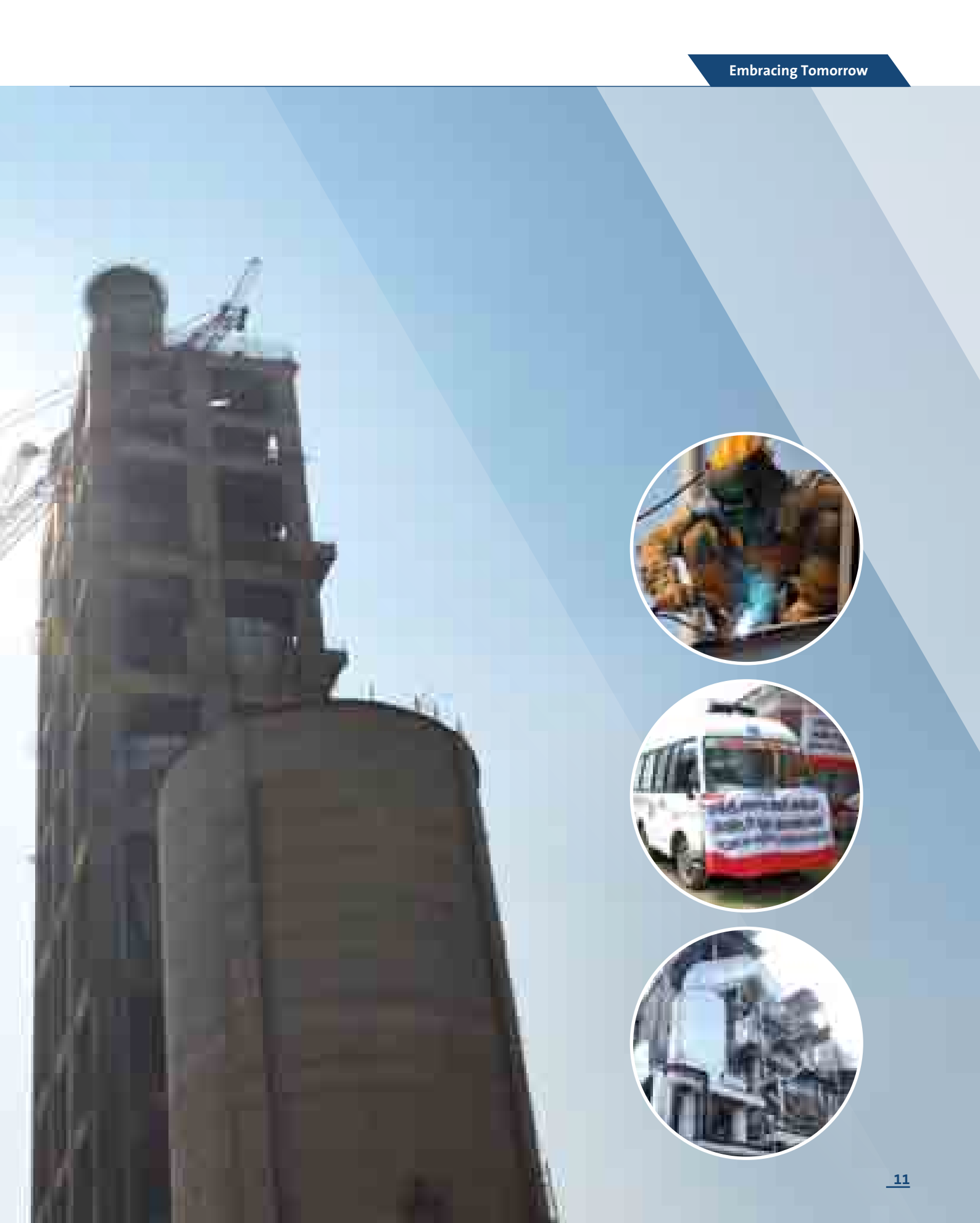
A major growth initiative is the Jamul expansion project, comprising new clinkering and cement lines, which will be completed in mid 2015. Work on the Sindri grinding station, a part of this project, is also advancing on schedule.

Through all this we are keeping a sharp focus on our safety vision of Zero Harm to anyone associated with ACC.

On the sustainable development front, there is an ongoing thrust on pursuing our commitment to reduce the overall carbon footprint of our operations through the five levers of (a) manufacturing blended cements that consume less clinker, (b) pursuing continuous improvements in thermal and electrical energy efficiency, (c) adopting waste heat recovery systems (d) improving the usage of alternative fuels and raw materials and (e) adopting clean and green technologies.

We are equally committed to continue to engage and partner with local communities in our neighbourhood through our efforts in promoting basic community development initiatives and in creating sustainable livelihoods.





Getting Recognized

In 2014, ACC was ranked as No. 1 in “India’s Most Admired Companies” in cement sector for the second consecutive year in the Fortune Hay Group India survey. Another distinction was receiving Gold Shield in the prestigious ICAI Awards for Excellence in Financial Reporting for 2013-14. There were several awards in other categories - each recognizing excellence in core functional areas that went on to help us better serve our customers.



ACC wins EPC World Award 2014 for “Outstanding Company in the Cement sector”, in the Construction category



CII-ITC Sustainability award for Excellence in Environment Management to ACC Thondebhavi



15th National Award for Excellence in Energy Management by Confederation of Indian Industry to ACC Kudithini - Excellent Energy Efficient Unit and to ACC Jamul, Bargarh, Lakheri and Thondebhavi for Energy Efficient Units



ACC ranked as No. 1 in “India’s Most Admired Companies” in cement sector for the second consecutive year in the Fortune Hay Group India survey



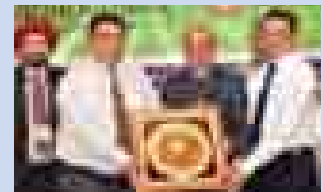
Greentech Environment Management award 2014 by Greentech Foundation to ACC Bargarh and in Gold category to ACC Tikaria



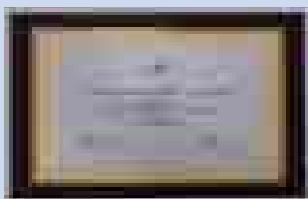
India Manufacturing Excellence award 2014, Platinum category to ACC Lakheri, Gold to ACC Gagaj by Frost & Sullivan and Economic Times



National Safety Council, India, Safety award for 2013 to ACC Damodhar



Golden Peacock Environment Management award 2014 to ACC Gagaj from Institute of Directors



ACC wins 5th CII National HR Excellence award 2014, Commendation Certificate



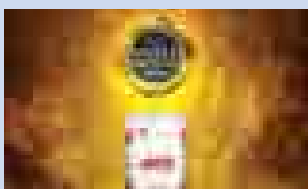
National Energy Conservation award 2014: Certificate of Merit in Cement Sector to ACC Thondebhavi from Bureau of Energy Efficiency, Govt. of India



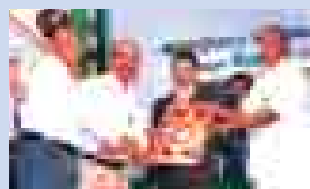
CSR Impact award 2014 to ACC Lakheri by Indian Institute of Corporate Affairs



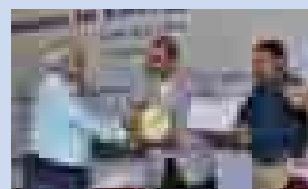
CII GreenCo Rating Gold to ACC Kymore and **Silver** to Kudithini by Confederation of Indian Industry



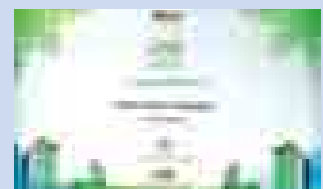
ACC wins Trusted Brand award from Reader’s Digest



Safety award from Directorate of Industrial Safety & Health & National Safety Council, Tamilnadu chapter to ACC Madukkarai



First Prize in Energy Conservation and Innovation in Energy Conservation to ACC Jamul by New Management Association and National Institute of Technology

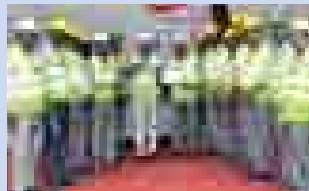


ACC wins Smart Green Initiative award at Green Cities Forum 2014

Of course there can be no greater reward or honour than earning the customer's trust to give us new business or repeat business. But we do also draw inspiration from any recognition we get from professional bodies and associations. That serves as indicators that we are doing things right. It kindles a competitive spirit which motivates us to pursue continuous improvements and innovations in what we do.



First Pt. Madan Mohan Malviya award to ACC Gagal for Best CSR Practices in Education, 2014



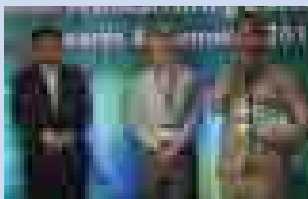
Earth Care awards instituted by JSW Foundation and The Times of India to ACC Kymore for Excellence in Climate Change Mitigation & Adaptation in category 'Green House Gases Emission Reduction in Industries'



Golden Peacock National Quality award 2014 to ACC Thondebhavi from Institute of Directors, India



Federation of Indian Chambers of Commerce & Industry (FICCI) CSR Corporate Citizen award to ACC Thondebhavi for exemplary innovation in promoting CSR



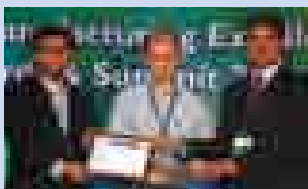
Green Manufacturing Excellence award 2014 to ACC Chanda, Lakheri, Sindri, Tikaria and Wadi in Challengers category by Frost & Sullivan



Confederation of Indian Industry (Southern Region) award to ACC Kudithini in appreciation of efforts rendered in Environment, Health and Safety Practices and Policies for 2013



Mr Sunil Nayak, Chief Financial Officer receives **Institute of Chartered Accountants of India, Gold Shield** for Annual Report 2013 for excellence in financial reporting



Green Manufacturing Safety Excellence & Believers award to ACC Lakheri and first runner up to ACC Wadi by Frost & Sullivan



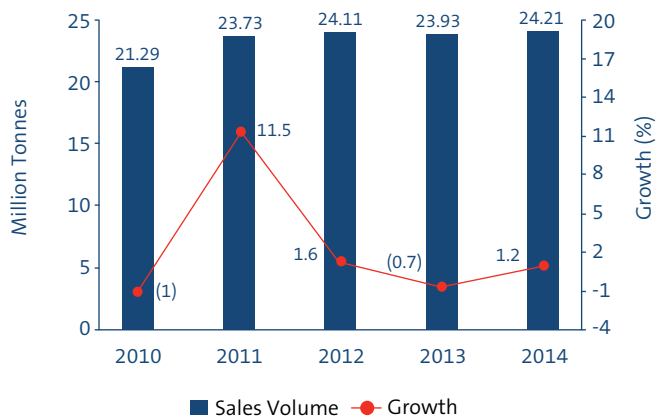
Karnataka State Safety award - first prize - to ACC Kudithini from Government of Karnataka

Association of Business Communicators of India award to CSR Newsletter, ACC Parivar and Sustainable Development Report 2013 in different categories

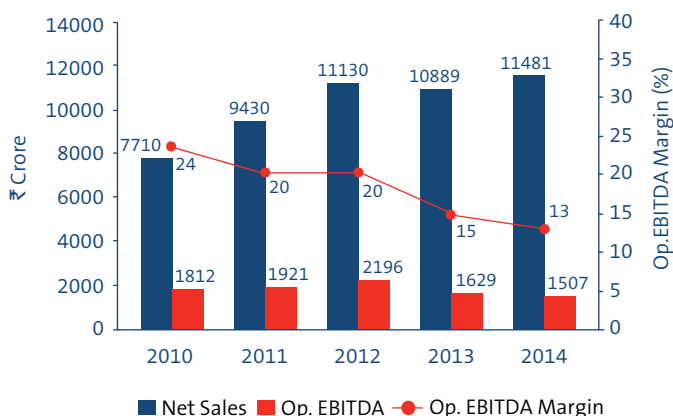
Public Relations Society of India award to CSR Newsletter and Green Building Materials Centres as best CSR project in Sustainability

PERFORMANCE HIGHLIGHTS

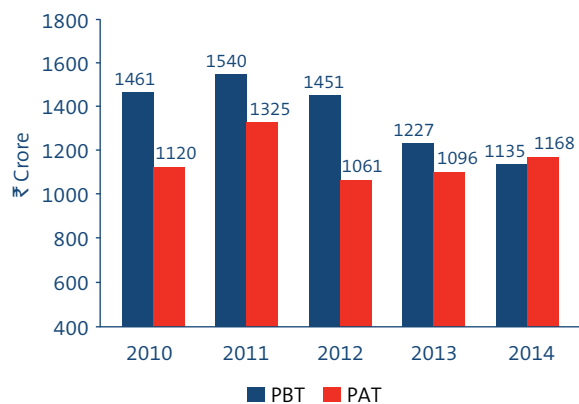
SALES VOLUME & GROWTH



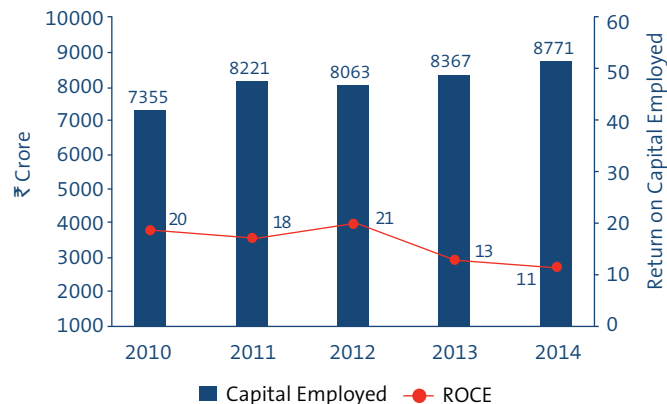
NET SALES, OPERATING EBITDA & OPERATING EBITDA MARGIN



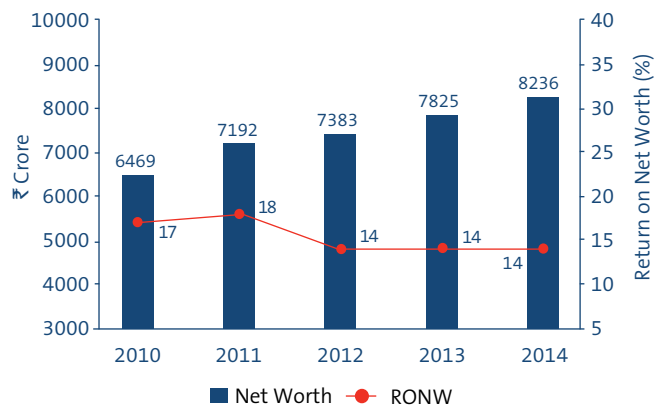
PROFIT BEFORE TAX & PROFIT AFTER TAX



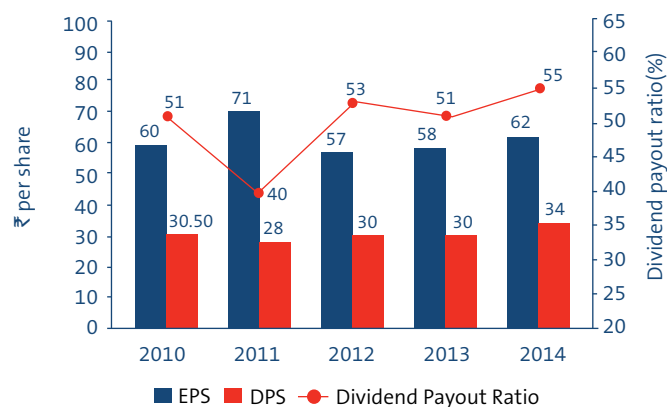
CAPITAL EMPLOYED & RETURN ON CAPITAL EMPLOYED



NET WORTH & RETURN ON NET WORTH

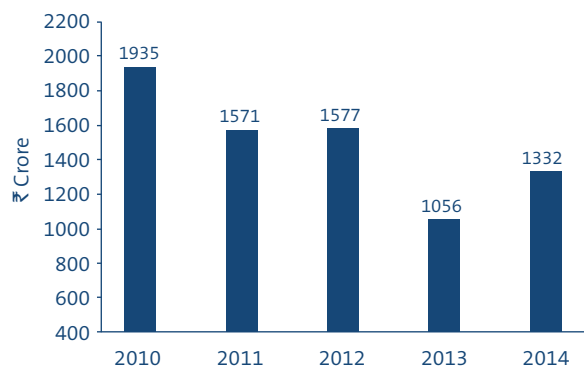


DIVIDEND PER SHARE, EARNING PER SHARE AND DIVIDEND PAYOUT RATIO*

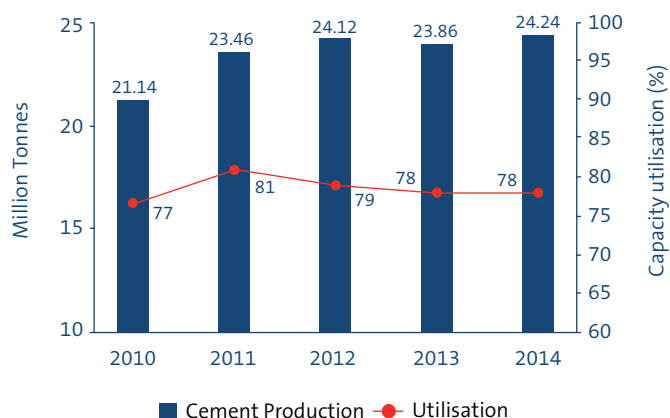


*Dividend payout ratio is calculated without considering dividend distribution tax

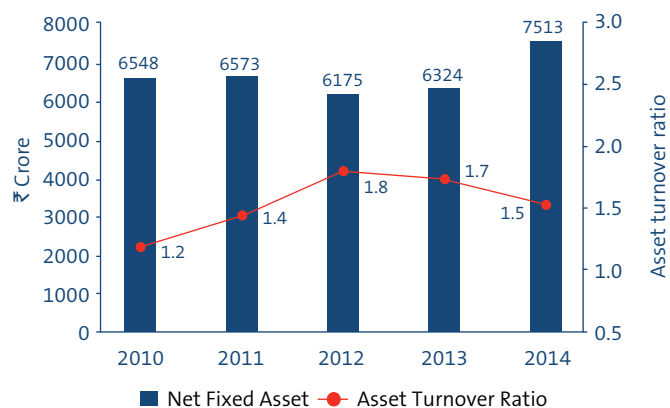
NET CASH GENERATED FROM OPERATIONS



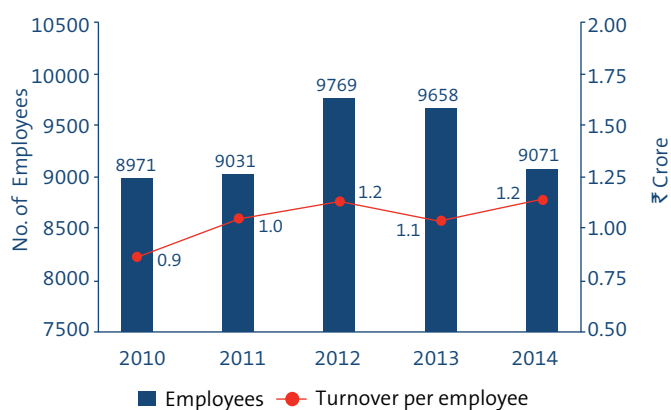
CEMENT PRODUCTION & CAPACITY UTILISATION



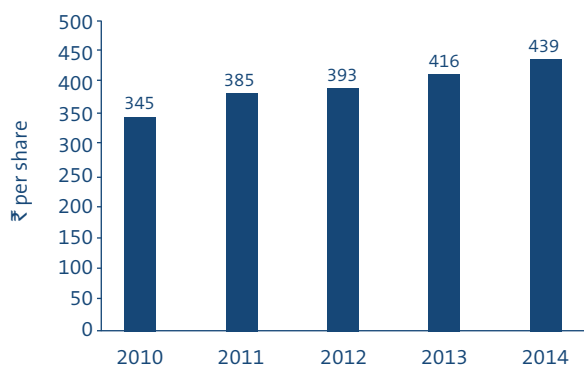
NET FIXED ASSETS & ASSET TURNOVER RATIO



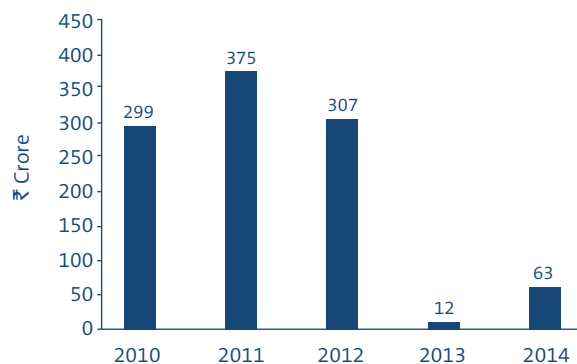
EMPLOYEES AT THE YEAR END & TURNOVER PER EMPLOYEE



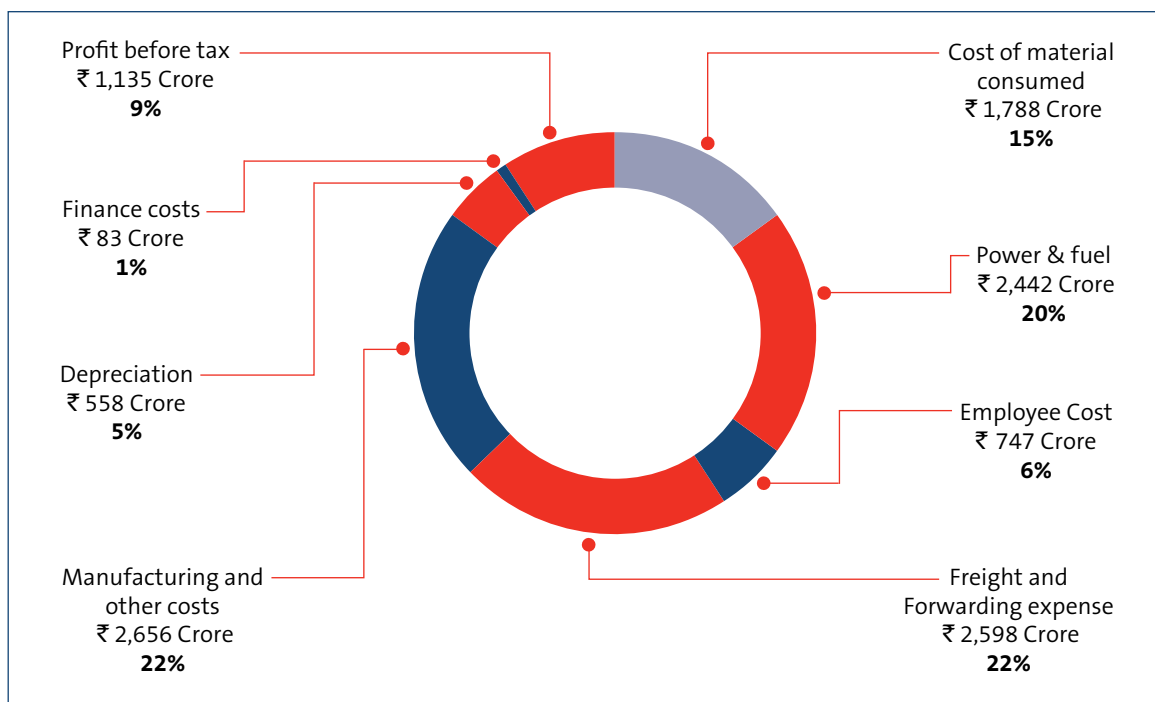
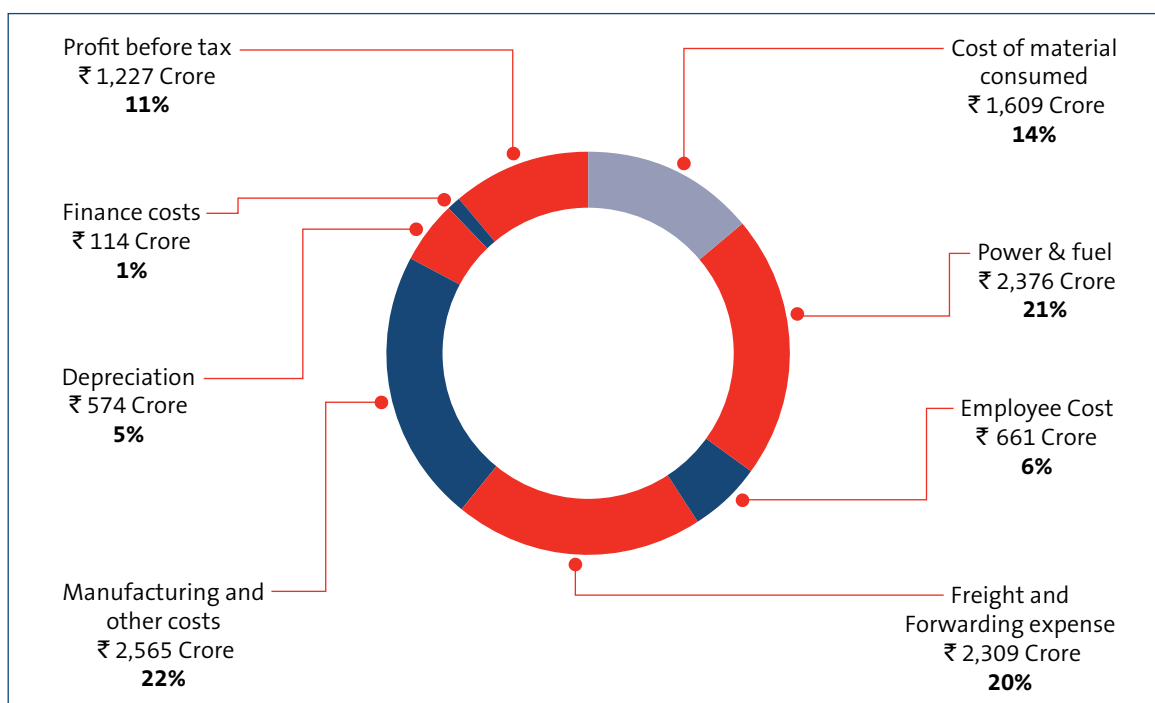
BOOK VALUE PER SHARE



VALUE ADDED STATEMENT



COST & PROFIT AS A PERCENTAGE OF TOTAL INCOME

2014

2013


FINANCIAL HIGHLIGHTS

` Crore

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005*
INCOME STATEMENT										
Net Sales	11,481	10889	11,130	9,430	7,710	7,967	7,126	6,905	5,803	3,221
Operating EBITDA	1,507	1629	2,196	1,921	1,812	2,644	1,899	1,993	1,717	616
Profit before Tax	1,135	1227	1,451	1,540	1,461	2,294	1,737	1,930	1,620	684
Profit after Tax	1,168	1,096	1,061	1,325	1,120	1,607	1,213	1,439	1,232	544
BALANCE SHEET										
Net Worth	8,236	7825	7,383	7,192	6,469	6,016	4,928	4,153	3,142	2,130
Borrowings	-	35	163	511	524	567	482	306	771	1,071
Net Fixed Assets	7,513	6324	6,175	6,573	6,548	6,113	4,717	3,741	3,396	3,047
Cash and cash equivalents#	1,686	2621	3,137	2,932	2,388	1,876	1,438	1,489	1,080	348
Current Assets	3,485	3476	3,098	3,691	2,751	2,458	3,116	2,426	2,006	1,496
Current Liabilities	3,900	3726	3,863	3,768	3,746	3,114	2,766	2,221	1,672	1,335
Capital Employed	8,771	8367	8,063	8,221	7,355	6,932	5,746	4,791	4,234	3,508
SIGNIFICANT RATIOS										
Operating EBITDA margin	13%	15%	20%	20%	24%	33%	27%	29%	30%	19%
Average Return on Capital Employed	11%	13%	21%	18%	20%	34%	29%	36%	41%	19%
Return on Net Worth	14%	14%	14%	18%	17%	27%	25%	35%	39%	34%
Current Ratio	0.89	0.93	0.80	0.98	0.73	0.72	1.00	0.99	1.15	1.06
Debts Equity Ratio	-	0.004	0.02	0.07	0.08	0.09	0.10	0.07	0.25	0.50
Price Earning Ratio	22.56	18.91	25.15	16.29	18.04	10.23	7.39	13.74	16.44	17.74
Net worth per Share (`)	439	416	393	385	345	320	263	221	168	115
Dividend per share (`)	34	30.00	30.00	28.00	30.50	23.00	20.00	20.00	15.00	8.00
Basic Earnings per Share (`)	62.23	58.36	56.52	70.59	59.66	85.60	64.63	76.75	66.02	30.02
Cash Earnings per Share (`)	91.93	88.93	104.15	95.90	80.57	103.83	80.31	93.03	79.64	39.09
CASH FLOWS										
Net cash provided by / (used in)										
Operating activities	1,332	1,056	1,577	1,571	1,935	2,397	1,708	2,023	1,422	644
Investing activities	(1,437)	(858)	(311)	(258)	(812)	(1,505)	(1,170)	(824)	(483)	(181)
Financing activities	(837)	(834)	(1,066)	(768)	(621)	(455)	(297)	(1,075)	(423)	(419)

*Pertains to 9 months period

#Cash and cash equivalents includes cash and bank balances, investment in short term deposits and mutual funds.

Current maturities of Long-Term Borrowings have been included in Borrowings excluding same from current liabilities.

VALUE ADDED STATEMENT

₹ Crore

	2014	2013	2012	2011	2010
Capital employed	8,771	8,367	8,063	8,221	7,355
Avg Capital Employed	8,569	8,215	8,142	7,788	7,144
Value Added					
Net operating profit after taxes *	1,168	1,096	1,288	1,325	1,120
Cost of Capital	1,105	1,084	981	950	821
Value Added	63	12	307	375	299
Return on Capital employed (%)	13.63	13.34	15.82	17.01	15.68
Weighted Average Cost of Capital (%)	12.90	13.20	12.05	12.20	11.49
Value Added / Capital Employed (%)	0.73	0.14	3.77	4.81	4.19
Enterprise Value					
Market Capitalisation (As at December, 31)	26,287	20,806	26,836	21,345	20,194
Add: Debts	-	35	163	511	524
Less: Cash and Cash Equivalents	1,686	2,621	3,137	2,932	2,388
Value Added (Enterprise Value)	24,601	18,220	23,862	18,923	18,330
Value Added / Yr. End Capital Employed (Times)	2.80	2.18	2.96	2.30	2.49

* Net Operating profit is excluding exceptional item and tax impact on the same.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SEVENTY-NINTH ANNUAL GENERAL MEETING OF ACC LIMITED (CIN:L26940MH1936PLC002515) will be held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020 on Friday, March 20, 2015 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended December 31, 2014 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare final dividend.
3. To appoint a Director in place of Mr Bernard Fontana having Director Identification Number 05178749, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr Aidan Lynam having Director Identification Number 03058208, who retires by rotation and is eligible for re-appointment.
5. **Appointment of Statutory Auditors**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs S R B C & CO LLP, Chartered Accountants, Mumbai having ICAI Firm Registration No.324982E, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's financial year, 2015, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the

Board of Directors and the Auditors, in addition to service tax and re-imbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company."

SPECIAL BUSINESS

6. Ratification of Remuneration to Cost Auditor

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable during the year 2015 to Messrs. N I Mehta & Company, Cost Accountants having Firm Registration No. 000023 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2014, amounting to ` 10 lakhs (Rupees Ten lakhs) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

7. Commission to Non Executive Directors

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) including any statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company and subject to all applicable approval(s) as may be required, consent of the Members be and is hereby accorded to the payment of commission for a period of five years commencing from January 1, 2015 to the Non Executive Directors of the Company as may be decided by the Board from time to time, provided that the total commission payable to the Non Executive Directors per

annum shall not exceed one percent of the net profits of the Company for that year as computed in the manner specified under Section 198 of the Act, with authority to the Board to determine the manner and proportion in which the amount be distributed among Non Executive Directors.”

Notes:

- a. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 6 and 7 of the accompanying Notice are annexed hereto.
- b. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 3 and 4 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
- c. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING i.e. by 3.00 p.m. on Wednesday, March 18, 2015.

- d. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
- e. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

- f. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
- g. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
- h. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
- i. The Register of Members and Share Transfer Books of the Company shall remain closed from March 14, 2015 to March 20, 2015, both days inclusive, for payment of final dividend, if declared at the Meeting.
- j. After the declaration of the dividend at the Annual General Meeting, the same will be paid to those Members of the Company whose names stand on the Register of Members of the Company on March 20, 2015. The dividend in respect of shares held in dematerialized form in the Depository System will be paid to the beneficial owners of shares as on March 13, 2015, as per the list provided by the Depositories for this purpose. The dividend will be payable on and from March 24, 2015.
- k. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
- l. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year ended December 31, 2006 and interim dividend

for the financial year ended December 31, 2007, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on April 9, 2014 (date of the last Annual General Meeting) on the website of the Company (www.acclimited.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

- m. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company's website www.acclimited.com.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

For Members whose e-mail addresses are registered with the Company/Depositories:

- i. You will receive an e-mail from NSDL. Open the email containing the PDF file namely "ACC e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
- iii. Click on Shareholder – Login
- iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as aforesaid.
- vi. The password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum

of 8 characters which must contain at least one number and one special character e.g. @, #, \$. Please take utmost care to keep your password confidential.

- vii. Once the e-voting home page opens, click on e-voting>Active e-Voting Cycles.
- viii. Select "EVEN" (E-Voting Event Number) of ACC Limited which is 101588. Now you are ready for e-voting as the "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also click "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed on your screen.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are requested to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to kkd.scrutinizer@acclimited.com, with a copy marked to evoting@nsdl.co.in.
- xiii. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and E-voting User Manual for Shareholders, available at the downloads section of www.evoting.nsdl.com.

For Members whose e-mail addresses are not registered with the Company/Depositories:

Members will receive a Ballot Form along with the Annual Report. They have two options:

- i. To opt for e-voting by using the initial password that is provided in the enclosed Ballot Form.
Follow all steps as given in Sr. No. (ii) to Sr. No. (xiii) above, to cast your vote.
- OR
- ii. To opt for casting your vote in physical form, fill in the Ballot Form and post it to the address mentioned in the enclosed Business Reply Envelope.

Other Instructions:

- i. The e-voting period commences on Wednesday, March 11, 2015 (9.00 a.m. IST) and ends on Friday, March 13, 2015 (5.00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form as on Friday, February 6, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to alter it subsequently.
- ii. The voting rights of Members shall be in proportion to the shares held by them on the paid up equity share capital of the Company as on Friday, February 6, 2015 and as per the Register of Members of the Company.
- iii. Mr Khushroo K Driver, Advocate, Partner of K&K Corporate Solutions Private Limited, has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses (not in the employment of the Company) and make out a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members opting to vote in physical form should send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, in the enclosed postage pre-paid self addressed envelope not later than Friday, March 13, 2015 (5.00 p.m. IST). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.

Members have the option to request for a physical copy of the Ballot Form by sending an e-mail to sujata.chitre@acclimited.com by mentioning their Folio No./DP ID and Client ID No. However, the duly completed Ballot Forms should reach the Scrutinizer not later than Friday, March 13, 2015 (5.00 p.m. IST).

Ballot Forms received after this date will be treated as invalid.

- vi. A Member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a Member casts his / her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.acclimited.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the Resolutions at the 79th AGM of the Company and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By Order of the Board of Directors,
For ACC Limited

Burjor D Nariman
Company Secretary & Head Compliance

Mumbai,
February 3, 2015

Registered Office:
"Cement House",
121, Maharshi Karve Road,
Mumbai 400 020

UPDATION OF EMAIL ID

Kindly ensure to update your fresh Email ID with the Company/Depository if you have changed the same.

EXPLANATORY STATEMENTS

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 6 and 7 of the accompanying Notice dated February 3, 2015.

Item No. 6: The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of Messrs. N I Mehta & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended December 31, 2014.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors during the year 2015 as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Item No. 7: The Members had, at the Annual General Meeting of the Company held on April 8, 2010, passed a Special Resolution under Section 309(4) of the Companies Act, 1956, approving the payment of commission to Non Executive Directors of the Company, of a sum not exceeding one percent per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act, 1956. The approval is valid upto and including December 31, 2014.

The current competitive business environment, stringent accounting standards and corporate governance norms require considerably enhanced levels of involvement of the Directors in the decision making process. The responsibility of the Directors has become more onerous and the Directors are required

to give more time and attention to the business of the Company. It is therefore proposed to continue the payment of commission to the Non Executive Directors of the Company. The Board of Directors will determine each year, the specific amount to be paid as commission to the Non Executive Directors which shall not exceed one percent of the net profits of the Company for that year, as computed in the manner referred to in Section 198 of the Companies Act, 2013.

In view of the above, the Members approval is being sought pursuant to Sections 197, 198 and other applicable provisions of the Companies Act, 2013, if any, for the payment of commission to the Non Executive Directors of the Company for a period of five years commencing from January 1, 2015. The payment of commission would be in addition to the sitting fees payable for attending Meetings of the Board and Committees thereof.

All the Non Executive Directors of the Company are interested in the Resolution set out at Item No. 7 of the accompanying Notice, since it relates to their respective remuneration.

The Chief Executive Officer and Managing Director and Key Managerial Personnel of the Company and their relatives are not concerned or interested in the said Resolution.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

By Order of the Board of Directors,
For ACC Limited

Burjor D Nariman
Company Secretary & Head Compliance

Mumbai,
February 3, 2015

Registered Office:
"Cement House",
121, Maharshi Karve Road,
Mumbai 400 020

ANNEXURE TO ITEMS 3 AND 4 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting
(in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr Bernard Fontana	Mr Aidan Lynam
Director Identification Number (DIN)	05178749	03058208
Date of Birth	11.03.1961	08.07.1960
Nationality	French	Irish
Date of Appointment on Board	28.03.2012	22.04.2010
Qualification	Degree in Engineering from the Ecole Polytechnique and the Ecole Nationale Supérieure des Techniques Avancées, Paris	Degree in Engineering from the University College of Dublin and an MBA from IMD, Lausanne, Switzerland & Member of the Institute of Engineers, Ireland
Shareholding in ACC	NIL	NIL
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Ambuja Cements Limited	NIL
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL	NIL

There are no inter-se relationships between the Board Members.

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

TO THE MEMBERS OF
ACC LIMITED

The Directors take pleasure in presenting the Seventy Ninth Annual Report together with the audited financial statements for the year ended December 31, 2014. The Management Discussion and Analysis has also been incorporated into this report.

1. HIGHLIGHTS OF PERFORMANCE

- Consolidated income for the year increased by 5% to ₹ 11,995.42 Crore as compared to ₹ 11,431.10 Crore in 2013;

2. FINANCIAL RESULTS

	Consolidated		Standalone	
	₹ Crore		₹ Crore	
	2014	2013	2014	2013
Revenue from Operations(Net) and other income	11,995.42	11,431.10	12,006.49	11,435.28
Profit Before Tax (PBT)	1,119.54	1,213.64	1,135.20	1,226.96
Provision for Tax	(31.13)	131.91	(33.09)	131.20
Profit After Tax (PAT)	1,161.82	1,094.67	1,168.29	1,095.76
Balance brought forward from previous year	4,158.74	3,845.79	4,175.87	3,861.83
Profit available for Appropriations	5,320.56	4,940.46	5,344.16	4,957.59
Appropriations:				
Interim Equity Dividend	281.62	206.52	281.62	206.52
Proposed Final Equity Dividend	356.72	356.72	356.72	356.72
Tax on Equity Dividends	119.18	95.72	119.18	95.72
Previous Year Tax on Equity Dividends	-	2.76	-	2.76
General Reserve	130.00	120.00	130.00	120.00
Surplus carried to the next year's account	4,433.04	4,158.74	4,456.64	4,175.87

The Company proposes to transfer an amount of ₹ 130 Crore to the General Reserves. An amount of ₹ 4,456.64 Crore is proposed to be retained in the Statement of Profit and Loss.

3. DIVIDEND

Your Directors are pleased to recommend a final dividend of ₹ 19/- per equity share of ₹ 10 each. The Company had distributed an interim dividend of ₹ 15/- per equity share of ₹ 10 each in August 2014. The total dividend for the year ended December 31, 2014 would

- Consolidated net sales for the year was ₹ 11,480.31 Crore as compared to ₹ 10,889.08 Crore in 2013, a growth of 5.4%;
- Consolidated profit before tax for the year was ₹ 1,119.54 Crore as compared to ₹ 1,213.64 Crore in 2013;
- Consolidated Profit after tax for the year was ₹ 1,161.82 Crore (including tax write back of ₹ 309.23 Crore) as compared to ₹ 1,094.67 Crore in 2013 (including tax write back of ₹ 216.74 Crore).

accordingly be ₹ 34/- per equity share of ₹ 10 each. The total outgo for the current year amounts to ₹ 757.52 Crore, including dividend distribution tax of ₹ 119.18 Crore as against ₹ 658.96 Crore including dividend distribution tax of ₹ 95.72 Crore in the previous year.

During the year, the unclaimed dividend pertaining to the 69th dividend for the year ended December 31, 2006 and the 70th Interim dividend for the year ended December 31, 2007 were transferred to the Investor Education & Protection Fund after giving due notice to the Members.

4. SHARE CAPITAL

The paid up Equity Share Capital as on December 31, 2014 was ` 187.95 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on December 31, 2014, none of the Directors of the Company hold shares or convertible instruments of the Company.

5. FINANCE

Cash and cash equivalent as at December 31, 2014 was ` 1,686 Crore. The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

5.1 NON CONVERTIBLE DEBENTURES

During the year, the Non-Convertible Debentures aggregating ` 32 Crore were redeemed (` 125 Crore were bought back / redeemed in 2013). Accordingly all the debentures stand extinguished.

5.2 DEPOSITS

The Company had discontinued its fixed deposit scheme in the financial year 2001-02. Despite efforts to identify and repay unclaimed deposits the total amount of fixed deposits matured and remaining unclaimed with the Company as on December 31, 2014 was ` 0.02 Crore. The Company has not accepted deposit from the public falling within the ambit of Section 73 of the

Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

5.3 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

6. ECONOMIC SCENARIO AND OUTLOOK

Indian economic growth in 2014 rose to ~5.2% from 4.7% last year as a result of the improving macro-economic situation. The wholesale and consumer price inflation has fallen to ~4.2% and 7.4% from last year's 6.3% and 10.1% on the back of a strong base effect. Falling oil prices, lower food and commodity prices and the proactive measures taken by the Government helped in containing inflation in 2014.

Contrary to expectations, agricultural growth was strong at ~4.5% in 2014. However, the slow pace of reforms, lack of impetus for infrastructure projects, high interest rates and tightening of fiscal policies adversely impacted the capital goods sector. Industrial production / output was also sluggish.

The low economic growth appears to have bottomed out and a gradual increase in economic activity is expected in 2015. The medium term to long term growth prospects look positive in view of the Government's determination to bring in reforms. For the year 2015, the economy is expected to grow at a higher rate than in 2014. The long term prospects for the economy is optimistic.

7. CEMENT INDUSTRY OUTLOOK AND OPPORTUNITIES

The Indian Cement Industry has an installed capacity of ~360 million tonnes and the domestic consumption in the calendar year 2014 was

~264 million tonnes. Cement consumption grew at the rate of ~6% in the calendar year 2014.

The overall cement demand is estimated to grow at the rate of 6% in 2015. The consumption growth may go beyond 6% if investment is made in the infrastructure segment. With the gradual reduction in fiscal deficits and Consumer Price Index, it is expected that the interest rates would gradually come down which would stimulate demand in the housing sector. The Company's continued focus on cost reduction, its thrust on increasing the sale of premium products and various other customer excellence initiatives should help in presenting an improved performance.

8. CEMENT BUSINESS – PERFORMANCE AT A GLANCE

	2014	2013	Change %
Production - million tonnes	24.24	23.86	1.59
Sales Volume - million tonnes	24.21	23.93	1.17
Sale Value (₹ Crore)	10,720.28	10,233.17	4.76
Operating EBITDA (₹ Crore)	1,473.13	1,609.19	-8.45
Operating EBITDA Margin (%)	13.74	15.73	

9. MARKET DEVELOPMENT

9.1 Volume

Domestic sales in 2014 increased by 1.5% to 24.14 million tonnes as compared to 23.80 million tonnes achieved in 2013. Cement exports in 2014 reduced to 0.07 million tonnes as compared to 0.13 million tonnes in 2013. Total cement sales (including exports) increased by 1.2% to 24.21 million tonnes as compared to 23.93 million tonnes achieved in 2013. The Company continues to focus on the Individual House Builder segment for higher profitability.

The sale volumes of premium products in 2014 was 2.73 MT as against 1.55 MT in 2013.

9.2 Selling Price

Selling price of cement improved by 4% in 2014 over 2013.

10. COSTS – CEMENT BUSINESS

During the year 2014, the economy witnessed an upward movement in the overall cost structure and the Company continued to focus on cost improvements through its excellence programmes.

10.1 Cost of materials consumed

Cost of materials consumed accounted for 15% of total income from operations (14.4% in 2013). Cost of material consumed increased by 11% in 2014 over 2013. Slag prices were lower by 17% in 2014 as compared to 2013 while gypsum prices remained almost flat. Fly ash prices increased by 11% in 2014 over 2013. The cost of material consumed during the year increased on account of purchase of clinker as a result of temporary suspension of limestone mining operation at Chaibasa and Bargarh.

10.2 Power & Fuel

The power and fuel spend was ₹ 2,441.82 Crore which constitutes 21% of the total income from operations of the Company (₹ 2,375.97 Crore in 2013 i.e. 21% of the total income from operations of the Company). The various initiatives taken such as the usage of industrial waste and biomass as alternate fuels and optimization of fuel mix, has limited the power and fuel costs increases to 2.8% in 2014 over 2013. Coal cost for kilns increased by 3.6% in 2014 over 2013 mainly on account of a drop in supply of linkage coal due to shortage of rakes and resultant higher procurement of imported

and e-auction coal. Use of imported coal increased to 24% in 2014 (21% in 2013) while linkage coal availability reduced to 57% in 2014 (67% in 2013). Coal cost for captive power plants increased by 10% mainly because of limited availability of CPP grade linkage coal and resultant higher procurement of market / imported coal. Improved operating efficiencies of kiln and captive power plants and benefits derived from Waste Heat Recovery System (WHRS) operations had a positive impact in limiting cost increases.

The Company continues to focus on maximizing Alternative Fuels & Raw Materials (AFR) consumption in the cement manufacturing process.

10.3 Freight & Forwarding expenses

Freight and forwarding expenses were ₹ 2,598.33 Crore which constitutes 22% of total income from operations of the Company (₹ 2,308.87 Crore in 2013 i.e. ~21% of total income from operations). Freight and forwarding expenses went up by 12.5% in 2014 over 2013.

Freight on clinker transfer increased mainly on account of railway freight increase, freight rationalization by Railways and long lead inter unit movements of clinker.

Freight on cement despatches increased on account of higher cement sale volumes as also on account of hike in rail and road freight. This increase was partially offset by improvement in logistics operational efficiencies.

10.4 Other Expenditure

Other expenditure constitutes ~21% of total income from operations of the Company. The

increase in other expenditure was restricted to 3.5% in 2014 over 2013.

Continued focus on reduction in fixed cost helped in restricting the fixed cost increases to ~3% in 2014 on a YoY basis.

11. INSTITUTIONALIZING EXCELLENCE

In 2012, an Institutionalizing Excellence programme was launched across all functions to sustain exceptional performance over time. The programme is now central to the Company's growth initiatives and the whole organization is galvanized to accomplish targets. Over a period of two years, the programme has yielded encouraging results and has helped the Company balance inflationary pressures by improving efficiencies. The Institutionalizing Excellence journey continues with a strong focus on Safety.

In Manufacturing Excellence, two Plants, Chanda and Jamul, figured in the top fifteen amongst all Holcim Plants globally in terms of efficiency. Efforts are underway towards raising the Company's overall efficiency parameters closer to aspirational targets and to pursue further reductions in input costs of coal, power generation and in mineral components like gypsum, slag and fly ash. A manufacturing academy was setup that drives continuous improvement in each Plant by regular training and skill enhancement.

The Customer Excellence programme focuses on the customer and seeks to achieve volume and price improvement and steps for the enhancement of brand equity.

The Logistics Excellence journey saw visible and significant initiatives to optimize cost-to-serve and time-to-serve, reduce lead distances, eliminate multiple handling and initiate the creation of modern infrastructure at the plants and warehouses. The Radio Frequency Identification Device (RFID) and Global Positioning Systems (GPS) modules which were successfully deployed

at three plants are being replicated at all plants of the Company in a phased manner.

12. CAPEX

The ongoing Jamul Project in Chhattisgarh, which comprises a new state-of-the-art clinkering line of a capacity of 2.79 million tonnes per annum and grinding facilities of a capacity of 1.10 million tonnes at Jamul and of 1.35 million tonnes at Sindri are expected to be commissioned during 2015.

The pre-processing and co-processing Alternative Fuel and Raw Materials (AFR) platforms at Wadi in Karnataka and Kymore in Madhya Pradesh have been commissioned in December 2014.

13. COAL BLOCKS

During the year 2009, the Company through its wholly owned subsidiary, ACC Mineral Resources Limited (AMRL), had entered into four separate Joint Venture Agreements (JVA) with Madhya Pradesh State Mining Corporation Limited (MPSMC) for the development and operation of four coal blocks with an equity participation of 49% by AMRL and 51% by MPSMC. The coal from these four coal blocks was earmarked for supplies to cement plants of the Company.

Out of the four coal blocks being developed, the Bicharpur Coal Block in district Shahdol was in an advanced stage of development. The second coal block Marki Barka in district Singrauli was also ready for commencement of mine development activities with all its regulatory clearances in place.

While the development of coal blocks was in progress, on September 24, 2014, the Hon'ble Supreme Court of India cancelled the allocation of Coal Blocks by the Government of India to State and private sectors. Consequently, allocation of Marki Barka, Semaria/Piparia and Morga IV coal blocks to MPSMC stood cancelled with immediate effect. However, by virtue of an advanced stage of

development, the Bicharpur coal block is liable for cancellation with effect from March 31, 2015.

As of December 31, 2014, the amount incurred, invested and advanced (including deposits / advances to MPSMC and other parties) by the Company in this regard is ~` 153.79 Crore. Subsequently, the Government promulgated The Coal Mines (Special Provisions) Ordinance, 2014, which intends to take appropriate action to deal with the situation arising pursuant to the Hon'ble Supreme Court's decision. The Management, based on its understanding of its contractual rights under its JV agreements, its interpretation of the Ordinance and on the basis of legal advice, believes that the financial loss or operational impact if any, will not be significant.

In addition to the above "Moiria Madhujore North and South" Coal block in the State of West Bengal was allocated to six companies by Ministry of Coal in December 2009, wherein your Company holds equity of 14.37%. The allocation of the said coal block has also been cancelled by the aforementioned Order of Supreme Court. The Company has impaired its investment amounting to ~` 0.69 Crore made in this Joint Venture Company.

14. LIMESTONE MINING – NEW REGULATORY CHANGES:

As a sequel to the Supreme Court's Order dated May 16, 2014 in two separate Public Interest Litigations, policy changes were made by the Government with regard to renewal of mines and deemed mining rights.

As per the Supreme Court's directive, such of the mines which were hitherto operating under "deemed renewal" without any express orders of renewal passed by the State Governments were not allowed to operate until express orders were passed by the respective State Governments in terms of Section 8(3) of the Mine and Mineral (Development and Regulation) Act, 1957. Pursuant

thereto, the Government of India amended Sub Rule, 24A(6) of the Mineral Concession Rules which had the effect of disallowing deemed renewal status for second and subsequent mining leases and limiting the deemed renewal status even in case of the first renewal application to only two years. This development has temporarily impacted the mining operations at Bargarh and Chaibasa which in turn affected the clinker production at the said Plants and clinker was required to be procured from other sister plants as well as from outside. The Government has since passed the Mines and Minerals (Development and Regulation) Ordinance on January 12, 2015 in terms of which the mining leases would stand extended from the date of their last renewal upto March 31, 2030 in cases where the mines were being operated for captive consumption, such as in the case of the Company.

15. READY MIXED CONCRETE (RMX)

Ready Mixed Concrete business continues to perform well despite the fact that in 2014, the Industry witnessed the entry of more players and increased liquidity issues. The RMX market is greatly fragmented and with increased participation by the unorganized segments, there is pressure on pricing. Against this backdrop, the Operating EBITDA increased to ₹ 34.12 Crore in 2014 from ₹ 19.61 Crore in 2013. Sales volume improved by 18%.

The growth in business is attributed to the efforts made to enhance customer satisfaction. ACC Concrete is being perceived as a solutions provider rather than merely as a concrete supplier. This was made possible by continuous customer involvement in projects and by offering various products and providing value added services for its stakeholders. A new line of allied products which could be supplied in the form of ready to use mortar were developed, produced

and marketed. The Centre of Excellence set up by the Company facilitates and supports capability demonstration initiatives, helps in engaging with customers and trains professionals in advanced construction techniques.

There is considerable focus by the Government on infrastructure development and in the year 2015, the construction sector is expected to grow at a higher rate than in 2014. Demand for RMX is expected to revive in almost all markets across the country and is likely to be stronger in metro markets like Mumbai, Bengaluru, Chennai, and Delhi. Major demand is expected to come from large investments in infrastructure and development of real estate across India in proposed future cities. Reduction in lending rates by banks and restructuring of loans should ease the liquidity position and help boost sales and profitability. Ready Mix Concrete is expected to maintain the momentum and contribute to the overall business with enhanced participation.

	2014	2013	Change %
Production - Lakh Cubic Meters	19.65	15.96	23.12
Sales volume - Lakh Cubic Meters	21.24	18.00	18.00
Sale value - (₹ Crore)	760.77	655.91	15.99
Operating EBITDA - (₹ Crore)	34.12	19.61	73.99
Operating EBITDA Margin (%)	4.48	2.99	

16. SUSTAINABLE DEVELOPMENT

Sustainability has been deeply embedded into the Company's business and has become an integral part of its decision making process while considering social, economic and environmental dimensions. During the year 2014, a Sustainability Development road map for the period 2014-2017 was developed with a focus on the following areas:

- Reduction of Specific CO₂ emissions;
- Enhancing Thermal Substitution Rate (TSR);

- (c) Reducing specific water consumption;
- (d) Reduction of specific total energy intensity (Thermal & Electrical);
- (e) Improving CSR footprint focusing on inclusive business projects.

The Company's cement operations retained its certifications under various management systems for quality, environment, energy and safety.

16.1 CO₂ Emissions:

The Company continued in its efforts towards achieving the commitments of Low Carbon Technology Roadmap for the Indian Cement Industry under the umbrella of the Cement Sustainability Initiative (CSI) in India of the World Business Council for Sustainable Development (WBCSD).

The various initiatives taken resulted in reducing the specific CO₂ emissions per tonne of cement to 526 Kg CO₂/tonne of cement from 538 Kg CO₂/tonne of cement. The CO₂ emission per tonne of cement including emissions from on site power generation has been reduced to 617 Kg CO₂/tonne of cement from 641 Kg CO₂/tonne of cement.

16.2 Alternative Fuels and Raw Materials (AFR):

The Company provides co-processing and waste management services to over a hundred customers which facilitates disposal of a wide range of hazardous and non-hazardous industrial waste streams in the form of solids, sludges and liquids.

The pre-processing and co-processing platforms which were commissioned during the year at Kymore and at Wadi will add momentum to co-processing of larger volumes of wastes in an efficient manner. The AFR feeding and storage systems have also been ramped up in these plants to the required levels.

16.3 Reduction of Thermal Energy

Many initiatives for process optimization were taken to reduce specific thermal energy in the manufacturing of clinker. These efforts resulted in reduction of 16 MJ of specific thermal energy / tonne of clinker to 3050 MJ in 2014 as compared to 3066 MJ in 2013. Other measures such as enhancing the usage of industrial waste and biomass as alternative fuels and optimization of fuel mix has helped to contain the energy costs to some extent.

16.4 Clinker Factor

Through research and product innovation, the Company has been able to reduce clinker factor in both varieties of blended cements viz. Portland Slag Cement and Portland Pozzolana Cement. The use of slag and fly ash in cement manufacture helps the steel industry and power plants to dispose of their waste in an environmentally friendly manner.

The Company's blended cement production activities at Wadi, Kymore, Chanda and Tikaria are registered with United Nations Framework Convention on Climate Change (UNFCCC) as a Clean Development Mechanism (CDM) Project. The blended cement project is one of the biggest CDM of its kind in the Indian Cement Industry.

16.5 Renewable Energy:

The Company's renewable energy portfolio consists of 19 MW in the form of wind farms across three states viz. 9 MW in Tamil Nadu, 7.5 MW in Rajasthan and 2.5 MW in Maharashtra. These helped the Company meet its non-solar renewable purchase obligations for Madukkarai and Lakheri Plants.

Various options are being evaluated to enhance the renewable energy portfolio such as setting up new assets of renewable energy and by use of renewable energy through the Power Purchase Agreement route.

16.6 Waste Heat Power generation from process waste heat

During the year 2014, the Waste Heat Recovery System (WHRS) at Gagal Cement Works became fully operational and produced 46.64 million kWh of electrical energy.

16.7 Dust Emissions

The Company's average kiln stack dust emissions were well below the statutory norms fixed by the States in which the Company operates. This has been achieved through various controls and maintenance measures which were implemented on a continuous basis. The Company has also implemented various measures across all its operations to control fugitive emissions.

16.8 Water Initiatives:

Multiple initiatives were taken in process and non process areas to improve the water performance which resulted in 15.6% reduction of specific water consumption/tonne of cement. These include:

- Increased use of recycled water for process and non-process applications;
- Minimizing leakages and wastages;
- Implementing water metering systems for accurate measurement of water consumption/withdrawal and to initiate more intense and focused measures for conserving water;

- Implementing rain water harvesting measures in mines, plant, colony and surrounding communities.

16.9 Biodiversity

A biodiversity risk assessment of all mines of the Company has been carried out. Afforestation and biodiversity conservation programmes have been initiated / implemented across all the Company's plants and mines. The Company has become a member of Indian Business Biodiversity Initiative (IBBI) a collaborative initiative of Confederation of Indian Industry (CII) and Ministry of Environment Forest and Climate Change (MoEF & CC) and Leaders for Nature (LfN), an initiative led by International Union for Conservation of Nature (IUCN) India. It has agreed to their charters and is in the process of implementing various associated initiatives.

16.10 Green Products

The Company made efforts to promote and increase sales of various innovative cement products like ACC-Gold, ACC-F2R, ACC Plus, ACC Coastal+ and concrete products such as Permecrete, Stampcrete and Imprincrete, ready to use mortar, Thermocrete and Hi-densecrete which have lower environmental footprint.

16.11 Green Building Material Centres:

During the year 2014, four new Green Building Material Centres were setup in different parts of India. These centres provide a one-stop solution in housing expertise and building materials required for high quality low cost housing. These centres also offer architectural services, skilled masons for

housing construction. The building material supplies include bricks, blocks, tiles, cement etc. These materials are produced from local resources and incorporate waste material like fly ash which help in reducing CO₂ emissions. This initiative received global recognition for its environment and social benefits. The Company is planning to scale up these centres in the coming years.

17. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As part of its initiatives under "Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Education, Livelihood, Health, Water and Sanitation. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

During the year 2014, the Company's community development efforts successfully touched the lives of almost 5,00,000 people spanning ~150 villages across the country. Providing quality education initiatives in the plants' neighborhood schools benefited ~29,000 students during the year. Scholarships were awarded to ~500 meritorious students from weaker sections of the society to help them continue with their education. Technology aided education initiatives like smart classes and interactive kiosks reached out to students in ~26 rural schools to keep pace with modern methods of learning. Specific support was provided to revive education for ~750 girl children under "ACC ki Ladli" Project. The Company continued to support 7 Government-run Industrial Training Institutes under the Public Private Partnership Schemes with Ministry of Labour and Employment, Government of India.

Skill development training programmes were imparted to unemployed youth in partnership with specialized NGOs, which helped ~3,800 youth get job placements in various manufacturing and

service sector enterprises. The Company supported the formation of 486 Self Help Groups (SHGs) and in their strengthening through structured training activities. In matters of health and nutrition, the Company's initiatives benefitted more than 1,00,000 people. Support to 134 "anganwadi centers" helped ~8,000 children get access to better health and nutrition. A Centre for awareness, prevention and treatment of Sexually Transmitted Infections (STI) was established at Tikaria Cement Works. Nearly 3042 HIV/AIDS affected persons were supported through counselling, testing and treatment through Anti Retroviral Therapy (ART) and STI Centers.

Sanitation, being a national agenda, the Company has developed four affordable prototypes of toilets through the Green Building Center. It has also led the forum of Confederation of Indian Industries (CII) Sanitation Committee to promote the sanitation initiative of Government of India and has also actively participated in forums on Public Health & Education.

The Annual Report on CSR activities is annexed herewith as "Annexure A".

18. OCCUPATIONAL HEALTH & SAFETY (OH&S)

In pursuit of ensuring "No harm anywhere to anyone associated with ACC", Occupational Health & Safety (OH&S) remains the Company's top priority. In continuation with the "Surakhsha Laher" initiative which was launched in 2013, "Surakhsha Laher 2" and "Surakhsha Laher 3" initiatives were launched. The "Surakhsha Laher 2" aimed at building Line Ownership and OH&S Competency, establish forums for improving communication and focused on Fatality Prevention. Under this initiative "Surakhsha Samvad" forum was set up for improving bottom up communication. This initiative successfully involved and positively engaged all levels of

personnel on the shop floor including Shop Floor Associates (SFA) and the Company's business partners in the process of identification and closure of hazards. Another major contribution of Suraksha Laher 2 was the OH&S Leadership Training Program for improving OH&S capabilities of Middle Management level employees. The Zone ownership structure was further enhanced to improve visible leadership with performance targets and reviews being conducted in the plant.

Suraksha Laher 3 aimed at revisiting the implementation of some of the important Fatality Prevention Elements (FPEs) such as working at heights, isolation and lockout with a view to close the gaps identified during audit assessments.

With regard to contractor safety, two key areas of focus identified were Facility Management for the contractors' employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for contract labour such as washrooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management program ensured that the tools used by contractors were safe. The process of screening of contractors was made more stringent to ensure that the contractors were aligned with the Company's objectives to ensure 'Zero Harm'.

18.1 Logistics Safety

The focus on Logistics Safety continued with a view to prevent vehicle related incidents through various planned interventions viz.:

- Defensive Driving training for drivers;
- vehicle inspection at plants;
- segregation of pedestrian and vehicular traffic inside plants;
- 'Suraksha Kawach' campaign for seat belt usage aimed at truck drivers;

- installation of GPS in dedicated trucks in a phased manner for journey monitoring;
- entering into MOU's on logistics safety with our authorized road transporters;
- engagement sessions with truck drivers and felicitating safe drivers.

A programme for improving safety in the warehouses has also been initiated. The Company was declared as Holcim's Regional Award Winner for South Asia/ASEAN in recognition of its Logistics Safety Improvement Programme.

18.2 Occupational Health

In 2014, the Emergency Medical Response (EMR) capabilities in mines were further improved. Each mine site has an ALS ambulance, appropriate stretchers, Automated External Defibrillator (AEDs) units and proper first aid facilities. In each of the plants, at least 50% of the shift supervisors have been trained in basic life support techniques and a total 2000 shift supervisors have been trained in this regard.

To reduce health risk factors among employees and their families, various programmes were launched and implemented with the assistance of health peers selected and trained from Shop Floor Associates and through the extensive use of the Company's intranet portal "Accelerate".

19. HUMAN RESOURCES

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/functional capabilities in order to meet future talent requirement.

The Company's HR processes such as hiring and on-boarding, fair transparent online performance evaluation and talent management process, state-of-the-art workmen development process, and market aligned policies have been seen as benchmark practices in the Industry. These state-of-the-art HR processes within the Organization, have enabled the Company to earn the No. 1 position of being the Best Company to work for in Cement Sector by Fortune India Magazine in 2014.

During the year under review, the following Human Resources initiatives received greater focus:

- **Employer of Choice:** The Company has positioned itself with leading educational institutes as one of the best companies to work for. Employees have an option to work with world class cement technology and have the flexibility to pursue different functions. Employees are encouraged to express their views and are empowered to work independently. Employees are given the opportunity to learn through various small projects which make them look at initiatives from different perspectives and thus provide them with a platform to become result oriented. This has helped greatly in overall development of the employee and has significantly arrested the attrition rate.
- **Leadership Development:** As a part of leadership development ~40 talented employees have been seconded to the senior leadership team to mentor them and prepare them for the next higher role. Apart from this, a large number of senior, middle and other employees are sent for leadership programmes or are assigned to small independent projects which are planned for identified talent.

- **Industrial Relations:** The Company's Industrial Relations policy has been benchmarked by the manufacturing sector. The Company shares relevant business information with the Unions in order to enlighten them and make them sensitive towards business requirements. This has helped to build a healthy relationship and resolve issues through mutual dialogue.
- A unique dual educational program has been developed on the lines of the Swiss German vocational educational and training program (VET). The program has been successfully implemented in one of the Company's technical institutes.

20. BUSINESS RISK MANAGEMENT

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Business Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments viz. cement and RMX. Risk management forms an integral part of the Company's Mid-Term Planning cycle.

The key business risks identified by the Company and its mitigation plans are as under:

Project Risks:

The Cement Industry is capital intensive in nature. Its Compound Annual Growth Rate (CAGR) for the next five years is expected to be ~6.5 %. In the execution of large projects which are highly capital intensive in nature, there could be exposure to time and cost overruns. To mitigate these risks, the project management team and the project accounting and governance framework has been further strengthened. Whilst the Company continues to draw on Holcim's expertise, a separate Organization structure at Project sites with defined roles and accountability is put in place for large projects.

Competition Risks:

The Cement Industry is becoming intensely competitive with the foray of new entrants and some of the existing players adopting inorganic growth strategies. To mitigate this risk, the Company is leveraging on its expertise, experience and its created capacities to increase market share, enhance brand equity/visibility and enlarge product portfolio and service offerings. It would also leverage on its Infrastructure, Commercial and Institutional Sales team to offer value to large customers.

OH&S Risks:

Safety of employees and workers is of utmost importance to the Company. To reinforce the safety culture in the Company, it has identified Occupational Health & Safety as one of its focus areas. Various training programmes have been conducted at the plants and sales units such as behavior based safety training program, Visible Safety Leadership program, Logistics Safety program etc. The accountability structure has also been strengthened with the introduction of a Zone Ownership concept and by integrating OH&S competencies into the job descriptions

of all Top Management, Line Management and Safety Professionals.

21. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

22. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Fraud Risk Management Policy (FRM) to deal with instance of fraud and mismanagement, if any. The details of the FRM Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

23. SUBSIDIARY COMPANIES

23.1 ACC Mineral Resources Limited (AMRL)

AMRL had entered into a Joint Venture Agreement with Madhya Pradesh State Mining Corporation Limited (MPSMC) for development of four coal blocks viz. Bicharpur, Marki Barka, Simaria Piparia and Morga IV. Pursuant to the Supreme Court's

Order as discussed in para 13 above, the allocation of three coal blocks to MPSMC viz. Marki Barka, Simaria Piparia and Morga IV were immediately cancelled. The fourth coal block viz. Bicharpur is liable for cancellation w.e.f. March 31, 2015. While work on Bicharpur Coal Block has been temporarily suspended following the Supreme Court's Order, the safety and security of the block is being maintained and will continue to be maintained till the vesting of the coal block in accordance with the The Coal Mines (Special Provisions) Ordinance, 2014.

AMRL has neither operating nor trading activity. The Consolidated Other Income of ₹ 1.74 Crore represents the interest received on the loans advanced by it to its Joint Venture Companies. The Consolidated loss after depreciation, amortization and tax for the year ended December 31, 2014 was ₹ 5.85 Crore.

23.2 Bulk Cement Corporation (India) Limited (BCCI)

During the year under review, BCCI handled cement volumes of 10.30 lakh tonnes as against 9.60 lakh tonnes in 2013. The profit after tax for the year 2014 is ₹ 432.99 lakhs as against ₹ 270.94 lakhs in the year 2013.

23.3 As regards the other three Subsidiary Companies i.e. Lucky Minmat Limited, National Limestone Company Private Limited and Singhania Minerals Private Limited, these are limestone deposit companies and are currently not operational.

23.4 Audited financial statements of the Company's Subsidiaries

The audited financial statements, the Auditors Report thereon and the Board's Report for the year ended December 31, 2014 for each of the Company's subsidiaries viz. ACC Mineral Resources Limited, Bulk

Cement Corporation (India) Limited, Lucky Minmat Limited, National Limestone Company Private Limited and Singhania Minerals Private Limited are annexed.

24. DIRECTORS

The Board of Directors had appointed Mr Arunkumar Gandhi and Mrs Falguni Nayar as Additional Directors of the Company in the category of Independent Directors with effect from April 24, 2014. Thereafter, at the Extraordinary General Meeting (EGM) of the Company held on September 10, 2014, the Members of the Company appointed the said Directors as Independent Directors under the Companies Act, 2013 for a period of 5 years with effect from April 24, 2014.

At the said EGM held on September 10, 2014, the Members had also appointed the existing Independent Directors viz. Mr N S Sekhsaria, Mr Shailesh Haribhakti, Mr Sushil Kumar Roongta, Mr Ashwin Dani, Mr Farrokh Kavarana as Independent Directors under the Act each for a term of five years with effect from July 24, 2014.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Board of Directors had on the recommendation of the Nomination & Remuneration Committee appointed Mr Harish Badami as Chief Executive Officer & Managing Director (CEO & MD) Designate for the period August 1, 2014 till August 12, 2014 and thereafter as the CEO & MD of the Company for a period of 5 years with effect from August 13, 2014. The Members of the Company had at the aforesaid EGM also approved the said appointment and terms of remuneration of Mr Harish Badami as CEO & MD.

Mr Kuldip Kaura former CEO & MD retired from the services of the Company with effect from August 13, 2014.

Mr M L Narula, a Non Executive Director of the Company retired from the Board of Directors with effect from July 25, 2014.

The Board has placed on record its appreciation for the outstanding contributions made by Mr Kuldip Kaura and Mr M L Narula during their respective tenures of office.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr Bernard Fontana and Mr Aidan Lynam retire by rotation and are eligible for re-appointment.

24.1 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

24.2 Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

24.3 Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year six Board Meetings and six Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

25. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended December 31, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31, 2014 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

26. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The statement is supported by a Certificate from the CEO & MD and the CFO. The Company has developed a Related Party Transactions Manual, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

27. TECHNOLOGY & KNOWHOW AGREEMENT

An Ordinary Resolution was passed by the Members of the Company by means of a Postal Ballot approving the Technology and Know-how Agreement with Holcim Technology Limited (HTL) which, inter alia, provided for the payment of technology and knowhow fees @ 1% of the net sales of the Company to HTL. Whilst the Agreement was valid for a period of five years, the technology and know-how fee was to remain in force for a period of two years with effect from January 1, 2013. The Members had authorized the Board of Directors to review the technology and knowhow fee rate before the end of the financial year 2014. Accordingly, the Board of Directors had at its Meeting held on December 10, 2014 reviewed the rate of technology and know-how fee payable to HTL and have decided that the rate be retained @ 1% of the net sales till the end of the period of the agreement, i.e. upto and including December 31, 2017.

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. Pursuant to a complaint filed before the Competition Commission of India (CCI) by the Builders Association of India against some of the cement manufacturers including the Company, the CCI had in June 2012 held that the cement manufacturers had contravened the provisions of Section 3(3)(a) and 3(3)(b) read with Section 3(1) of the Competition Act, 2002. The CCI had accordingly imposed a penalty on the cement manufacturers aggregating ₹ 6,300 Crore. The penalty imposed on the Company is ₹ 1,147 Crore. The cement manufacturers including the Company has filed an Appeal before the Competition Appellate Tribunal (COMPAT)

and the matter is sub-judice. COMPAT has directed the cement manufacturers including the Company to deposit 10% of the penalty amount. Accordingly, the Company has deposited ₹ 114.7 Crore in the form of a bank fixed deposit with a lien in favour of COMPAT. Based on expert legal advice, the Company believes that it has a good case and expects a favourable decision in the appellate proceedings.

29. AUDITORS

29.1 Statutory Auditors

The Company's Auditors, Messrs S R B C & CO. LLP, Chartered Accountants, Mumbai who retire at the ensuing Annual General Meeting of the Company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company. As required under Clause 49 of the Listing Agreement, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Members' attention is invited to the observation made by the Auditors under "Emphasis of Matter" appearing in the Auditors Reports.

29.2 Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its cement activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed Messrs N I Mehta & Co. to audit the cost accounts of the Company for the

financial year 2014 on a remuneration of ₹ 10 lakhs. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to Messrs N I Mehta & Co., Cost Auditors is included at Item No. 6 of the Notice convening the Annual General Meeting.

29.3 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Pramod S Shah & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure B".

30. AWARDS

During the year under review, your Company received many awards and felicitations conferred by reputable organizations for achievements in different areas such as Safety, Manufacturing Excellence and Environment Management. ACC ranked as "India's Most Admired Companies" in Cement Sector in a Fortune India - Hay Group Survey for the second consecutive year. Your Company's Annual Report for 2013 won the **Gold Shield** from the prestigious Institute of Chartered Accountants of India for "Excellence in Financial Reporting".

31. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders.

Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

32. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an intergal part of this Report.

33. BUSINESS RESPONSIBILITY REPORTING

As per Clause 55 of the Listing Agreement with the Stock Exchanges, a separate section on Business Responsibility Reporting forms an intergal part of this Report.

34. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

35. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013

read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure C".

36. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure D".

37. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

38. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

39. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the

Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

40. DISCLAIMER

The Ministry of Corporate Affairs vide its Circular No. 08/2014 dated April 4, 2014 clarified that the financial statements and the documents required to be attached thereto, the Auditor's and Boards' Report in respect of the financial year

under reference shall continue to be governed by the relevant provisions of the Companies Act, 1956, schedules and rules made thereunder. Accordingly, whilst the financial statements and the Auditor's Report as aforesaid are prepared as per the requirements of the Companies Act, 1956, the Company, as per its commitment to transparency and good governance, has to the extent possible provided the information in the Board's Report and the Corporate Governance Report as per the Companies Act, 2013.

For and on behalf of the Board of Directors

N S Sekhsaria
Chairman

Mumbai
February 3, 2015

ANNEXURE 'A' TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**
 CSR Policy is stated herein below:

Weblink:
http://www.acclimited.com/newsite/pdf/Policy/CSRPoly2013_Approved_CEO_MD.pdf
2. **Composition of the CSR Committee:**
 Mr Shailesh Haribhakti, Chairman (Independent Director)
 Ms Falguni Nayar (Independent Director)
 Mr Farrokh K Kavarana (Independent Director)
 Mr Harish Badami (CEO & MD)
3. **Average net profit of the Company for last three financial years:**
 Average net profit: ₹ 1,360 Crore
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**
 The Company is required to spend ₹ 27.20 Crore towards CSR.
5. **Details of CSR spend for the financial year:**
 - a. **Total amount spent for the financial year:**
 ₹ 27.45 Crore
 - b. **Amount unspent, if any:**
 Nil

c. **Manner in which the amount spent during the financial year is detailed below:**

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency*
			Districts (State)	₹ Crore	₹ Crore	₹ Crore	₹ Crore
1	Educational Scholarship, Bridge Education, Tuition Support, Book Provisioning, Setting up library and providing educational aid to Govt. Schools,	Literacy	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttar Pradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga (Karnataka), Kadapa (Simandhra), Sitapur (Uttar Pradesh), Stravasti (Uttar Pradesh), Jaunpur (Uttar Pradesh), Shahazanhapur (Uttar Pradesh), Rudraprayag (Uttarakhand) & Alwar (Rajasthan), Coimbatore (Tamil Nadu)	3.21	3.89	3.89	3.89

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency*
			Districts (State)	₹ Crore	₹ Crore	₹ Crore	₹ Crore
2	Vocational training to unemployed youth, school drop outs, placement linked skills development training to unemployed youth	Vocational Training	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttar Pradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga (Karnataka), Kadapa (Simandhra)	1.84	2.33	2.33	2.33
3	Scholarship to meritorious students	Scholarship through Diamond Jubilee Educational Trust	Bilaspur (Himachal Pradesh) and Katni (Madhya Pradesh)	0.50	0.01	0.01	0.01
4	Infant Mortality Rate (IMR), Maternal Mortality Rate (MMR) and Malnutrition reduction, Health camps etc.	Healthcare	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttar Pradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga (Karnataka)	3.15	2.52	2.52	2.52
5	Development support to people belonging to tribal backward class (capacity building on livelihood projects)	Upliftment Tribal Backward Class	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttar Pradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga (Karnataka), Kadapa (Simandhra)	0.50	0.89	0.89	0.89

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency*
			Districts (State)	₹ Crore	₹ Crore	₹ Crore	₹ Crore
6	Capacity Building of women for livelihood projects, formation of Self Help Groups (SHGs) their trainings, supporting in setting up of enterprises	Upliftment / Empowerment Women	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttar Pradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhattisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga (Karnataka), Coimbatore (Tamil Nadu)	3.15	2.53	2.53	2.53
7	Development support to underprivileged community, including agriculture support to farmers	Community Organization	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttar Pradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhattisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga (Karnataka)	7.05	6.85	6.85	6.85
8	All weather rural roads construction as per community needs	Transportation Infrastructure	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttar Pradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhattisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga (Karnataka)	3.78	4.49	4.49	4.49
9	Supporting construction of houses for victims of natural calamities	Housing	Rudraprayag (Uttarakhand) and Wadi (Karnataka)	0.50	0.08	0.08	0.08

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency*
			Districts (State)	₹ Crore	₹ Crore	₹ Crore	₹ Crore
10	Providing safe drinking water to community, installing handpumps, water tanks, recharging ponds, maintenance of water harvesting structures, supporting in toilet construction, supporting in construction of drainage	Sanitation Drinking Water	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttar Pradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga (Karnataka), Kadapa (Simandhra), Coimbatore (Tamil Nadu)	2.52	3.07	3.07	3.07
11	ACC supporting two Anti Retroviral Treatment Centres at Wadi and CMC Vellore through its own Trusts for HIV/AIDS prevention and treatment	Anti Retroviral Treatment Centres	Wadi (Karnataka) and Vellore (Tamil Nadu)	1.00	0.79	0.79	0.79
				27.20	27.45	27.45	27.45

* Details of the implementing agencies - 1. Himachal Pradesh Voluntary Health Association, Simla, 2. We the People, New Delhi, 3. Udyogini, New Delhi, 4. Pancham Research & Biotech Sansthan, Lucknow (UP), 5. DEHAT, Behraich (UP), 6. Mahatma Gandhi Integrated Development & Education Institute, Dausa (RJ), 7. Muskan Foundation (UP), 8. IIMPACT-New Delhi, 9. CENTUM Learning-New Delhi, 10. Mahashakti Foundation, 11. Loka Kalyan Parishad, 12. Help Student India, 13. Vijay Foundation, 14. Amhi Amchya Arogyasathi, Kurkheda Gadchiroli (Maharashtra), 15. ACC MAVIM Loksanchalit Sadhan Kendra - CMRC-Ghugus, 16. Dilasa Janvikas Pratishthan, Aurangabad, 17. Rashtriya Gramin Vikas Nidhi, Bhuvneshwar, 18. SEED - New Delhi

CSR POLICY

(approved by the Board of Directors on May 3, 2013)

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

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

To pursue these objectives we will continue to:

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



WE NEVER THOUGHT THAT A WHOLE NEW WORLD COULD BE CONTAINED WITHIN FOUR WALLS.

We've been a part of India's progress. For over 75 years.

Whether it's helping with the building of roads or hospitals or schools, we've been with this great nation every step of the way. And will continue to do so for generations to come.



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ANNEXURE 'B' TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2014

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ACC Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ACC Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of ACC Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended December 31, 2014, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on December 31, 2014 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- (6) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (7) Employees State Insurance Act, 1948
- (8) Employers Liability Act, 1938
- (9) Environment Protection Act, 1986 and other environmental laws
- (10) Equal Remuneration Act, 1976
- (11) Factories Act, 1948
- (12) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003
- (13) Indian Contract Act, 1872
- (14) Income Tax Act, 1961 and Indirect Tax Laws
- (15) Indian Stamp Act, 1999
- (16) Industrial Dispute Act, 1947

- (17) Maternity Benefits Act, 1961
- (18) Minimum Wages Act, 1948
- (19) Negotiable Instruments Act, 1881
- (20) Payment of Bonus Act, 1965
- (21) Payment of Gratuity Act, 1972
- (22) Payment of Wages Act, 1936 and other applicable labour laws

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance,

and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

Pramod Shah-Partner
 Pramod S. Shah & Associates
 FCS No.: 334
 C P No.: 3804

Place : Mumbai
 Date: 24.01.2015

ANNEXURE 'C' TO BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

Sustainability is an integral part of the Company's business philosophy. During the Financial Year 2014, the Company has adopted GRI G4 principles and released the first externally assured GRI G4 Sustainable Development Report 2013 in India. Your Company's Sustainable Development Road Map for 2014-2017 includes targets for specific CO₂ Emission Reduction, increase in Thermal Substitution Rate, reduction in Specific Water Consumption, Environment Certification (ISO 14001) of all plants, reduction in Specific Energy Consumption and implementation of business inclusive CSR Projects.

A: CONSERVATION OF ENERGY

Company has achieved a reduction of specific thermal energy and specific electrical energy by 0.52% and 0.53% respectively for the year 2014 as compare to 2013. Thondebhavi Plant has been awarded with Merit certificate towards Energy conservation by Bureau of Energy Efficiency for 2013-14, a record feat of three times in a row.

a. Energy conservation and efficiency measures were undertaken in various areas of the Cement Manufacturing and Captive Power Plants (CPPs):

- **Madukkarai Plant** - Carried out automation of Hydro-cyclone for Ball Mill throughput improvement. Installed low voltage variable frequency drive for Boiler Feed Pump of Captive Power Plant (CPP) for optimizing feed water, by converting the power source from Medium Voltage (6.6KV) to Low Voltage (415 V).
- **Jamul Plant** - Commissioned Low Voltage Variable Speed Drives (VSD) for Calcliner Compressor, Forced Draft fans, bag filter fans, CPP pumps and CPP cooling tower – (total 12 nos). Replaced raw water pump with high efficiency pump at mines. Installed 2 Nos

APFC (Automatic Power Factor Correction) panels to improve power factor.

- **Lakheri Plant** - Commissioned Medium Voltage (6.6 KV) Variable Frequency Drive (MVVFD) in place of GRR (Grid Rotor Resistance) for Vertical Roller Mill (Raw Mill 2 Fan) and Low Voltage VSD for Positive Displacement (PD) Blower of kiln firing. Commissioned Rota scale for Cement Mill feeding.
- **Bargarh Plant** - Commissioned VSDs for coal mill booster fan. Optimized operation of SILO 5 top Bagfilter fan by installing VSD.
- **Chanda Plant** - Replaced aluminum blades by FRP blades for Kiln Shell cooling fans, GRR cooling fan, Cooling Tower fans. Commissioned HT (11KV, 4980 Kvar) & LT (415 V, 1000 Kvar) APFC panels to improve Power Factor.
- **Kymore Plant** - Replaced existing GRR controls by installation Medium Voltage (6.6 KV) VSD for Bag House Fan Line-2. Replaced Line-1 pre-heater fan with energy efficient fan. Commissioned low voltage VSDs (6 Nos) for Boiler Feed Pump of CPP for optimizing feed water, by converting the power source from Medium Voltage (6.6 KV) to Low Voltage (415 V). VSDs were also commissioned for two condensate extraction pumps. Tertiary Crusher closed circuiting was done to enhance the Raw mill throughput. Coal firing system of Line -2 was modified with Coriolis feeding systems for kiln & calcliner coal firing systems. Various other debottlenecking / optimization activities were carried out for efficient operation of the kiln.

- **Gagal Plant** - Replaced Separator fans for Asano Vertical Mill Pre-grinder (AVMP) - 5 & Cement Mill - 4 with high efficiency fan. Installed High Efficiency Turbo Blowers in Pyro-section for efficient petcoke firing.
- **Wadi Plant (unit II)** - Optimized the Raw Mill Fan circuit to enhance fan efficiency by 10%. Commissioned Slip Power Recovery system (6.6 KV SPRS) for Raw Mill 2 fan; Optimized Mill to improve Production Rate Index (PRI) in Portland Pozzolana Cement (PPC) from 89% to 95%, and in Ordinary Portland Cement (OPC) from 180 TPH to 184 TPH. Bag House fan draught was optimized to reduce fan speed. Cement mill grinding media pattern was redesigned to suit to Mill - Pregrinder combination; Regular monitoring by thermograph for all electrical feeders and panels was done to avoid breakdowns. Air Blast Compartment (ABC) inlet modification was done in Cooler to avoid coating formation in the cooler plates. Medium Voltage (6.6 KV) drive was installed for Boiler Feed pump for optimizing feed water.
- **Tikaria Plant** - Installed Mist cooling System in place of conventional Cooling Tower. Optimized Pre-grinder circuit to feed the Pre-grinder output at discharge of Cement Mill # 3 to improve the mill output. Energy Monitoring System was upgraded.
- **Chaibasa Plant** - Commissioned VSD for cooler fan no 47, Cement Mill-06 circulating air fan, Calciner coal firing blower. Commissioned lower capacity PD blower for Kiln coal after optimizing existing circuit. Commissioned high momentum burner for pet-coke firing.
- **Kudithini Plant** - Revived auto Proportional Integral Derivative (PID) loops for Mill Differential Pressure (DP) vs Feed rate and Bag house fan DP and Fan Flow. Reduced Bag House Fan Cone gap.
- Detailed Energy Audits were conducted at Jamul, Kudithini, and Chanda plants, and a detailed compressed air audit was conducted at Wadi, Madukkarai, Thondebhavi and Kymore plants.
- Energy Monitoring Systems were commissioned at Vizag and Chanda plants.
- Capacitor banks have been added to the system across the plants to improve plant power factor and also to reduce harmonics.
- Replacement of conventional lamps with LED lights is being done in phases for plant and colony lighting across ACC plants.
- Kudithini plant was adjudged as Excellent Energy Efficient unit by Confederation of Indian Industries (CII) and Jamul, Lakheri Bargarh and Thondebhavi Plants were shortlisted as Energy Efficient plants.

Green Power -

- The Company's Renewable Energy Portfolio consists of 19 MW in the form of Wind Farms across 3 states viz 9 MW in the state of Tamil Nadu, 7.5 MW in the State of Rajasthan and 2.5 MW in the State of Maharashtra. Cumulatively, approx 32.5 Million Units of green power has been generated. (Rajasthan - 11.53 Million Units, Tamil Nadu – 17.70 Million Units, Maharashtra - 3.26 Million Units).
- These units helped to meet the Renewable Purchase Obligation (Non Solar) for Madukkarai Plant (Tamil Nadu) and Lakheri Plant (Rajasthan) fully. In Maharashtra, Renewable Energy Certificates (RECs) were issued to the Company, besides meeting the Thane complex power needs and also part requirement of the Company's subsidiary Bulk Cement Corporation (India) Limited at Kalamboli.

- The Renewable Power Obligations (Non Solar) of other plants (Wadi in Karnataka, Kymore in Madhya Pradesh, Bargarh in Orissa, Tikaria in Uttar Pradesh and Jamul in Chhatisgarh) were met by purchasing Renewable Energy Certificates.

b. Additional Proposals being implemented for further conservation of energy

- Replacement of the pre-heater fan with an energy efficient pre-heater fan for line-2 at Kymore;
- Cooler efficiency improvement at Wadi 1 by replacing 3 number low pressure fans with high pressure fans;
- Installation of VSDs;
- Up-gradation of existing fans with high efficiency fans;
- Process optimization.

The above actions would ensure further saving in electrical and thermal energy during 2015, in addition to achieving better process control.

c. Impact of the above measures for reduction of energy consumption and consequent impact on cost of production

The measures stated in points (a) and (b) above would further improve the thermal and electrical energy efficiency of the Plants.

CO₂ Emissions:

In the second phase of the initiatives connected with the Low Carbon Technology roadmap for the Indian Cement Industry under the umbrella of the Cement Sustainability Initiative in India (CSI) of World Business Council for Sustainable Development (WBCSD), a detailed energy audit was carried out at Bargarh Plant and majority of the recommended initiatives towards further energy and CO₂ reduction were implemented.

The Company often supported by Holcim's knowhow and experience made available through the Technology and Knowhow Agreement continues to pursue various

levers as indicated below to achieve continuous progress in its CO₂ performances.

- Increase in the Thermal Substitution Rate (TSR) by using Alternative Fuels and Raw Materials (AFR)
- Increase the use of Alternative Raw materials (AR)
- Reduction of Thermal Energy and Electrical Energy
- Reducing Clinker Factor by producing blended cements using industrial waste materials like Fly ash and Slag
- Increasing the use of renewable energy
- Waste Heat Power generation from the process waste heat

Efforts on these fronts helped the Company to maintain a leadership position in CO₂ reduction performance as illustrated by the following achievements:

- The overall specific net CO₂ emissions per tonne of cement has been brought down to 526 kg CO₂/tonne of cement from 538 kg CO₂/tonne of cement.
- The overall specific net CO₂ emission per tonne of cement including emissions from on-site power generation has been reduced to 617 Kg CO₂/tonne of cement from 641 Kg CO₂/tonne of cement.

Clinker Factor:

Continuous efforts to control Clinker content in PPC helped the Company reduce CO₂ emissions over four years in four of its plants, pursuant to which the Company had realized 8,43,190 CERs (Certified Emission Reductions) by United Nations Framework Convention on Climate Change (UNFCCC). The Company's efforts in this regard were supplemented by Holcim's knowhow IP accessed by the Company through the Technology and Knowhow Agreement.

Stack Emissions and Fugitive Emissions:

The Company has implemented various initiatives/measures for improving the environmental performance of its Plants and surroundings. In some cases such efforts have been supplemented by Holcim's knowhow under the Technology and Knowhow Agreement duly implemented and absorbed by the Company. The Company has reduced

average specific kiln stack dust emissions from 35.37 mg/Nm³ during the year 2013 to 30.03 mg/Nm³ during the year 2014, against varying statutory compliance limits of 50-150 mg/Nm³ in different states of the country. Apart from the stack emissions, the Company has also implemented various measures across all its operations in controlling the fugitive emissions. ACC's Kiln stack dust emissions data and ambient air quality data was continuously uploaded on Central Pollution Control Board (CPCB) website and respective State Pollution Control Boards' (SPCBs) website.

Water Performance:

With an objective to continuously improve water performance at a Company level, a two pronged strategy was adopted i.e. (i) working simultaneously on reducing fresh water intensity by reducing water demand in process and non-process needs and waste water recycling after treatment and (ii) working on rain water harvesting in plants, mines, colonies, community areas.

During the year 2014, the Company's specific water consumption per tonne of cement was reduced by 15.6% with respect to 2013. To strengthen the drive for

reduction of specific water consumption, the Company has initiated the process of installing automated water measurement system to capture the water performance with respect to water withdrawal and water consumption. This will help in identifying the potential areas of water conservation, areas of leakages and improve the water performance. As a part of the water conservation initiatives, the Company has taken up many water harvesting measures during the year, which helped some of the plants like Kymore, Jamul to become self sustainable without depending on natural resources like rivers, bore wells etc.

Biodiversity:

The Company understands the importance of mines rehabilitation and sees a good business case in managing ecosystem and biodiversity. Many capacity building programmes on biodiversity were organized at all manufacturing locations to generate awareness about biodiversity and sensitize the people about the importance of biodiversity conservation. As a practice, The Company continues to develop green belts in and around its plant premises with native species of plants. During the year 2014, the Company continued its afforestation programmes across all plants.

POWER AND FUEL CONSUMPTION - CEMENT

	Current Year			Previous Year		
	Lakh Units (Kwh)	Total Cost (₹ Lakhs)	₹ per Unit	Lakh units (Kwh)	Total Cost (₹ Lakhs)	₹ per Unit
Electricity GROSS						
a) Purchased :	5,566	31,922	5.74	5,407	31,678	5.86
b) Own Generation :						
i) Through Diesel Generator	15	381	26.08	6	224	36.49
ii) Through Steam : Turbine / Generator	17,182	80,301	4.67	17,639	77,555	4.40

	Quantity (Lakh Tonnes)	Total Cost (₹ Lakhs)	Average Rate (₹ /Tonne)	Quantity (Lakh Tonnes)	Total Cost (₹ Lakhs)	Average Rate (₹ /Tonne)
Coal (for kiln) *	22.25	1,34,816	6,060	22.75	1,32,465	5,822

* Does not include other fuel / alternative fuels used in kiln.

CONSUMPTION PER UNIT OF PRODUCTION

	@ Standard	Current Year	Previous year
a) Electricity Kwh / T of Cement* Semi-dry / Dry process	98-110	80	81
b) Coal for kiln K.cal / Kg of clinker Semi-dry / Dry process	720-990	730	733

@ Source : Publication of Confederation of Indian Industries

* Excludes non-process power consumption.

(B) TECHNOLOGY ABSORPTION**Research & Development (R & D)****1. Specific areas in which R & D is carried out by the Company**

- Development of application oriented cements with decreased CO₂ emissions.
- Conservation of resources through maximization of use of low-grade limestone for cement manufacture, improving quality of blended cement through innovative processing utilizing industrial by-products for improved quality performance of the Company's Plants.
- Development of new products or discovering new methods of analysis.
- Productivity research for increasing efficiency in use of resources.
- Recycling of wastes and research for efficient use of scarce materials.
- Characterization of industrial wastes and looking into possibilities for environmentally friendly co-processing of wastes in cement manufacture leading to thermal substitution and conservation of natural resources.
- Development and use of Cement Grinding aid and accelerators in the manufacture of Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC) for improved performance in concrete and reduced clinker factor in blended cements.

- Improving the grinding efficiency of Pet-coke and Coal.
- Development of cements tailored for specific market clusters and application segments.
- Development of one of its kind cement in India for reducing water seepage.
- Development of cement based niche products.
- Quality benchmarking exercise for different market clusters of the Company products.
- Quality audit from mining to packing as well as labs to ensure proper sampling , ensuring reproducibility & repeatability of evaluation at each stage of the manufacturing process with automation and availability of analysis data through Laboratory Information Management System (LIMS).

The aforesaid areas of R&D were sometimes supported by Holcim's IPs and knowhow / experience made available to all its operating group companies under the technology and knowhow agreement.

2. Benefits derived as result of above R & D

- Effective use of marginal quality raw materials and fuels with improved clinker quality.
- Increased absorption of blending materials like fly ash and slag in blended cements.

- c. Launch of special high performance products like F2R, Concrete+, Coastal+, ACC Plus, ACC Gold for specific market segments / market climatic conditions.
- d. Effective replacement of the natural Gypsum by Phospho-gypsum, without affecting the quality of cement.
- e. Reduction in specific power consumption for grinding.
- f. Effective use of SPC at each stage of cement manufacture for improving consistency of operations and consistency in product quality.
- g. Fuel efficiency.

3. Future plan of action

- a. Exploratory research work on the above specific areas.

- b. Focus on development of products aimed at enhancing use of cement in various applications and development of application oriented cement based cementitious material.
- c. Use of waste / byproducts in cement manufacture as alternative materials.
- d. Improve product quality particularly with respect to long term durability and reduction in cost of manufacture.

4. Expenditure on R & D

	2014 ` Lakhs	2013 ` Lakhs
a. Capital	276	106
b. Recurring (Gross)	665	743
c. Total	941	849
d. Total R&D expenditure as percentage of total turnover (%)	0.07	0.07

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

	2014 ` Lakhs	2013 ` Lakhs
Foreign exchange earned	185	78
Foreign exchange used	13,539	18,803

ANNEXURE 'D' TO BOARD'S REPORT

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.12.2014

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT - 9

I. Registration and other details

CIN	L26940MH1936PLC002515
Registration Date	1 st August 1936
Name of the Company	ACC Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Cement House, 121 Maharshi Karve Road, Mumbai 400020 Tel. No. 022 3302 4321
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	The Company has an in-house Share Department at the registered office address. Tel. No. 022 3302 4469

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Cement	3242	93.37%
Ready Mixed Concrete	3279	6.63%

III.

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
Holcim (India) Private Limited Suite 304, 3 rd floor, DLF South Court, Plot A-1, Saket District Centre, Saket, Delhi - 110 017	U26943DL2002PTC116851	Holding	50.01	2(46)
Holderind Investments Limited Holicim Group Support (Zurich) Ltd. Hagenholzstrasse 85, CH-8050, Zurich, Switzerland	Foreign Company	Holding	0.29	2(46)
ACC Mineral Resources Limited Cement House, 121, Maharshi Karve Road, Mumbai 400 020	U10100MH1930PLC001612	Subsidiary	100	2(87)
Bulk Cement Corporation (India) Ltd. Plot No. W-7, KWC Kalamboli, Dist. Raigad 410 218	U99999MH1992PLC066679	Subsidiary	94.65	2(87)
Lucky Minmat Limited G-9/C Kabir Marg, Bani Park, Jaipur 302 016	U14219RJ1976PLC001697	Subsidiary	100	2(87)
National Limestone Company Private Limited G-9/C Kabir Marg, Bani Park, Jaipur 302 016	U26944RJ1981PTC002227	Subsidiary	100	2(87)
Singhania Minerals Private Limited Paryavas Bhavan, 2nd Floor, Block No. 1 Jail Road, Arera Hills, Bhopal 462 011 (MP)	U14109MP1992PTC007264	Subsidiary	100	2(87)
Alcon Cement Company Private Limited 2 nd Floor, Velho Bldg, Opp. Municipal Garden, Panaji, Goa 403 001	U26942GA1992PTC001281	Associate	40	2(6)
Asian Concretes and Cements Private Limited SCF-270, Motor Market, Mansadevi Road, Chandigarh 160 101	U26940CH2009PTC031641	Associate	45	2(6)
Aakaash Manufacturing Company Private Limited 2 nd Floor, Velho Bldg, Opp. Municipal Garden, Panaji, Goa 403 001	U55101GA1995PTC001908	Associate	40	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF									
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corporate	93888120	-	93888120	50.01	93888120	-	93888120	50.01	-
e) Banks / FI									
f) Any Other....									
Sub-Total (A)(1):	93888120	-	93888120	50.01	93888120	-	93888120	50.01	-
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate	541000	-	541000	0.29	541000	-	541000	0.29	-
d) Banks / FI									
e) Any Other....									
Sub-Total (A)(2):	541000	-	541000	0.29	541000	-	541000	0.29	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	94429120	-	94429120	50.30	94429120	-	94429120	50.30	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	5838104	46926	5885030	3.13	7782296	46926	7829222	4.17	1.04
b) Banks / FI	18005016	62165	18067181	9.62	21129205	62165	21191370	11.29	1.67
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	56475	231340	287815	0.15	56475	231340	287815	0.15	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	37512985	17090	37530075	19.99	31328117	17175	31345292	16.70	-3.29
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	61412580	357521	61770101	32.90	60296093	357606	60653699	32.31	-0.59

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corporate	5322759	133623	5456382	2.91	6479350	133311	6612661	3.52	0.61
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ` 1 lakh	14680056	6653025	21333081	11.36	14303617	6405742	20709359	11.03	-0.33
ii) Individual Shareholders holding nominal share capital in excess of ` 1 lakh	1961104	1227716	3188820	1.70	1895623	962894	2858517	1.52	-0.18
c) Others (specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	385965	385965	0.21	-	385965	385965	0.21	-
ii) Other Foreign Nationals	900	-	900	-	900	-	900	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	568649	218900	787549	0.42	591806	209350	801156	0.43	0.01
v) Clearing Members / Clearing House	91231	-	91231	0.05	214940	-	214940	0.11	0.06
vi) Trusts	299003	-	299003	0.16	717789	-	717789	0.38	0.22
vii) Limited Liability Partnership	3154	-	3154	-	3086	-	3086	-	-
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	358164	-	358164	0.19	0.19
ix) Qualified Foreign Investor	50	-	50	-	-	-	-	-	-
Sub-Total (B)(2):	22926906	8619229	31546135	16.80	24565275	8097262	32662537	17.40	0.60
Total Public Shareholding (B)=(B)(1)+(B)(2)	84339486	8976750	93316236	49.70	84861368	8454868	93316236	49.70	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	178768606	8976750	187745356	100.00	179290488	8454868	187745356	100.00	-

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
Holcim (India) Private Limited	93888120	50.01	-	93888120	50.01	-	-
HolderindInvestmentsLimited	541000	0.29	-	541000	0.29	-	-
Total	94429120	50.30	-	94429120	50.30	-	-

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	No change during the year			
Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweatequityetc):	No change during the year			
At the end of the year	No change during the year			

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Life Insurance Corporation of India	15392891	8.20	17971429	9.57
2. Aranda Investments (Mauritius) PTE Ltd.	4743636	2.53	1994039	1.06
3. Aberdeen Global Indian Equity (Mauritius) Limited	4123936	2.20	3968936	2.11
4. J P Morgan Funds - Emerging Markets Equity Fund	2873698	1.53	1033438	0.55
5. J P Morgan Sicav Investment Company (Mauritius) Limited	2385199	1.27	2054678	1.09
6. Government Pension Fund Global	1733689	0.92	-	-
7. J P Morgan Emerging Markets Equity Fund	1689262	0.90	-	-
8. J P Morgan India Fund	1685852	0.90	1561882	0.83
9. ICICI Prudential Life Insurance Company Ltd.	1351594	0.72	1473109	0.79
10. Commingled Pension Trust Fund (Emerging Markets Equity Focused) of J P Morgan Chase Bank	1321368	0.70	-	-
11. Abu Dhabi Investment Authority - Jhelum	-	-	1083211	0.58
12. J P Morgan Indian Investment Company (Mauritius) Limited	-	-	1041660	0.56
13. Vanguard Emerging Markets Stock Index Fund, Aseries of Vanguard International Equity Index Fund	-	-	940798	0.50

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	None of the Directors hold shares in the Company			
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	None of the Directors hold shares in the Company			
At the end of the year	None of the Directors hold shares in the Company			
For Each of the Directors and KMP	Name of the Key Managerial Personnel			
	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company

Mr Sunil K Nayak, Chief Financial Officer

At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
At the end of the year	-	-	-	-

Mr Burjor D Nariman, Company Secretary & Head Compliance

At the beginning of the year	200	-	200	-
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
At the end of the year	200	-	200	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness Crores
Indebtedness at the beginning of the financial year				
i) Principal Amount	32.00	3.03	0.02	35.05
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.64	-	-	0.64
Total (i+ii+iii)	32.64	3.03	0.02	35.69
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	32.64	3.03	-	35.67
Net Change	32.64	3.03	-	35.67
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	0.02	0.02
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	0.02	0.02

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Mr Harish Badami CEO & MD*	Mr Kuldip Kaura Former CEO & MD**	Total Amount ` Lakhs
	Gross Salary			
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	266.46	397.85	664.31
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0.16	0.24	0.40
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5	Others, please specify	29.00	-	29.00
	i. Deferred bonus (pertaining to the current Financial year payable in 2018)	15.30	35.27	50.57
	ii. Retirals			
	Total (A)	310.92	433.36	744.28

*CEO & MD (Designate) w.e.f. 01.08.2014 till 12.08.2014 and CEO & MD w.e.f. 13.08.2014

**upto August 12, 2014

B. Remuneration to other Directors:**1. Independent Directors**

Sr. No.	Particulars of Remuneration	Name of Director								Total Amount ` Lakhs
		Mr Sekhsaria	Mr Haribhakti	Mr Roongta	Mr Dani	Mr Kavarana	Mr Gandhi	Ms Nayar	Mr S M Palia - Director retired during the year	
	-Fee for attending Board/Committee Meetings	4.40	7.40	3.70	6.60	7.90	4.30	2.80	0.40	37.50
	- Commission	37.00	28.00	28.00	28.00	30.50	22.22	11.05	3.45	188.22
	- Others, please specify	-	-	-	-	-	-	-	-	-
	Total (B)(1)									225.72

2. Other Non Executive Directors

		Name of Director							Total Amount ` Lakhs
		Mr Terver	Mr Fontana	Mr Lynam	Mr Sharma	Mr Hugentobler - Director retired during the year	Mr Narula - Director retired during the year		
	- Fee for attending Board / Committee Meetings	8.70	0.90	1.70	1.90	1.00	3.50		17.70
	- Commission	28.00	16.00	16.00	14.42	2.84	15.73		92.99
	- Others, please specify	-	-	-	-	-	-		-
	Total (B)(2)								110.69
	Total (B)= (B)(1)+ (B)(2)								336.41

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr Sunil K Nayak Chief Financial Officer	Mr Burjor D Nariman Company Secretary & Head Compliance	Total Amount Lakhs
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	175.20	115.83	291.03
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	11.09	-	11.09
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5.	Others, please specify - Retirals	15.53	6.21	21.74
	Total (C)	201.82	122.04	323.86

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
------	------------------------------	-------------------	--	-------------------------------	------------------------------------

A. COMPANY

Penalty	None				
Punishment					
Compounding					

B. DIRECTORS

Penalty	None				
Punishment					
Compounding					

C. OTHER OFFICERS IN DEFAULT

Penalty	None				
Punishment					
Compounding					

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended December 31, 2014.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

ACC's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's Code of Business Conduct, its Fraud Risk Management Policy and its well structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders. This, together with meaningful CSR activities and sustainable development policies followed by the Company has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates. Your Company has complied with the requirements of Corporate Governance as laid down under Clause 49 of the Listing Agreement with the Stock Exchanges.

GOVERNANCE STRUCTURE

ACC's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

Board of Directors - The ACC Board plays a pivotal role in ensuring that the Company runs on sound and

ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company, ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

Committee of Directors - With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee, Compliance Committee and Capex Committee. Each of these Committees has been mandated to operate within a given framework.

Management Structure - Management Structure for running the business of the Company as a whole is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

- a. **Chief Executive Officer and Managing Director**
The Chief Executive Officer and Managing Director (CEO & MD) is in overall control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various committees.
- b. **Executive Committee (EXCO)** - This Committee comprises the Chief Executive Officer and Managing Director, Chief Executives of the Regions and Corporate Functional Heads. This Committee is a brain storming and consultative committee where important business issues are discussed, monthly performance reviewed and targets set. The various business challenges are also discussed and decisions taken within the framework of the strategic policies laid down by the Board.

- c. **Chief Executives at the Regions** - The business operations of the Company have been divided into four regions viz. East, North, South and West. Each region is managed by a Chief Executive who is responsible for the overall business and for the day-to-day management of operations within the regions. He is supported by the Director Sales and Director Logistics who look after the sales operations and the logistics function respectively within the region. The Chief Executives report to the Chief Executive Officer and Managing Director.
- d. **Director Plant** - The Director Plant is responsible for operation and maintenance of the plant and all other functions relating to the day-to-day management of the plant, including all local issues and compliances as applicable at plant level. Each Director Plant reports to the Chief Executive of his respective Region.

BOARD OF DIRECTORS

Composition of the Board as on December 31, 2014

Category	No. of Directors
Non Executive & Independent Directors including the Chairman	7
Other Non Executive Directors	4
Executive Director (CEO & Managing Director)	1
Total	12

The Chairman of the Board of Directors is an Independent Director.

As required under Section 149(3) of the Companies Act, 2013, Ms Falguni Nayar, a lady Director, has been appointed as an Independent Director on the Board.

Directors' Profile

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

The brief profile of the Company's Board of Directors is as under:

Mr N S Sekhsaria (Chairman & Independent Director):

Mr Sekhsaria is a doyen of the Indian Cement Industry and one of the most respected business personalities in India. In a career spanning over 30 years, he introduced new standards in management, marketing, efficiency and corporate social responsibility to an industry he helped transform.

A first generation industrialist, Mr Sekhsaria did his Bachelor's in Chemical Engineering with honours and distinction from the University of Bombay. He is the Founder-Promoter and current Chairman of Ambuja Cements Limited. Mr Sekhsaria was invited to join the ACC Board in 1999 and was appointed Deputy Chairman in January, 2000. In 2006, Mr Sekhsaria took over as Chairman of the Board.

Mr Sekhsaria built Ambuja Cements Limited into a benchmark for Indian Cement Industry. His acumen as an entrepreneur and technocrat turned that Company into the most efficient and profitable cement company in India and redefined industry practices by changing the perception of cement from a commodity to a branded product. Mr Sekhsaria championed community development by establishing the Ambuja Cement Foundation and guiding it into a model of excellence in social responsibility.

With his considerable wealth of experience, Mr Sekhsaria brings immense value to the Board of ACC. Under his leadership, ACC has achieved significant improvements in the areas of project management, logistics and overall cost-competitiveness. The impact of this guidance shows in the high growth trajectory ACC has experienced since 1999. Mr Sekhsaria is a Member on the Nomination and Remuneration Committee of the Board.

Mr Bernard Terver (Deputy Chairman): Mr Terver graduated from Ecole Polytechnique, Paris, in 1976. He has a work experience of over thirty five years in the cement business and has been in the services of Holcim Limited since 1994, where he held senior

positions. Mr Terver not only has a rich experience in cement and aggregates but also has a strong track record in financial performance as well as Occupational Health & Safety. In 1999, Mr Terver became CEO of Holcim Columbia. In 2003, he was appointed Area Manager for the Andes Nations, Central America and the Caribbean. Since October, 2008, he has been CEO of Holcim US and effective November, 2010, CEO of Aggregate Industries US. As an Executive Committee Member of Holcim Limited, Switzerland, Mr Terver is responsible for Africa, Middle East as well as the Indian subcontinent, i.e. India, Sri Lanka and Bangladesh. He is Chairman of the Stakeholders' Relationship Committee and Capex Committee of the Board and a Member on the Audit Committee, Nomination and Remuneration Committee and Compliance Committee of the Board.

Mr Harish Badami, Chief Executive Officer & Managing Director (CEO & MD): Mr Badami is a B.Tech from IIT Mumbai and an MBA from IIM Kolkata. He has over twenty-five years experience in the Chemical Industry with leading multinational companies viz. ICI, Rohm & Haas/Dow Chemicals and Celanese Chemicals India Private Limited. Mr Badami was the President and Managing Director of Dow Chemicals during the period 2009-2011 and was the Managing Director of Celanese Chemicals India Private Limited prior to his joining ACC.

Mr Badami was responsible for developing an integrated strategy for Celanese Chemicals India Private Limited, capitalizing on new business growth opportunities while building on the Company's existing Indian business organization. He was responsible for placing Celanese Chemicals India Private Limited on an accelerated growth path, expand the organization and help evaluate and build local manufacturing footprint options.

Mr Badami is a Member of the Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, Capex Committee and Compliance Committee of the Board. As CEO & MD of ACC, Mr Badami is in overall control and responsible for the day-to-day working of the Company.

Mr Bernard Fontana: Mr Fontana holds a degree in Engineering from the Ecole Polytechnique and the Ecole Nationale Supérieure des Techniques Avancées in Paris. He started his career with Groupe SNPE in France and in 1998, he was appointed Head - US Operations. From 2001 to 2004, Mr Fontana was a Member of the Executive Committee of the said Company. Mr Fontana thereafter joined ArcelorMittal where he was given the responsibility for HR, IT and business development at Flat Carbon Division. He was also a Member of the Management Committee with responsibility for the Automotive Worldwide Business Unit. He was subsequently made responsible for HR and the global alliance with Nippon Steel. In 2010, Mr Fontana took over as Chief Executive Officer of Aperam, a Luxembourg-domiciled listed corporate group that was spun off from ArcelorMittal. Mr Fontana is presently the Chief Executive Officer of Holcim Ltd.

Mr Shailesh Haribhakti, Independent Director: Mr Haribhakti is a Chartered Accountant and Cost Accountant and a Certified Internal Auditor, Financial Planner and Fraud Examiner. During a career span of four decades, he has successfully established and led many innovative services. His current passion involves outsourcing of knowledge processes, engaged investing and efficiency and effectiveness enhancement in social, commercial and governmental organizations. He strongly believes in 'shared value' creation, good public and corporate governance and promoting a green environment. He actively promotes these causes and contributes towards their evolution by participating in the process of framing regulations and standards. He is the current President of Rotary Club of Bombay for the year 2014-2015.

Mr Haribhakti joined the ACC Board on February 17, 2006 and his contribution to the Board of Directors has been immense. He is Chairman of the CSR Committee and the Risk Management Committee of the Board and a Member of the Compliance Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Capex Committee of the Board. Mr Haribhakti has brought to bear upon these

Committees, his vast and varied experience gained from his profession and as Director on the numerous companies on whose Boards he serves.

Mr Aidan Lynam: Mr Lynam holds a degree in Engineering from the University College of Dublin and an MBA from IMD, Lausanne, Switzerland. In addition to the above, Mr Lynam is a Member of the Institute of Engineers in Ireland (M.I.E.I), Chartered Member of the British Institute of Manufacturing Engineers (C.Eng M.I.E.E.).

Mr Lynam is presently in the services of Holcim Limited and is Area Manager responsible for Vietnam, Sri Lanka and Bangladesh. Mr Lynam is a Member of the Risk Management Committee and Capex Committee of the Board.

Mr S K Roongta, Independent Director: Mr Roongta holds a degree in Bachelor of Engineering from Birla Institute of Technology & Science (BITS), Pilani and a Post Graduate Diploma in Business Management - International Trade from the Indian Institute of Foreign Trade (IIFT), New Delhi. He is a Fellow of All India Management Association (AIMA).

Mr Roongta is Chairman of Bharat Aluminium Company Limited (BALCO) and heads Aluminium & Power Business of the Vedanta Group. Earlier, during his tenure as Chairman of SAIL from August, 2006 to May, 2010, the ranking of SAIL among 'World Class Steel Makers' moved up to the second position from the seventeenth position, as per World Steel Dynamics, USA.

Mr Roongta headed a "Panel of Experts on the Reforms in the Central PSEs", constituted by the Planning Commission. He has also been a Member of the Committee formed by the Ministry of Corporate Affairs, to formulate Policy Document on Corporate Governance.

Mr Roongta is associated with several academic institutions, and is the Chairman, Board of Governors, IIT Bhubaneswar.

Mr Roongta is also associated with apex chambers of commerce and is a member of Steering Committee

of Federation of Indian Chambers of Commerce and Industry (FICCI) and Chairperson of its Steel & Metal Committee. He also chairs National Expert Committee on Minerals & Metals of Indian Chambers of Commerce (ICC).

Mr Roongta is a recipient of several awards and accolades including SCOPE Award for excellence and outstanding contribution to the Public Sector Management - Individual Category.

Mr Roongta's wide and varied experience in public sector undertakings has greatly enriched the deliberations of the Board particularly from the point of view of external factors that may have a bearing on the business. Mr Roongta is a Member on the Audit Committee and Capex Committee of the Board.

Mr Ashwin Dani, Independent Director: Mr Dani is a BSc (Hons) from the Institute of Science, University of Mumbai. He completed B.Sc. (Tech) - Paints, Pigments and Varnishes from U.D.C.T. {(now known as Institute of Chemical Technology (ICT))}, University of Mumbai. He holds a Masters Degree in Polymer Science (USA) and a Diploma in Colour Science (USA).

Mr Dani started his career in 1967, as a Development Chemist with Inmont Corp., (now known as BASF) Detroit, USA, a major supplier of automotive OEM and refinishes. He joined Asian Paints Ltd. in 1968 as Senior Executive and moved through successive senior positions like Director - R&D, Works Director, Whole-time Director and as Vice Chairman and Managing Director from December, 1998 to March, 2009. Currently, he is the Non Executive Vice Chairman of Asian Paints Limited.

Mr Dani is the past President of the Indian Paint Association (IPA) and has received a number of awards for his contributions to the Paint Industry. He was the Vice President of Federation of Indian Chambers of Commerce and Industry (FICCI). He was a member of the Central Board of Trustees - Employees Provident Fund of the Government of India and was also the President of the Board of Governors of the UDCT (presently ICT) Alumni Association, Mumbai. Currently,

he is a member on the Board of Management of ICT Mumbai.

Mr Dani was former managing trustee of "Light on Yoga", a trust created by the world famous Yogacharya, the Late Shri B.K.S. Iyengar and his disciples.

Mr Dani has a good knowledge of supply chain management and his contribution to the Board's discussion in this area has been valuable. Sustainable Development is a field close to his heart and he shares his experiences with the Board in these matters. Mr Dani is the Chairman of the Nomination and Remuneration Committee and a Member of the Audit Committee of the Board.

Mr Farrokh Kavarana, Independent Director:

Mr Kavarana holds a B.Com. (Hons.) degree from the University of Bombay and an MBA from the Wharton School, University of Pennsylvania. He is a Fellow of the Institute of Chartered Accountants in England & Wales and a Member of the Institute of Chartered Accountants of India. He retired in 2014 as a Director of Tata Sons Limited and Tata Industries Limited, the apex holding companies of the Tata Group, after serving on their Boards for several decades. He was also Chairman of several Tata Companies in India and abroad - Tata AIG General Insurance Company, Tata AIA Life Insurance Company, Tata Projects Limited, Trent Limited, Tata Tea Inc. Mr Kavarana has also held senior executive positions within the Tata Group such as Executive Chairman of Tata Asset Management Ltd from 2005 to 2009 and Tata Infotech Ltd. from 2000 to 2005; Executive Director of Tata Motors Limited from 1994 to 2000. Prior to that from 1975 to 1994, he was Vice Chairman & Managing Director of Tata International AG, Switzerland and Tata Ltd., U.K., responsible for the Tata Group's overseas operations and investments. From 1970 to 1974, he was with McKinsey & Co. Inc. in London and Washington D.C.

He is involved with several social and charitable institutions and is Chairman of the Lady Tata Memorial Trust, a Trustee of the Nani Palkhivala Memorial Trust and the National Centre for the Performing Arts. He

was a founder Trustee of Childline India Foundation. He is a recipient of the Dadabhai Naoroji International Millennium Award 2005 and the Wharton India Alumni Award 2009.

Mr Kavarana brings with him rich and varied financial and industrial experience and good corporate governance practices, thereby enriching the deliberations of the Board. He is the Chairman of the Compliance Committee of the Board and a Member of the Audit Committee, Nomination and Remuneration Committee and the Corporate Social Responsibility Committee of the Board.

Mr Vijay Kumar Sharma: Mr Sharma is a Science Graduate. He is the Managing Director of Life Insurance Corporation of India (LIC) since November 1, 2013. Mr Sharma joined LIC as Direct Recruit Officer in 1981 and has grown with the Company since then. During his stint with LIC as Senior Divisional Manager, Karnal, this rural Division had catapulted to Number One position in the country in premium income, ahead of all metro centres. As Executive Director of Pension & Group Schemes, he pioneered the launch of various prestigious pension schemes in the country. As Zonal Manager in-charge of Southern Zone, he successfully turned around its operations and put it on growth trajectory making it Number One Zone in 2010.

Prior to his appointment as Managing Director of LIC, he was the Managing Director and Chief Executive Officer, LIC Housing Finance Ltd. (LICHFL), a premier housing finance provider in the country with loan portfolio exceeding ` 83,000 Crore.

During his tenure with LICHFL the Company was adjudged as "Best Housing Finance Company 2011" by CNBC-TV 18.

Mr Sharma has over thirty years experience in insurance and financial sectors. His key areas of expertise are Business Strategy, Business Development, Processes and Systems, Leadership Development, Branding and Product Development and Risk Mitigation and Compliance.

Mr Arunkumar Gandhi, Independent Director (appointed w.e.f. April 24, 2014): Mr Arunkumar Ramanlal Gandhi is a Fellow Member of the Institute of Chartered Accountants in England & Wales, a Fellow Member of the Institute of Chartered Accountants of India and an Associate Member of the Chartered Institute of Taxation, London.

He was with N. M. Rajji & Co., Chartered Accountants, as a partner from 1969 and in 1993 became a Senior Partner upto July, 2003. As partner, Mr Gandhi audited several public sector and private sector entities. He is an expert on share valuation and corporate restructuring (i.e. mergers/demergers etc.).

He was the Executive Director of Tata Sons Ltd. from August, 2003 till August, 2008 and was thereafter appointed Director of Tata Sons Ltd., on whose Board he served upto March, 2013. Currently, he is an Advisor to the Tata Group.

Mr Gandhi has been assisting the Tata Group in acquiring diverse assets and companies across the globe. This has enabled the Tata Group to acquire critical assets, resources and access to world class R&D facilities. In these transactions, he advised on business valuation, financial due diligence, counter-party negotiations, financing and merger control.

Over the last 20 years, Mr Gandhi served on the Board of Directors of various Indian and foreign companies.

Mr Gandhi is the Chairman of the Audit Committee of the Board.

Ms Falguni Nayar, Independent Director (appointed w.e.f. April 24, 2014): Ms Falguni Nayar is a Graduate from Sydenham College of Commerce & Economics and Post Graduate from Indian Institute of Management, Ahmedabad.

Ms Nayar has a rich experience of over two and half decades. She started her career as a Manager and Consultant at A F Ferguson & Company. In 1993, she joined Kotak Mahindra Group to lead the M&A and Project Advisory Initiatives. She has held senior positions in various capacities and was the Managing

Director and Chief Executive Officer of Kotak Investment Bank from 2006 to 2012. Ms Nayar is the founder and Chief Executive Officer of Nykaa, which is an on-line shopping website.

Ms Nayar was recognized as Top Woman in Business by Business Today in 2009 and 2011. She has also received FICCI Ladies Organization Award for Top Woman Achiever in the field of banking in 2008.

Ms Nayar is a Member on the Corporate Social Responsibility and the Risk Management Committee of the Board.

Directors Resigned / Retired during the year

Mr Paul Hugentobler submitted his resignation from the Board of Directors of the Company with effect from February 7, 2014 consequent upon his retirement from the services of Holcim Limited, Switzerland.

Mr S M Palia stepped down from the Board of Directors of the Company with effect from February 7, 2014, as per the Succession Policy for Directors.

Mr M L Narula submitted his resignation from the Board of Directors of the Company with effect from July 25, 2014 as he would be approaching the retirement age as per the Succession Policy for Directors and he wanted to reduce his Board level commitments.

Mr Kuldip Kaura stepped down as CEO & MD with effect from August 13, 2014 after a suitable successor was appointed by the Board of Directors.

Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same.

By way of an introduction to the Company, the Director is presented with a book on the Company which traces

its history over 79 years of its existence, relevant Annual Reports, Sustainable Development Report, brochure on the CSR activities pursued by the Company, copies of a journal published by the Company viz. "The Indian Concrete Journal" which is a well accepted journal on civil engineering and construction, copies of "ACC Parivar" a house magazine and booklet on Holcim, the Company's Promoters. Further, with a view to familiarize him with the Company's Operations, the Director is also given a CD explaining the cement manufacturing process, detailed presentations giving an over arching perspective of the cement industry,

organisational set up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The CEO & MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company.

Other Relevant Details of Directors:

Name of the Director	Date of Appointment	Category	*Number of Directorship(s) held in Indian public limited companies (including ACC)	**Committee(s) position (including ACC)	
				Member	Chairman
Mr N S Sekhsaria	27.12.1999	Non Executive / Independent	3	-	-
Mr Bernard Terver	04.12.2013	Non Executive	2	2	1
Mr Harish Badami	13.08.2014	Executive	4	1	-
Mr Bernard Fontana	28.03.2012	Non Executive	2	-	-
Mr Shailesh Haribhakti	17.02.2006	Non Executive / Independent	10	4	5
Mr Aidan Lynam	22.04.2010	Non Executive	1	-	-
Mr Sushil Kumar Roongta	03.02.2011	Non Executive / Independent	5	5	1
Mr Ashwin Dani	15.12.2011	Non Executive / Independent	7	2	2
Mr Farrokh Kavarana	03.05.2013	Non Executive / Independent	2	2	-
Mr Vijay Kumar Sharma	06.02.2014	Non Executive	4	-	-
Mr Arunkumar Gandhi	24.04.2014	Non Executive / Independent	3	1	1
Ms Falguni Nayar	24.04.2014	Non Executive / Independent	3	2	-
#Mr Paul Hugentobler (retd. as Director w.e.f. 07.02.2014)	06.05.2005	Non Executive	3	2	1
#Mr S M Palia (retd. as Director w.e.f. 07.02.2014)	25.01.2002	Non Executive / Independent	5	1	2
#Mr M L Narula (retd. as Director w.e.f. 25.07.2014)	01.04.2007	Non Executive	2	3	-
#Mr Kuldip Kaura (retd. as CEO & MD w.e.f. 13.08.2014)	05.08.2010	Executive	5	2	-

* Excludes directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

** Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Clause 49 of the Listing Agreement.

Information as available on the date of retirement/cessation.

Board Meetings held during the Year

Dates on which the Board Meetings were held	Total Strength of the Board	No of Directors Present
February 6, 2014	13	13
April 24, 2014	13	12
June 11, 2014	13	11
July 24, 2014	13	12
October 30, 2014	12	09
December 10, 2014	12	11

Attendance of Directors at Board Meetings and Annual General Meeting

Name of the Director	Attendance at the Board Meetings held on						Attendance at the AGM held on April 9, 2014
	February 6, 2014	April 24, 2014	June 11, 2014	July 24, 2014	October 30, 2014	December 10, 2014	
Mr N S Sekhsaria	✓	✓	✓	Leave of Absence	✓	✓	✓
Mr Bernard Terver	✓	✓	✓	✓	✓	✓	✓
Mr Harish Badami (appointed w.e.f. 13.08.2014)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓	✓	Not Applicable
Mr Bernard Fontana	✓	✓	Leave of Absence	✓	Leave of Absence	Leave of Absence	Leave of Absence
Mr Shailesh Haribhakti	✓	✓	✓	✓	✓	✓	✓
Mr Aidan Lynam	✓	✓	Leave of Absence	✓	Leave of Absence	✓	✓
Mr Sushil Kumar Roongta	✓	✓	✓	✓	✓	✓	✓
Mr Ashwin Dani	✓	✓	✓	✓	✓	✓	✓
Mr Farrokh Kavarana	✓	✓	✓	✓	✓	✓	✓
Mr Vijay Kumar Sharma	✓	✓	✓	✓	Leave of Absence	✓	✓
Mr Arunkumar Gandhi (appointed w.e.f. 24.04.2014)	Not Applicable	Leave of Absence	✓	✓	✓	✓	Not Applicable
Ms Falguni Nayar (appointed w.e.f. 24.04.2014)	Not Applicable	✓	✓	✓	✓	✓	Not Applicable
Mr Paul Hugentobler (ret'd. as Director w.e.f. 07.02.2014)	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓
Mr S M Palia (ret'd. as Director w.e.f. 07.02.2014)	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓
Mr M L Narula (ret'd. as Director w.e.f. 25.07.2014)	✓	✓	✓	✓	Not Applicable	Not Applicable	✓
Mr Kuldip Kaura (ret'd. as CEO & MD w.e.f. 13.08.2014)	✓	✓	✓	✓	Not Applicable	Not Applicable	✓

The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, OH&S performance, progress of major projects and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in Clause 49 of the Listing Agreement to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and non mandatory committees viz. Compliance Committee and Capex Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

a. **Audit Committee - (Constituted in 1986) - Mandatory Committee**

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism (implemented in the Company as a Fraud Risk Management Policy) and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

Audit

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Cost Auditors considering their

independence and effectiveness and their replacement and removal.

- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
- To recommend to the Board the remuneration of the Statutory Auditors/Cost Auditors.
- To discuss with the Statutory Auditors/Chief Internal Auditors any significant difficulties encountered during the course of the Audit.
- Review annual Cost Audit Report submitted by the Cost Auditor.

Other Duties

- To approve the appointment, removal and terms of remuneration of the Chief Internal Auditor and to approve the appointment of the Chief Financial Officer.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board.

The composition of the Audit Committee as at December 31, 2014 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Audit Committee Meetings held on					
		February 5, 2014	April 23, 2014	July 9, 2014	July 23, 2014	October 29, 2014	December 10, 2014
Mr Arunkumar Gandhi (appointed Chairman w.e.f. 09.07.2014)	Non Executive/ Independent	Not Applicable	Not Applicable	✓	✓	✓	✓
Mr Bernard Terver	Non Executive	Not Applicable	✓	Leave of Absence	✓	✓	✓
Mr Sushil Kumar Roongta	Non Executive/ Independent	Leave of Absence	Leave of Absence	✓	Leave of Absence	Leave of Absence	✓
Mr Ashwin Dani	Non Executive/ Independent	✓	✓	✓	✓	✓	✓
Mr Farrokh Kavarana (was Chairman from 07.02.2014 to 08.07.2014)	Non Executive/ Independent	✓	✓	Leave of Absence	✓	✓	✓

Name of the Member	Category	Attendance at the Audit Committee Meetings held on					
		February 5, 2014	April 23, 2014	July 9, 2014	July 23, 2014	October 29, 2014	December 10, 2014
Mr S M Palia (ceased to be a Chairman & Member w.e.f. 07.02.2014)	Non Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr Paul Hugentobler (ceased to be a Member w.e.f. 07.02.2014)	Non Executive	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr M L Narula (ceased to be a Member w.e.f. 25.07.2014)	Non Executive	✓	✓	✓	✓	Not Applicable	Not Applicable

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended all the Meetings during the year. The representative of the Cost Auditor is invited to attend the Meeting of the Audit Committee when the Cost Audit Report is tabled for discussion. The CEO & MD, the Chief Financial Officer (CFO), the Chief Internal Auditor and the Chief Executives at the Regions attend all the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee. A representative of Holcim Group's internal audit team is also invited to attend the meeting and share Holcim's expertise in international best practices in Internal Audit. The Chief Internal Auditor reports directly to the Audit Committee.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their areas of audit.

Self Assessment by the Audit Committee

The Audit Committee has set in place a process to measure and benchmark its performance each year. The assessment broadly covers composition, structure and committee meetings; overview of the financial reporting process; internal control systems and

overview of internal and external audits. The results of the self assessment are presented to the Audit Committee along with the action plan in the areas requiring improvement.

b. Stakeholders' Relationship Committee - (Constituted in 1962 as Share Committee) - Mandatory Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;

- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The composition of the Stakeholders' Relationship Committee as at December 31, 2014 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Stakeholders' Relationship Committee Meetings held on				
		February 6, 2014	April 24, 2014	July 24, 2014	October 30, 2014	December 8, 2014
Mr Bernard Terver (appointed Chairman w.e.f. 24.04.2014)	Non Executive	✓	✓	✓	✓	✓
Mr Shailesh Haribhakti (appointed w.e.f. 24.04.2014)	Non Executive/ Independent	Not Applicable	Not Applicable	✓	✓	✓
Mr Harish Badami (appointed w.e.f. 30.10.2014)	Executive	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓
Mr Paul Hugentobler (ceased to be a Chairman & Member w.e.f. 07.02.2014)	Non Executive	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr M L Narula (ceased to be a Member w.e.f. 25.07.2014)	Non Executive	✓	✓	✓	Not Applicable	Not Applicable
Mr Kuldip Kaura (ceased to be a Member w.e.f. 13.08.2014)	Executive	✓	✓	✓	Not Applicable	Not Applicable

Mr Burjor D Nariman, Company Secretary & Head Compliance also functions as the Compliance Officer.

During the year, 29 complaints were received from shareholders, out of which 26 complaints have been attended/resolved. The balance complaints were under various stages of investigation. As on December 31, 2014, no investor grievance has remained unattended/ pending for more than thirty days. The Company had eight share transfers pending as on December 31, 2014.

c. Nomination and Remuneration Committee - (Constituted in 1993 as Compensation Committee) - Mandatory Committee

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing "Compensation Committee" as the "Nomination and Remuneration Committee".

The Committee is governed by a Charter.

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as

approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr N S Sekhsaria, Chairman of the Board, who was also Chairman of this Committee has stepped down as Chairman of the Committee but continues to be a Member on the Committee. Mr Ashwin Dani, an Independent Director, has been appointed as Chairman of the Committee.

The composition of the Nomination and Remuneration Committee as at December 31, 2014 and the details of Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Nomination and Remuneration Committee Meetings held on									
		Feb 6, 2014	Mar 25, 2014	Apr 8, 2014	Apr 9, 2014	Apr 24, 2014	May 8, 2014	June 11, 2014	July 24, 2014	Oct 30, 2014	Dec 9, 2014
Mr Ashwin Dani (appointed Chairman w.e.f. 24.04.2014)	Non Executive/ Independent	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓	✓	✓	✓	✓	✓
Mr N S Sekhsaria	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓	Leave of Absence	✓	✓
Mr Bernard Terver	Non Executive	✓	Leave of Absence	✓	✓	✓	✓	✓	✓	✓	✓
Mr Shailesh Haribhakti	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr Farrokh Kavarana	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr Paul Hugentobler (ceased to be a Member w.e.f. 07.02.2014)	Non Executive	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

d. Corporate Social Responsibility (CSR) Committee - (Constituted in 2013) - Mandatory Committee

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the Corporate Social Responsibility Committee as at December 31, 2014 and the details of Members' participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the CSR Meetings held on		
		January 15, 2014	March 27, 2014	September 23, 2014
Mr Shailesh Haribhakti (appointed Chairman w.e.f. 07.02.2014)	Non Executive/ Independent	Not Applicable	✓	✓
Ms Falguni Nayar (appointed Member w.e.f. 24.04.2014)	Non Executive/ Independent	Not Applicable	Not Applicable	✓
Mr Farrokh Kavarana (appointed Member w.e.f. 30.10.2014)	Non Executive/ Independent	Not Applicable	Not Applicable	Not Applicable
Mr Harish Badami (appointed Member w.e.f. 30.10.2014)	Executive	Not Applicable	Not Applicable	Not Applicable
Mr S M Palia (ceased to be a Chairman & Member w.e.f. 07.02.2014)	Non Executive/ Independent	✓	Not Applicable	Not Applicable
Mr M L Narula (ceased to be a Member w.e.f. 25.07.2014)	Non Executive	✓	✓	Not Applicable
Mr Kuldeep Kaura (ceased to be a Member w.e.f. 13.08.2014)	Executive	✓	✓	Not Applicable

e. Risk Management Committee - (Constituted in April 2014) - Mandatory Committee

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;

- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

The composition of the Risk Management Committee as at December 31, 2014 and the details of Members' participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Risk Management Committee Meeting held on December 8, 2014
Mr Shailesh Haribhakti (appointed Chairman w.e.f. 30.10.2014)	Non Executive/ Independent	✓
Ms Falguni Nayar (appointed Member w.e.f. 24.04.2014)	Non Executive/ Independent	✓
Mr Aidan Lynam (appointed Member w.e.f. 30.10.2014)	Non Executive	✓
Mr Harish Badami (appointed Member w.e.f. 30.10.2014)	Executive	✓
Mr Arunkumar Gandhi (ceased to be a Member w.e.f. 30.10.2014)	Non Executive/ Independent	NA
Mr Kuldip Kaura (ceased to be a Member w.e.f. 13.08.2014)	Executive	NA

f. Independent Directors' Meeting

During the year under review, the Independent Directors met on December 9, 2014, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.

- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

g. Compliance Committee - (Constituted in 2008) - Non Mandatory Committee

The Compliance Committee plays an important role in building a regime of zero tolerance to any form of non compliance, which is essential for sustainable growth.

The terms of reference of the Committee broadly comprises:

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

The composition of the Compliance Committee as at December 31, 2014 and the details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Attendance at the Compliance Committee Meetings held on			
	February 5, 2014	April 23, 2014	October 29, 2014	December 8, 2014
Mr Farrokh Kavarana (appointed Chairman w.e.f. 07.02.2014)	Not Applicable	✓	✓	✓
Mr Bernard Terver	✓	✓	✓	✓
Mr Shailesh Haribhakti	✓	✓	✓	✓
Mr Harish Badami (appointed Member w.e.f. 30.10.2014)	Not Applicable	Not Applicable	Not Applicable	✓
Mr Paul Hugentobler (ceased to be a Chairman & Member w.e.f. 07.02.2014)	✓	Not Applicable	Not Applicable	Not Applicable
Mr Kuldip Kaura (ceased to be a Member w.e.f. 13.08.2014)	✓	✓	Not Applicable	Not Applicable

h. Capex Committee - (Constituted in 2010) - Non Mandatory Committee

The Capex Committee was constituted to review the technical and financial viability of large projects and in particular the Jamul Project. The said Project has been approved by the Board and is under execution phase.

Since no major capex proposal was under consideration during the year, the Committee did not meet.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

1. Criteria of selection of Non Executive Directors

- a. The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

- b. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - i. Qualification, expertise and experience of the Directors in their respective fields;
 - ii. Personal, Professional or business standing;
 - iii. Diversity of the Board.
- e. In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

2. Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

- i. A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii. A Non Executive Director will also be entitled to receive commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the N&R Committee;
- iii. The N&R Committee may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board.
- iv. The N&R Committee may recommend a higher commission for the Chairman of the Board of Directors, taking into consideration his overall responsibility;
- v. In determining the quantum of commission payable to the Directors, the N&R Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.
- vi. The N&R Committee may recommend to the Board, for the payment of additional commission to those Directors who are Members on the Audit Committee and the

Compliance Committee of the Board subject to a ceiling on the total commission payable as may be decided;

- vii. In addition to the remuneration paid under Clause (ii) and (vi) above, the Chairman of the Audit Committee shall be paid an additional commission, as may be recommended to the Board by the N&R Committee;
- viii. The total commission payable to the Directors shall not exceed 1% of the net profit of the Company;
- ix. The commission shall be payable on prorata basis to those Directors who occupy office for part of the year.
- x. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

3. CEO & Managing Director - Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

- i. At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.

- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
 - iii. The remuneration of the CEO & Managing Director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus.
 - iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure / consider the following:
 - a. the relationship of remuneration and performance benchmarks is clear;
 - b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c. responsibility required to be shouldered by the CEO & Managing Director, the industry benchmarks and the current trends;
 - d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.
- ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - iii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - iv. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.
- II. The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

Remuneration Policy for the Senior Management Employees

- I. In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure / consider the following:
 - i. the relationship of remuneration and performance benchmark is clear;

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's

functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement,

safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

TERMS OF APPOINTMENT & REMUNERATION - CEO & MD

1. Mr Harish Badami, CEO & MD w.e.f. August 13, 2014

Period of Appointment	Appointed as CEO & MD for a period of five years with effect from 13.08.2014
Salary Grade	₹ 11,00,000 - ₹ 25,00,000 p.m.
Allowances	<ul style="list-style-type: none"> i. Housing: Free furnished residential accommodation or HRA at the rate of 40% of the basic salary. ii. LTA: An amount not exceeding 12.5% of the basic salary. The entitlement for any one year to the extent not availed of shall be allowed to be accumulated upto the next two Company's financial years. iii. Medical Reimbursement: Such amount as may be decided by the Company and CEO & MD, in addition to Group Mediclaim Policy, as per the rules of the Company. iv. Such Special Allowance as may be decided by the Board, on the recommendation of the Nomination and Remuneration Committee.
Perquisites	<ul style="list-style-type: none"> i. Membership of one club. ii. Personal Accident Insurance Policy, as per the rules of the Company. iii. Other Perquisites as may be decided by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the overall ceiling on managerial remuneration as prescribed under the Companies Act, 2013.
Retiral Benefits	Contribution to Provident Fund and Superannuation Fund as per the rules of the Company. Gratuity at the rate of half month's basic salary for each completed year of service.
Performance Bonus	<p>Annual Performance Bonus not exceeding 30% of the Annual Fixed Gross Compensation based on CEO & MD's performance against set goals and the Company meeting the target performance for the financial year. The first performance bonus shall be payable in April 2015 and will be pro rated from the date of joining. The performance bonus will be paid only if the CEO & MD is in the employment of the Company and not on notice period as on March 31, of the financial year under consideration.</p> <p>In addition to the payment of performance bonus as aforesaid, the CEO & MD will be eligible for shares of Holcim Limited. The Holcim shares so granted shall not exceed 7.5% of the Annual Fixed Gross Compensation as per the rules of Holcim Performance Compensation Share Plan. The first grant will be made in April 2015 on a prorated basis from the date of joining. Tax, if any, payable on the Holcim shares so allotted shall be borne by the Company.</p>
Sign-on Amount	<p>The CEO & MD shall be paid a sign-on amount of ₹ 2.20 Crore payable as under:</p> <ul style="list-style-type: none"> ₹ 60.00 lakhs on joining the Company ₹ 40.00 lakhs as on January 1, 2015 ₹ 80.00 lakhs as on January 1, 2016 ₹ 40.00 lakhs as on January 1, 2017

Deferred Bonus	Based on his performance and upon achieving the targeted goals, the CEO & MD shall be paid an additional bonus (deferred bonus) of ₹ 70.00 lakhs per annum which will become payable three years after each grant. The first grant will be made in April 2015 on a prorata basis from the date of his joining. This incentive component will be payable to the CEO & MD if employed in the Company (and not on notice period) as on March 31, of the financial year under consideration. This deferred bonus may be substituted by a stock plan once implemented by Holcim for senior leadership.
Minimum Remuneration	Where in the financial years during the currency of the tenure of the CEO & MD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified, subject to requisite approvals being obtained.
Notice Period & Severance Fees	As per the agreed terms under the following scenarios: <ul style="list-style-type: none"> • Resignation from service • Termination of services by the Company • Termination of services with cause • In the case of change of control or significant re-organization.

2. Mr Kuldip Kaura, CEO & MD upto August 12, 2014

Period of Re-appointment	Re-appointed as CEO & MD for a period of one year with effect from 01.01.2014
Salary Grade	₹ 11,00,000 - ₹ 25,00,000 p.m.
Allowances	<ul style="list-style-type: none"> i. Housing: Free furnished residential accommodation or HRA at the rate of 40% of the basic salary. ii. LTA: An amount not exceeding 12.5% of the basic salary. The entitlement to the extent not availed of shall be encashed and paid out at the end of the tenure of the CEO & MD. iii. Such Special Allowance as may be decided by the Board, on the recommendation of the Nomination and Remuneration Committee.
Perquisites	<ul style="list-style-type: none"> i. Membership of two clubs. ii. Personal Accident Insurance Policy, as per the rules of the Company. iii. Medical Re-imbursement: Such amount as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee including Group Medical Insurance Policy, as per the rules of the Company. iv. Other Perquisites as may be decided by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the overall ceiling on managerial remuneration as prescribed under the Companies Act.
Retiral Benefits	Contribution to Provident Fund and Superannuation Fund, as per the rules of the Company. Gratuity at the rate of half months basic salary for each completed year of service.
Performance Incentive	Amount equivalent to a maximum of 37.5% of the basic salary and allowances which includes grant of Holcim's shares upto a maximum of 7.5% as per Holcim's Global Performance Incentive Scheme (The Scheme). The component of tax, if any, applicable on the shares granted by Holcim, pursuant to the Scheme shall be borne by the Company.
Minimum Remuneration	Where in the financial year, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified, subject to requisite approvals being obtained.
Notice Period & Severance Fees	Three months notice or three months salary in lieu of notice, as per the terms of appointment (w.e.f. 01.01.2014)

Details of remuneration paid to the Directors are given in Form MGT - 9

SUBSIDIARY COMPANIES

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

DISCLOSURES

Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances. The Company's business processes are on SAP-ERP and SAP-HR platforms and has a strong monitoring and reporting process resulting in financial discipline and accountability.

CEO & MD / CFO Certification

The CEO & MD and the CFO have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in "Zero Tolerance" to bribery and corruption in any form and the Board has laid down the "Anti Bribery & Corruption Directive" which forms an Appendix to the Code. The Code has been posted on the Company's website www.acclimited.com.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the

designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were required to complete an e-learning module in this regard.

VALUE CREATION IN COMPETITIVE ENVIRONMENT (VCCE)

The Value Creation in Competitive Environment (VCCE) programme was introduced in ACC as early as 2008 and the Company has been carrying out extensive training sessions for creating awareness among relevant employees for conducting business in a fair manner upholding the interest of consumers.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk Management Policy (FRM) to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, a dedicated helpline "ACC Ethics Helpline" has been set up which is managed by an independent professional organization. The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud / misconduct on:

E-Mail: acc@ethicalview.com

National Toll Free Number: 18002092008

Fax Number: +91(22) 66459575

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

COMMUNICATION WITH THE MEMBERS/ SHAREHOLDERS

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the Listing Agreement with the Stock Exchanges. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are thereafter given by way of a Press Release to various news agencies/analysts and are published within forty-eight hours in leading English and Marathi daily newspapers. The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.

- The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same.
- The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are also placed on the Company's website: www.acclimited.com and can be downloaded.
- In compliance with Clause 52 of the Listing Agreement, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically on BSE's on-line portal and through Corporate Filing and Dissemination System (CFDS) website www.corpfiling.co.in. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal. The Company has complied with filing submissions through BSE's BSE Online Portal.
- A separate dedicated section under 'Corporate Governance' on the Company's website gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

GENERAL INFORMATION TO SHAREHOLDERS

Financial Year Ended : December 31, 2014

Investor Services

The Company has an in-house Share Department located at its Registered Office which offers all share related services to its Members and Investors.

These services include transfer / transmission / dematerialization of shares, payment of dividends, sub-division / consolidation / renewal of share certificates and investor grievances.

The Company is registered with SEBI as Registrar to an Issue / Share Transfer Agent in Category II Share Transfer Agent and the registration code is INR000004124.

Address for Correspondence with the Company

ACC Limited
Share Department
"Cement House"
121, Maharshi Karve Road,
Mumbai 400020

Telephone No.:	(022) 33024469
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Fax No.:	(022) 66317458
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Communication by E-mail:

For transfer/ transmission/ subdivision/demat/ loss of shares/ dividend/general inquiries and investor grievance remaining unattended:	sujata.chitre@acclimited.com
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Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain Demat Account/s, for their queries relating to shareholding, change of address, credit of dividend through NECS. However, queries relating to non-receipt of dividend, non-receipt of annual reports, or on matters relating to the working of the Company should be sent to the Company.

Members who hold shares in physical form should address their queries to the Company.

Members are requested to ensure that correspondence for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewals / split / consolidation of share certificates, issue of duplicate share certificates should be signed by the first named Member as per the specimen signature registered with the Company. The Company may also, with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as certified copies of PAN Cards and other proof of identity and/or address.

Members are requested to indicate their DP ID & Client ID/ Ledger Folio number in their correspondence with the Company and also to provide their Email addresses and telephone numbers/FAX numbers to facilitate prompt response from the Company.

Exclusive E-Mail ID & Toll Free Number

The Company has designated an e-mail ID to enable the Members and Investors to correspond with the Company. The e-mail ID is

ACC-InvestorSupport@acclimited.com

The Company has also set up a toll free number **1800-3002-1001** to facilitate the Members/Investors to contact the Company. The toll free services will be available on all working days of the Company from 9.15 a.m. till 5.00 p.m.

Plant Location

The location of the Company's Plants are given on the inside cover page of the Annual Report. The details of the Plants along with their addresses and telephone numbers are also available on the Company's website.

Market Information

Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

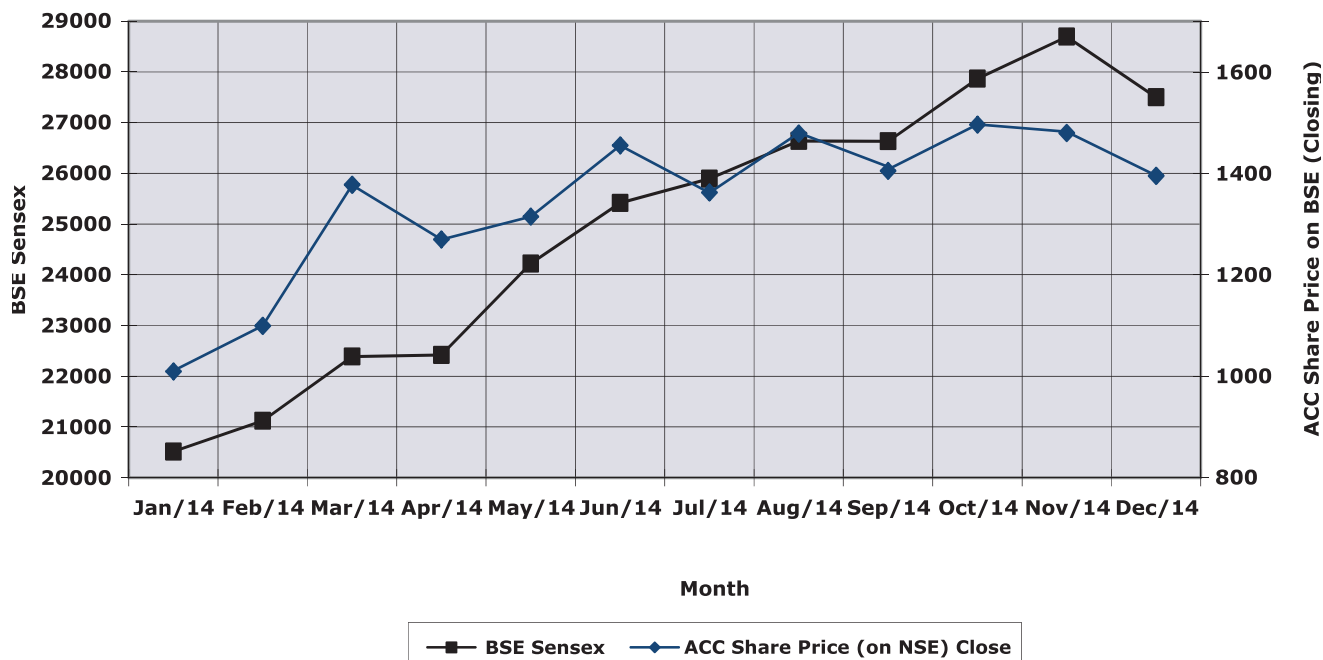
Name & Address of the Stock Exchanges	Stock Code / Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	500410	INE012A01025
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	ACC	

All Privately placed Non-Convertible Debentures have been redeemed and stand extinguished.

ACC Share Price on BSE vis-à-vis BSE Sensex January - December 2014

Month	BSE Sensex Close	ACC Share Price			No of shares traded during the month	Turnover (₹ Crores)
		High	Low	Close		
		-	-	-		
Jan-14	20513.85	1,122.00	971.25	1,010.85	6,03,107	62.56
Feb-14	21120.12	1,112.00	966.35	1,103.45	5,89,805	60.61
Mar-14	22386.27	1,399.25	1,092.00	1,391.55	5,41,733	67.98
Apr-14	22417.80	1,402.35	1,278.30	1,291.70	6,68,085	89.71
May-14	24217.34	1,460.00	1,261.50	1,339.50	7,46,066	102.60
Jun-14	25413.78	1,524.45	1,337.60	1,468.05	6,22,626	91.31
Jul-14	25894.97	1,510.00	1,388.30	1,394.50	4,83,675	69.97
Aug-14	26638.11	1,545.90	1,360.00	1,491.70	4,07,395	60.00
Sept-14	26630.51	1,570.00	1,388.00	1,404.15	5,47,101	82.30
Oct-14	27865.83	1,510.00	1,354.10	1,500.90	4,35,090	62.60
Nov-14	28693.99	1,531.70	1,420.00	1,470.35	3,48,419	51.52
Dec-14	27499.42	1,515.00	1,362.35	1,399.40	7,50,933	106.63

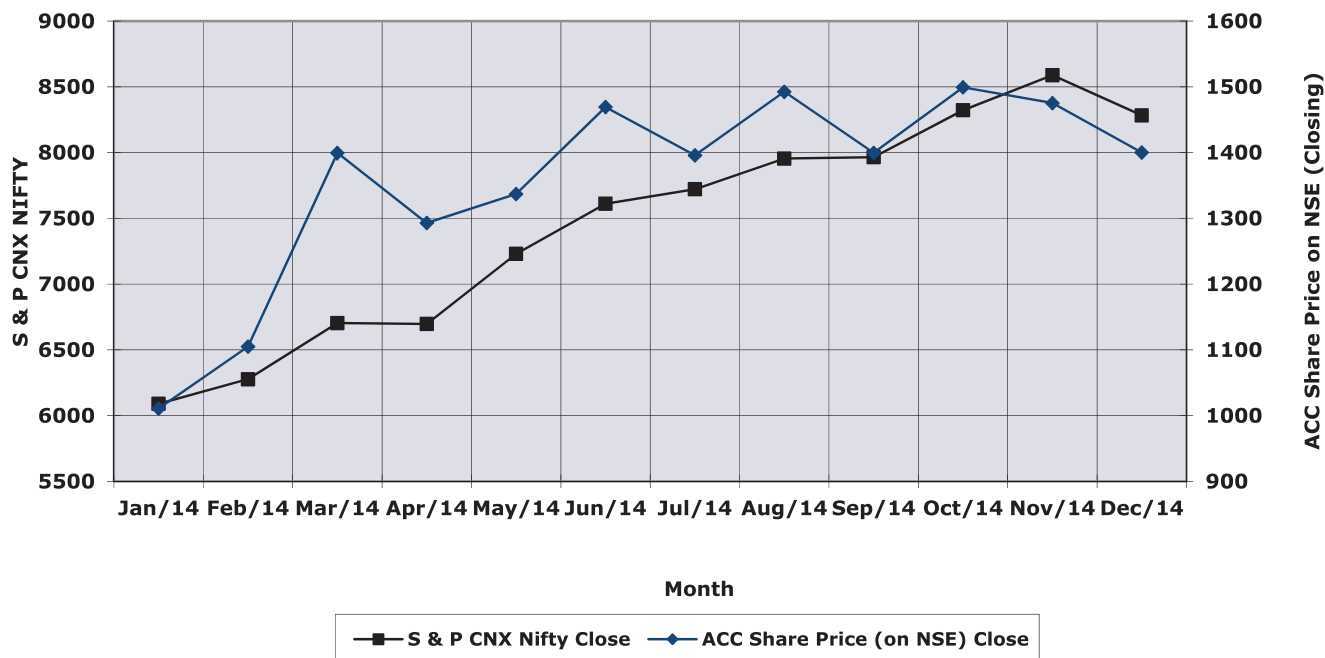
ACC Share Price on BSE & BSE Sensex



ACC Share Price on NSE vis-à-vis S&P CNX Nifty January - December 2014

Month	S & P CNX Nifty Close	ACC Share Price			No of shares traded during the month	Turnover (' Crores)
		High	Low	Close		
Jan-14	6089.50	1,122.15	970.15	1,010.85	52,42,192	544.20
Feb-14	6276.95	1,110.00	988.60	1,104.90	46,06,950	477.70
Mar-14	6704.20	1,407.00	1,094.00	1,399.55	65,02,911	818.02
Apr-14	6696.40	1,403.00	1,277.00	1,293.00	65,21,178	876.08
May-14	7229.95	1,459.90	1,261.10	1,337.00	92,00,507	1,264.69
Jun-14	7611.35	1,525.50	1,332.80	1,469.25	70,79,021	1,038.10
Jul-14	7721.30	1,514.95	1,388.20	1,395.90	55,66,980	802.60
Aug-14	7954.35	1,549.75	1,358.05	1,492.55	68,74,431	1,009.32
Sept-14	7964.80	1,564.65	1,385.30	1,399.55	76,62,220	1,148.44
Oct-14	8322.20	1,509.00	1,354.65	1,499.25	51,27,112	732.26
Nov-14	8588.25	1,531.60	1,416.00	1,475.35	50,56,555	747.87
Dec-14	8282.70	1,517.00	1,364.10	1,400.15	85,08,782	1,208.81

ACC Share Price on NSE & S&P CNX NIFTY



SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

i. Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

ii. Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

iii. Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

iv. Subdivision of shares

The Company had subdivided the face value of its Equity Shares from ₹ 100 to ₹ 10 in 1999. The old shares having face value of ₹ 100 are no

longer tradable on the Stock Exchanges. Members holding share certificates of the face value of ₹ 100 are requested to send the certificates to the Share Department of the Company for exchange with shares of the face value of ₹ 10 each.

v. Dividend

a. Payment of dividend through National Electronic Clearing Service (NECS)

The Company provides the facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS, Members who hold shares in demat mode should inform their Depository Participant and such of the Members holding shares in physical form should inform the Company of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / Depository Participant, the Company will issue dividend warrants to the Members.

b. Unclaimed Dividends

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. The Company will, in June 2015 and in September 2015 transfer to the said fund, the dividends for the years ended December 31, 2007 (70th Final) and December 31, 2008 (71st Interim) which have remained unclaimed / unpaid.

The dates by which the dividend amounts will be transferred to IEPF are as under:

Financial Year	Date of Declaration	Rate of Dividend per share (₹)	Due date for transfer to IEPF
31.12.2007 (70 th Final)	24.04.2008	10.00	28.06.2015
31.12.2008 (71 st Interim)	24.07.2008	10.00	27.09.2015
31.12.2008 (71 st Final)	08.04.2009	10.00	12.06.2016
31.12.2009 (72 nd Interim)	23.07.2009	10.00	26.09.2016
31.12.2009 (72 nd Final)	08.04.2010	13.00	12.06.2017
31.12.2010 (73 rd Interim)	22.07.2010	10.00	25.09.2017
31.12.2010 (73 rd Final)	13.04.2011	20.50	17.06.2018
31.12.2011 (74 th Interim)	28.07.2011	11.00	30.09.2018
31.12.2011 (74 th Final)	28.03.2012	17.00	01.06.2019
31.12.2012 (75 th Interim)	26.07.2012	11.00	29.09.2019
31.12.2012 (75 th Final)	05.04.2013	19.00	09.06.2020
31.12.2013 (76 th Interim)	25.07.2013	11.00	28.09.2020
31.12.2013 (76 th Final)	09.04.2014	19.00	13.06.2021
31.12.2014 (77 th Interim)	24.07.2014	15.00	27.09.2021

Individual reminders are sent each year to those Members whose dividends have remained unclaimed for a period of seven years from the date they became due for payment, before transferring the monies to the Investor Education & Protection Fund (IEPF). The information on unclaimed dividend is also posted on the website of the Company as aforesaid.

vi. Pending Investors' Grievances

Any Member / Investor whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.

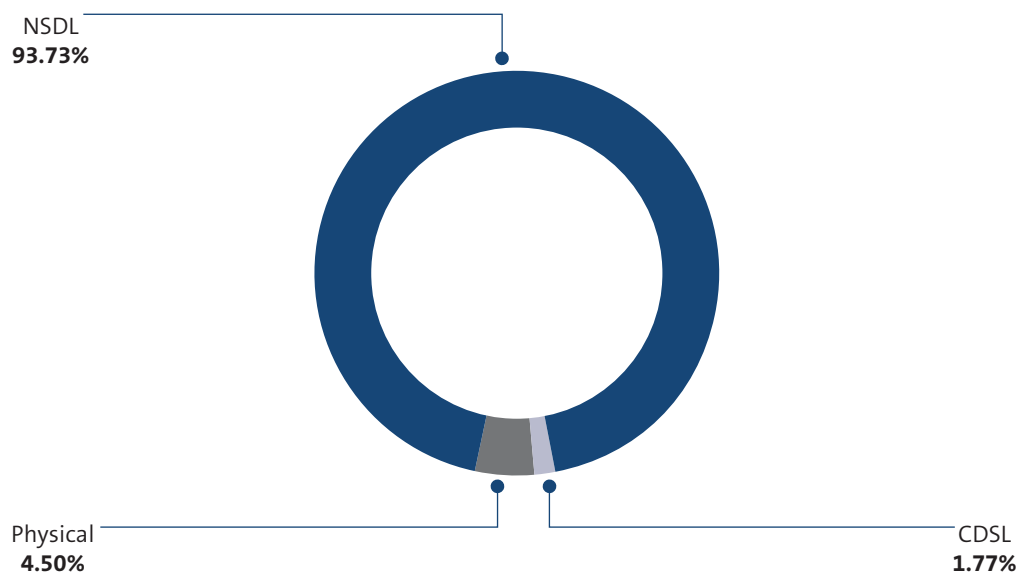
vii. Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and The National Stock Exchange of India Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

Distribution of Shareholding as on December 31, 2014

No. of shares slab	No. of share holders	%	No. of Shares							
			Physical	% of share capital	NSDL	% of share capital	CDSL	% of share capital	Total No. of Shares	% of share capital
1-50	59608	57.99	258883	0.14	651179	0.35	176943	0.09	1087005	0.58
51-100	13340	12.98	282737	0.15	670581	0.36	140084	0.07	1093402	0.58
101-200	10506	10.22	461869	0.25	936108	0.50	173193	0.09	1571170	0.84
201-500	9654	9.39	890474	0.47	1968691	1.05	327009	0.17	3186174	1.70
501-1000	4667	4.54	868913	0.46	2184806	1.16	324935	0.17	3378654	1.80
1001-5000	4098	3.99	1993070	1.06	5651398	3.01	734314	0.39	8378782	4.46
5001-10000	441	0.43	549813	0.29	2303568	1.23	206113	0.11	3059494	1.63
>10000	480	0.47	3149109	1.68	161594064	8607	1247502	0.66	165990675	88.41
Total	102794	100.00	8454868	4.50	175960395	93.73	3330093	1.77	187745356	100.00

Distribution of Shareholding as on 31.12.2014

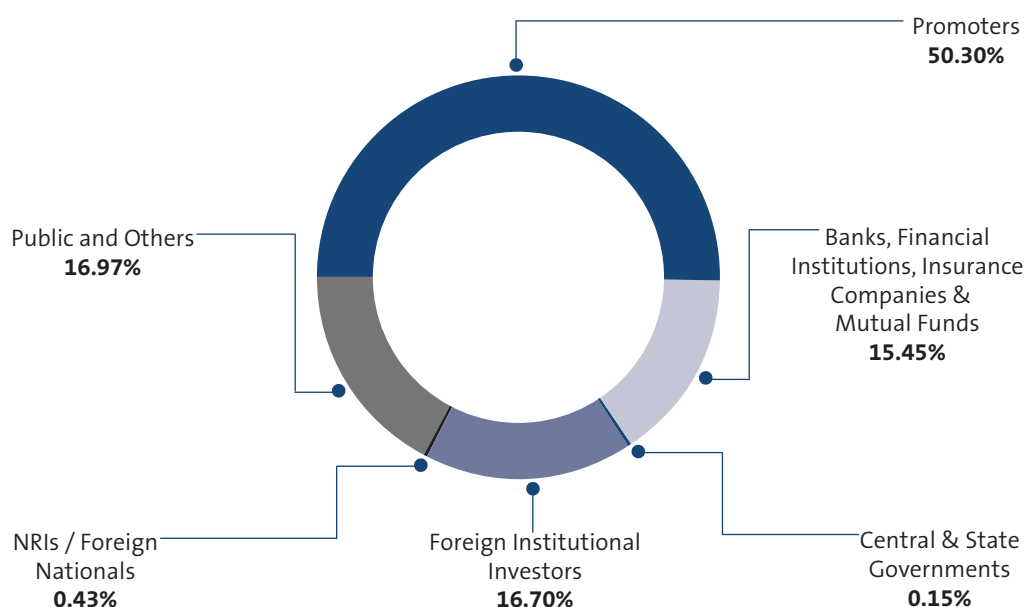


The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with either of the depositories.

Shareholding Pattern as on December 31, 2014

	No. of Shares held	%	
Promoters			
i. Holcim (India) Private Limited	93888120	50.01	50.30
ii. Holderind Investments Ltd.	541000	0.29	
Banks, Financial Institutions, Insurance Companies & Mutual Funds			
i. Banks	1112190	0.59	
ii. Financial Institutions	20079180	10.67	15.45
iii. Insurance Companies	-	-	
iv. Mutual Funds/UTI	7829222	4.17	
Central & State Governments	287815		0.15
Foreign Institutional Investors	31345292		16.70
NRIs / Foreign Nationals	802056		0.43
Directors	0		0.00
Public and Others	31860481		16.97
TOTAL	187745356		100.00

Shareholding Pattern as on December 31, 2014



The Company is a subsidiary of Holcim (India) Private Limited and an ultimate subsidiary of Holcim Limited, Switzerland.

Statement showing Shareholding of more than 1% of the Capital as on December 31, 2014

Sr. No.	Names of the shareholders		Number of shares	Percentage of Capital
1	Holcim (India) Private Limited (Promoter)	93888120	94429120	50.30
	Holderind Investments Ltd (Promoter)	541000		
2	Life Insurance Corporation of India		17971429	9.57
3	Aberdeen Global Indian Equity (Mauritius) Limited		3968936	2.11
4	JP Morgan Sicav Investment Company (Mauritius) Limited		2054678	1.09
5	Aranda Investments (Mauritius) Pte Ltd.		1994039	1.06
	TOTAL		120418202	64.13

Global Depository Receipts (GDR) or any Convertible instrument, conversion dates and likely impact on Equity
NIL

Particulars of past three Annual General Meetings

AGM	Financial Year	Venue	Date	Time	Special Resolutions passed
78 th	Calendar Year 2013	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020	09.04.2014	3.00 p.m.	No Special Resolution was passed
77 th	Calendar Year 2012		05.04.2013	3.00 p.m.	No Special Resolution was passed
76 th	Calendar Year 2011		28.03.2012	3.00 p.m.	No Special Resolution was passed

Extraordinary General Meeting (EGM)

The Company held an Extraordinary General Meeting on September 10, 2014 for the appointment of Independent Directors and the Chief Executive Officer and Managing Director.

As required, a poll (electronically and by physical ballot) was conducted for the appointment of Independent Directors and the Chief Executive Officer and Managing Director and all the resolutions were passed with requisite majority.

Details of Resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern

During the year under review, no resolution has been passed through the exercise of postal ballot.

DECLARATIONS

FINANCIAL CALENDAR 2015:

Board Meeting for consideration of Accounts for the financial year ended December 31, 2014 and recommendation of dividend	February 3, 2015
Posting of Annual Reports	On or before February 23, 2015
Book Closure Dates	March 14, 2015 to March 20, 2015 (both days inclusive)
Last date for receipt of Proxy Forms	March 18, 2015 before 3.00 p.m.
Date, Time & Venue of the 79 th Annual General Meeting	March 20, 2015 at 3.00 p.m. Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020
Dividend Payment Date	March 24, 2015
Probable date of despatch of warrants	On or before March 21, 2015
Board Meeting for consideration of unaudited quarterly results for the financial year ended December 31, 2015	Within forty five days from the end of the quarter, as stipulated under the Listing Agreement with the Stock Exchanges
Audited results for the current financial year ending December 31, 2015	Within sixty days from the end of the last quarter, as stipulated under the Listing Agreement with the Stock Exchanges

For and on behalf of the Board

Mumbai
February 3, 2015

N S Sekhsaria
Chairman

Compliance with Code of Business Conduct and Ethics

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended December 31, 2014.

For ACC Limited

Mumbai
February 3, 2015

Harish Badami
Chief Executive Officer & Managing Director

CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Chief Executive Officer and Managing Director and Chief Financial Officer of ACC Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended December 31, 2014 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Yours faithfully

Harish Badami
CEO & Managing Director

Mumbai
February 3, 2015

Sunil Nayak
Chief Financial Officer

S R B C & Co. LLP
Chartered Accountants

The Ruby, 14th Floor
29, Senapati Bapat Marg
Dadar (West)
Mumbai 400 028.
Tel. No. + 91 22 6192 0000
Fax No. + 91 22 6192 1000

AUDITORS' CERTIFICATE

TO THE MEMBERS OF ACC LIMITED

We have examined the compliance of conditions of Corporate Governance by ACC Limited, for the year ended on December 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S R B C & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E

Per Ravi Bansal
Partner
Membership No.: 49365

Mumbai
February 3, 2015

BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2014

Section A: General Information about the Company

1. Corporate Identity Number (CIN) : L26940MH1936PLC002515
2. Name of the Company : ACC Limited
3. Registered Address : Cement House
121, Maharshi Karve Road
Mumbai 400 020
4. Website : www.acclimited.com
5. E-mail id : brr.info@acclimited.com
6. Financial Year reported : January 1, 2014 to December 31, 2014
7. Sector(s) that the Company is engaged in (industrial activity code wise):

Group	Class	Sub class	Description
269	2694	26942	Manufacture of Portland Cement

8. List three key product/services that the Company manufactures/provides (as in balance sheet):
The Company manufactures cement of various kinds viz. Ordinary Portland Cement (OPC), Portland Pozollana Cement (PPC), and Portland Slag Cement (PSC) and Ready Mixed Concrete (RMX)
9. Total number of locations where business activity is undertaken by the Company:
 - i. Number of international locations : Nil
 - ii. Number of national locations : 17 cement plants, 47 Ready Mixed Concrete Plants, and 26 offices including registered office, regional offices and sales offices
10. Markets served by the Company : Pan India across all markets in India.

Section B: Financial Details of the Company

1. Paid up capital (INR) : ₹ 187.95 Crore
2. Total turnover (INR) : ₹ 11,481.05 Crore
3. Total profit after taxes (INR) : ₹ 1,168.29 Crore

4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

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

5. List of activities in which expenditure in 4 above has been incurred:

- a. Literacy & Education for the community
- b. Livelihood, Employability & Income generation
- c. Health and Sanitation Programmes
- d. Empowerment and Gender Equality
- e. Building Community Infrastructure
- f. Other Development Areas

Section C: Other Details

1. Does the Company have any Subsidiary Company / Companies?

Yes, the Company has 5 subsidiaries, viz:

- a. ACC Mineral Resources Limited
- b. Bulk Cement Corporation (India) Limited
- c. Lucky Minmat Limited
- d. National Limestone Company Private Limited
- e. Singhania Minerals Private Limited

2. Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company If yes, then indicate the number of such subsidiary company(s)?

Business Responsibility initiatives of the parent company are applicable to the subsidiary companies.

3. Do any other entity / entities (e.g. suppliers, distributors etc) that the Company does business with participate in the BR initiatives of the Company? If yes then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]

The program "ACC ki Laadli" is a flagship CSR Project of North Region. The Company partnered with an NGO called "IIMPACT" to establish learning centres for school drop out girl children in the age group of 6-14 years. Almost 750 girl children especially those out of school and belonging to marginalized and deprived sections of the society are enrolled in these schools and are given quality primary education. The aim is to mainstream the girls, preparing them to take the class V exam at State level.

The project implementation started in October 2013. 25 learning centres have been set up in the different blocks of Uttar Pradesh, Rajasthan and Uttarakhand and teaching has commenced in these centres. The dealer network of ACC participates in this five year project. As the project is in the initial stages, the dealers' participation presently is < 30%.

Section D: BR Information

1. Details of Director / Directors responsible for BR:

Details of the Director / Directors responsible for implementation of the BR policy / policies:

- Director Identification Number (DIN): 02298385
- Name: Mr Harish Badami
- Designation: Chief Executive Officer and Managing Director

Details of the BR head:

Sr. No	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Mr Burjor D Nariman
3	Designation	Company Secretary and Head Compliance
4	Telephone Number	(022) 3302 4321 / 3302 4329
5	E mail Id	brr.info@acclimited.com

Principle-wise (as per NVGs) BR Policy / policies (Reply in Y/N):

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

- P1** - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2** - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3** - Businesses should promote the well being of all employees
- P4** - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5** - Businesses should respect and promote human rights
- P6** - Businesses should respect, protect and make efforts to restore the environment.
- P7** - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8** – Businesses should support inclusive growth and equitable development
- P9** – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr No	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement & CSR	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for....	Y	Y The policy is embedded in the Company's quality and environment policies which inter alia, relate to safe and sustainable products	Y	Y	Y The policy is embedded in the Company's Code of Business Conduct, HR policies and various other HR practices	Y	N	Y	N
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	--	Y	Y	--	Y	--	Y	--
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y Bureau of Indian Standards (BIS)	Y	N	--	Y	--	N	--
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	Y	--	N	Y	--	N	--	Y	--
5	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y At Executive Committee Meetings	Y	Y	--	Y	--	Y	--
6	Indicate the link for the policy to be viewed online?	*	--	--	#	--	--	--	#	--
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	--	Y (to internal stakeholders)	Y	--	Y	--	Y	--
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	--	Y	--	Y	--
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	The Company has a redressal mechanism to address product related complaints i.e. Customer Complaint Portal	Y	N	--	N	--	N	--
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	--	N	Y	--	Y	--	Y	--

* <http://www.acclimited.com/newsite/finance.asp?tag=cbc>

http://www.acclimited.com/newsite/pdf/Policy/CSRPoly2013_Approved_CEO_MD.pdf

2a. If answer to Sr. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principle	--	--	--	--	--	--	--	--	--
2	The Company is not at stage where it finds itself in a position to formulate and implement the policies on specified principle	--	--	--	--	--	--	--	--	--
3	The Company does not have financial or manpower resources available for the task	--	--	--	--	--	--	--	--	--
4	It is planned to be done within next six month	--	--	--	--	--	--	--	--	--
5	It is planned to be done within next one year	--	--	--	--	--	--	--	--	--
6	Any other reason (please specify)	--	--	--	--	--	--	The Company has a track record of pioneering achievements, long experience and leadership position which has benefitted the cement industry at large in initiating dialogue with Government. However, no need for a formal policy has been felt.	--	The Company has a systematic process of assessing customer needs fulfilling them with innovative products and services. It also has customer complaint redressal system.

3. Governance related to BR:

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Committee meets twice a year.

Does the Company publish a BR or a Sustainability Report? What is the hyper-link for viewing this report? How frequently it is published?:

Yes, the Company publishes printed versions of its Sustainability Report in a two year cycle. An electronic version of the report is uploaded on the Company's website in the intervening year to serve as a web update. This report constitutes the Company's third Business Responsibility Report. The hyper-link for viewing the Sustainability Report of the Company is <http://www.acclimited.com/newsite/sdevelopment.asp>.

Section E: Principle-wise Performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

- Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The Company considers Corporate Governance as an integral part of good management. Company has a Code of Business Conduct (along with an Anti-Bribery and Corruption Directive) and a vigil mechanism named Fraud Risk Management Policy that are approved by the Board of Directors. These are applicable to all Board Members and employees of the Company and all its subsidiaries, and a quarterly / annual affirmation is taken from the designated employees. The Anti Bribery and Corruption Directive and the Fraud Risk Management Policy also extends to the Company's business partners viz. vendors / service providers / customers. The Code is available on the Company's website at this web address: <http://www.acclimited.com/newsite/finance.asp?tag=cbc>.

- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company received 83 complaints under the Fraud Risk Management response mechanism, out of which 47 were resolved and the balance 36 complaints are under various stages of investigation and completion.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

- List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Blended cements namely Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC). The Company uses industrial / municipal hazardous waste as alternative fuel. The Company uses biomass in its manufacturing process.

- For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional):**

- Reduction during sourcing / production / distribution achieved since the previous year through the value chain**

Consumption per unit of production	Current Year (January – December 2014)	Previous Year (January – December 2013)
Electrical Energy (kWh/ Tonne of Cement)	80	81
Thermal Energy (K Cal / kg of Clinker)	730	733
CO ₂ Emissions (kg CO ₂ / Tonne of Cement)	526	538

ii. Reduction during usage by consumers (energy, water) achieved since the previous year?

The Company's products do not have any broad based impact on energy. However, as the cement manufacturing process is highly energy intensive, the Company takes several measures to reduce thermal and electrical energy consumption.

3. Does the Company have procedures in place for sustainable sourcing (including transportation) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, all the Company's plants are situated close to limestone mines which helps minimize transportation. The Company employs sustainable mining practices. Most bulk materials are transported inward by rail. Blended Cements are manufactured using fly ash / slag which are waste products of other industries. Fly ash and slag are not environmentally friendly and need to be disposed off in a careful manner.

In the manufacture of clinker, the Company utilizes Alternative Fuel and Raw Materials (AFR) which help conserve natural resources. The Company encourages procurement through vendors who adopt sustainable practices.

4. Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

The Company has a policy of procuring goods and services like horticulture, housekeeping and the like from nearby suitable sources of supply.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as < 5%, 5-10%, >10%) Also, provide details thereof, in about 50 words or so.

Cement manufacturing process does not directly discharge any significant effluent or waste.

ACC has the facility of consuming used cement bags as Alternate Fuel some of manufacturing units. However, as the location of cement usage is in far away markets spread across geographies, a very low percent of used bags get recycled by ACC. About 87% of cement manufactured by the Company comprises blended cement which is produced using slag and fly ash which are wastes from other industrial processes.

Recognizing the urgent need to address global problems of increasing paucity of fossil fuels and rampant practices of unsustainable waste disposal, the Company has pioneered the use of industrial, municipal and agricultural wastes as Alternative Fuels and Raw Materials (AFR) in India.

Principle 3: Businesses should promote the well-being of all employees**1. Please indicate total number of employees:**

Sr. No.	Category of Employees	No. of Employees
1.	Management Staff	4665
2.	Shop Floor Associates	4363
	Total	9028

2. Please indicate total number of employees hired on temporary/contractual/casual basis:

Sr. No.	Category of Employees	No. of Employees
1.	Retainers/Advisors	52
2.	Subcontracted Employees	2084
3.	Third Party Employees	4696
4.	Casual Employees	43
	Total	6875

3. Please indicate the number of permanent women employees:

Number of permanent women employees: 334

4. Please indicate the number of permanent employees with disabilities.

Number of permanent employees with disabilities: 29

5. Do you have an employee association that is recognized by the Management?

Yes, there are recognized trade unions affiliated to various central trade union bodies. Company's Shop Floor Associates and office associates are members of their respective unions.

6. What Percentage of permanent employees are members of this recognized employee association?

Approximately 60% of permanent employees are members of recognized employee associations.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and those pending as on the end of the financial year.

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	NIL	NIL
2	Sexual Harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What Percentage of under mentioned employees were given safety and skill up-gradation training in the last year?

A. Permanent employees	:	76%
B. Permanent women employees	:	68%
C. Casual/Temporary/Contractual employee	:	NIL
D. Employees with disabilities	:	48%

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its stakeholders as a part of its stakeholder engagement strategy development process.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders? Yes/No

Yes, the Company has identified the disadvantaged vulnerable and marginalized stakeholders with the help of socio-demographic data of the community through base line surveys.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company continues to run two Anti-Retroviral Therapy (ART) centers to support people affected by HIV/AIDS through medical treatment and counselling. The Company has also supported patients by organizing them in Self Help Groups and through life skills development programmes.

The Company has enhanced access to healthcare for the community through health camps and mobile health clinics. The Company also jointly works with the local district administration for promoting national campaigns on DOTS for TB, Malaria prevention and immunization.

The Company's pilot initiative for energy security in remote tribal areas and education support for dropout girl children are some of the other special initiatives undertaken to engage with the vulnerable and marginalized stakeholders.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company does not have a stated Human Rights Policy. However, most of the aspects are covered in the Company's Code of Business Conduct and Ethics as well in various human resource practices.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

Nil

Principle 6: Businesses should respect, protect and make efforts to restore the environment

- 1. Does the policy pertaining to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

The Company's Corporate Environment Policy extends to cover the Company and its subsidiaries.

- 2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y / N. If yes, please give hyper-link for webpage etc.**

Yes, the Company is committed to reduce GHGs emissions and has a clear road map to achieve the same. The hyperlink for the same is: <http://www.acclimited.com/newsite/sdevelopment/asp>

- 3. Does the Company identify and assess potential environmental risks? Y/N**

Yes, the Company has a mechanism to identify and assess potential environmental risks in its plants and projects.

- 4. Does the Company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

Yes, the Company has three registered projects under Clean Development Mechanism (CDM) and Environmental Compliance Report (Validation & Verification Reports) has been filed and Certified Emission Reductions were issued.

- 5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc? Y/N. If yes, provide hyper-link to web page etc.**

The Company has taken up several initiatives on clean technology, energy efficiency and renewable energy. Details of these are available at <http://www.acclimited.com/newsite/sdevelopment.asp>.

- 6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

Yes, the emissions / waste generated by the Company are within the permissible limits given by CPCB / SPCB.

- 7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.**

Nil.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- 1. Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.**

The Company is a Member of:

- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Bombay Chamber of Commerce and Industry
- Federation of Indian Mineral Industries (FIMI)

- 2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

Yes, following are the Broad areas:

- Sustainable Mining Practices
- Waste Management
- Energy Conservation
- Promotion of Concrete Roads

Principle 8: Businesses should support inclusive growth and equitable development

- 1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Yes, the Company has the specific programs / initiatives / projects in pursuance of its CSR policy.

The Company engages host communities through Community Advisory Panels (CAP) at all plant locations for planning of CSR activities, process monitoring and evaluation. The CSR project participants include the disadvantaged, vulnerable and marginalized sections of the society.

The Company carried out CSR projects in pursuance of inclusive development, primarily focusing on:

- Literacy & Education for the community
- Livelihood, Employability & Income generation
- Health and Sanitation Programmes
- Empowerment and Gender Equality
- Building Community Infrastructure
- Other Development Areas

- 2. Are the programmes/projects undertaken through in-house team / own foundation /external NGO/Govt. structure /any other organization?**

The Company's CSR projects are implemented through internal team as well as in partnership with non-Governmental Organizations (NGOs), and Government Institutions.

3. Have you done any impact assessment of your initiative?

Yes, the Company has conducted impact assessments of its CSR initiatives.

4. What is the Company's direct contribution to community development projects – Amount in INR and details of the projects undertaken?

The Company spent an amount of ₹ 27.45 Crores in development projects as under in 2014:

Sr. No.	Focus Areas	Expenditure (₹ in Crore)
1	Literacy and Education for the community	6.23
2	Livelihood, Employability and Income Generation	7.74
3	Health, Sanitation and Water	6.38
4	Equality and Women Empowerment	2.53
5	Promotion of Sports and Cultures	0.08
6	Building Community Infrastructure	4.49
	Total	27.45

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words.

Yes, the Company follows participatory approach in selection of CSR initiatives. A Community Advisory Panel (CAP), comprising representatives and opinion leaders of the community are functional at plant locations, which facilitate inclusive project planning, information sharing and participatory implementation. Stakeholder Engagement Survey (SES) is conducted at a regular interval to identify needs of the community, required modifications in ongoing initiative implementation and assess project outcomes, this helps in fostering ownership amongst local communities.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What Percentage of customer complaints / consumer cases are pending as on the end of financial year 2014?

A total of 217 complaints were received from customers (end-consumers) in 2014, out of which none (amounting to <1%) were pending as of December 31, 2014.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes, in respect of special products like 'ACC F2R (Foundation to Roof) Cement', Concrete+, ACC Gold etc., apart from the statutory information, the key product benefits are also highlighted on the packing of the cement bag.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as of end of financial year? If so, provide details thereof, in about 50 words or so.**

The Builders Association of India (BAI) had in July 2010 filed a complaint before the Competition Commission of India (CCI) alleging anti competitive practices on the part of major cement manufacturers including the Company, which was investigated. The CCI has thereafter passed an Order against the cement manufacturers and a penalty of ₹ 1,147.59 Crore was levied on the Company.

This Order has been challenged by the cement manufacturers including your Company before the Competition Appellate Tribunal (COMPAT) and as on date the matter is subjudice. COMPAT has directed the Company to deposit 10% of the penalty amount, i.e. ₹ 114.7 Crore which has been deposited in the form of a bank fixed deposit with a lien in favour of COMPAT.

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

Yes. Customer Satisfaction Survey, is carried out by the Company every year.

FINANCIAL ANALYSIS OF ACC LIMITED (STANDALONE):

The following table sets forth the breakup of the Company's expenses as part of the Revenue from operations (Net)

Figures in ` Crore

	2014	% of Revenue from operations	2013	% of Revenue from operations
Revenue from operations (net)	11,738.21	100.00%	11,149.61	100%
Other income	268.28	2.29%	285.67	2.56%
Cost of material consumed	1,788.31	15.23%	1,608.80	14.43%
Purchase of traded goods	194.33	1.66%	161.10	1.44%
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(11.28)	-0.10%	6.53	0.06%
Employee benefits expense	746.59	6.36%	661.27	5.93%
Power and fuel	2,441.82	20.80%	2,375.97	21.31%
Freight and Forwarding expense	2,598.33	22.14%	2,308.87	20.71%
Finance costs	82.76	0.71%	113.55	1.02%
Depreciation and amortization expense	557.58	4.75%	573.95	5.15%
Other expenses	2,472.85	21.07%	2,398.28	21.51%
Profit before tax	1,135.20	9.67%	1,226.96	11.00%

1. REVENUE FROM OPERATIONS (NET):

Figures in ` Crore

	2014	2013	Change	Change%
Cement and Clinker	10,720.28	10,233.17	487.11	4.76%
Ready Mix Concrete	740.80	639.63	101.17	15.82%
Sale of services	19.97	16.28	3.69	22.67%
Other operating revenue	257.16	260.53	(3.37)	-1.29%
Revenue from operations (net)	11,738.21	11,149.61	588.60	5.28%

Revenue from operations has increased by 5% due to following reasons:-

- Net sale of cement and clinker has registered a growth of 5% mainly on account of improved realization by 4% in 2014 over 2013. The Company achieved a sales volume of 24.21 million tonnes of cement during the year as compared to 23.93 million tonnes in the previous year. This represented only marginal growth of 1.20% owing to difficult market conditions.
- Sale volume of Ready Mixed Concrete has increased by 18% from 18 Lakh cubic meters to 21.24 Lakh cubic meters.
- Other operating revenue consists of accrual of incentives and subsidies receivable from governments under incentive schemes, write back of provision which is no longer required, scrap sales and other miscellaneous income. There is no significant movement in the other operating revenue as compared to the previous year due to following compensating elements:-
 - Write back of provision which is no longer required has increased by ` 32 Crore as compared to the previous year.
 - In the previous year, additional incentives and subsidies of ` 24 Crore was accrued in Chaibasa Plant due to favourable order from Jharkhand High Court.

2. OTHER INCOME:

Figures in ` Crore

	2014	2013	Change	Change%
Other Income	268.28	285.67	(17.39)	-6.09%

Other Income consists of Interest on Bank deposits, Interest on Income Tax, Gain on sale of current investments and Dividend from long term investments.

- During the year, the Company has utilized the surplus cash for Jamul and Sindri Projects which has resulted into lower interest income and gain on sale of investment by ` 42 Crore in current year over previous year.
- During the year, the Company has written back ` 69 Crore (*Previous year - ` 40 Crore*) towards interest on income tax relating to earlier years.

3. COST OF MATERIAL CONSUMED:

Figures in ` Crore

	2014	2013	Change	Change%
Cost of material consumed	1,788.31	1,608.80	179.51	11.16%

Cost of material consumed has increased due to the following reasons:

- Cement production during the current year at 24.24 million tonnes recorded an increase of 1.6% over previous year.
- Ready Mixed Concrete production has increased by 23% from 15.96 Lakh cubic meters to 19.65 Lakh cubic meters.
- Fly ash prices increased by 11% due to non availability of fly ash from nearby sources.
- Consequent to an order of Hon'ble Supreme Court restraining mining under deemed extension of second and subsequent renewals of mining leases, limestone mining operation at Chaibasa and Bargarh plants remained temporarily suspended during Q4 2014, which has resulted in an exceptional increase in input cost on account of purchase of clinker and limestone.
- Increase in major input cost has partly been offset by reduction in slag prices by 17%.
- The Company continues to focus on cost optimization through its Institutionalizing Excellence programme.

4. PURCHASE OF TRADED GOODS:

Figures in ` Crore

	2014	2013	Change	Change%
Cement	121.91	68.60	53.31	77.71%
Ready mix concrete	72.42	92.50	(20.08)	-21.71%
TOTAL	194.33	161.10	33.23	20.63%

Purchase of cement has increased due to increase in purchase quantity from 0.30 to 0.39 million tonnes.

- Purchase of cement from Ambuja Cements Limited has increased by ` 65 Crore.
- The Company has discontinued the trading of cement from Shiva Cement Limited from last quarter of previous year which has resulted into decrease in cement purchase by ` 20 Crore as compared to previous year.

5. POWER AND FUEL:

Figures in ` Crore

	2014	2013	Change	Change%
Power and Fuel	2,441.82	2,375.97	65.85	2.77%

Power and fuel cost has increased marginally due to following reasons:

- Coal cost for kiln increased by 3.6% in 2014 over 2013 due to drop in linkage coal procurement in view of shortage of rakes and thereby resulting in higher procurement of imported and e-auction coal.
- Coal cost for captive power plants increased by 10% mainly due to the limited availability of CPP grade linkage coal and resulting in higher procurement of e-auction / imported coal.

Increase in power and fuel cost has been partially offset due to following elements:

- The gain in cost has been achieved with improved operating efficiencies of kiln & captive power plants, reduction in electrical energy consumption and benefits derived from Waste Heat Recovery System (WHRS) - Galgal operations.
- Clinker production has decreased by 2% over the previous year.
- Reduction in coal consumption at Bargarh and Chaibasa plants due to temporary suspension of limestone mining operation.
- Power consumption is 84.60 kwh/t as compared to 85 kwh/t in the previous year.

6. EMPLOYEE BENEFITS EXPENSE:

Figures in ` Crore

	2014	2013	Change	Change%
Employee benefits expense	746.59	661.27	85.32	12.90%

Employee benefits expense has increased due to following reasons:

- Retirement benefits provision has increased due to decrease in discounting rate from 8.85% to 7.90%. Total impact of increase in employee benefit provision / expenses are approx ` 28 Crore as compared to previous year.
- Normal hike in salary and provision regarding wage hike for Shop Floor Associates w.e.f. April 01, 2014.

7. FREIGHT AND FORWARDING EXPENSE :

Figures in ` Crore

	2014	2013	Change	Change%
On inter unit Clinker transfer	393.81	277.52	116.29	41.90
On finished products - Cement	2,136.50	1,973.59	162.91	8.25%
Ready mixed Concrete	68.02	57.76	10.26	17.76%
TOTAL	2,598.33	2,308.87	289.46	12.54%

Freight and Forwarding expenses has increased due to following reasons:

- Freight on clinker transfer has gone up mainly on account of long lead movement of clinker for Bargarh and Chaibasa Plants on account of temporary suspension of limestone mining operations and hike in rail freight.
- Freight on cement has gone up due to increase in cement sale volume and hike in rail & road freight, offset by improvement in logistics operational efficiencies.

8. OTHER EXPENSES:

Figures in ` Crore

	2014	2013	Change	Change%
Consumption of packing materials	483.67	434.15	49.52	11.41%
Repairs	171.54	161.44	10.10	6.26%
Royalty on Minerals	129.82	118.28	11.54	9.76%
Discount on sales	93.27	88.28	4.99	5.65%
Rates and Taxes	141.13	120.13	21.00	17.48%
Advertisement	106.82	116.07	(9.25)	-7.97%
Excise Duties	4.37	6.47	(2.10)	-32.46%
Rent	33.83	30.51	3.32	10.88%
Insurance	24.62	25.29	(0.67)	-2.65%
Consumption of Stores and spares	361.99	375.49	(13.50)	-3.60%
Technology and Know-how fees	112.91	107.66	5.25	4.88%
Miscellaneous Expenses	826.54	821.97	4.57	0.56%
TOTAL	2,490.51	2,405.74	84.77	3.52%

Other expenses has increased on account of following reasons:-

- Consumption of packing material cost has increased mainly due to increase in average price of bags by 6%.
- Royalty on limestone has increased due to increase in royalty rate from ` 63 to ` 80 from Q3 2014. This increase is partially offset by decrease in extraction of limestone in Chaibasa and Bargarh plant due to temporary suspension of limestone mining operation.
- Rates and Taxes have increased mainly due to additional goods tax rate in Himachal Pradesh which has increased from ` 130/ton to ` 150/tonne from Oct 2013. Entry tax on cement has also increased due to Local body tax in the state of Maharashtra.
- Technology and Know-how fees represent the amount paid to Holcim Technology Ltd. for technical support received by the Company.
- Continued focus on reduction in fixed cost helped in restricting the increase in miscellaneous expenses cost by 0.56% only, in 2014 on a YOY basis.

9. DEPRECIATION AND AMORTIZATION EXPENSE:

Figures in ` Crore

	2014	2013	Change	Change%
Depreciation and Amortization expense	557.58	573.95	(16.37)	-2.85%

Depreciation expense has decreased due to following reasons:

- Depreciation on Captive Power Plant and its related assets are provided using the written-down value method.
- Reduction in depreciation on account of retirement of assets and useful life of some assets are fully depreciated in the previous year.
- Decrease in depreciation due to reasons stated above has been partly offset by depreciation on assets capitalised during the year.

10. FINANCE COSTS:

Figures in ` Crore

	2014	2013	Change	Change%
Finance costs	48.70	51.67	(2.97)	-5.75%
Interest on income tax	34.06	61.88	(27.82)	-44.96%
TOTAL	82.76	113.55	(30.79)	-27.12

Finance costs comprise interest on debentures, interest on income tax and other interest. Finance costs has decreased due to following reasons:

- During the year, the Company has redeemed debentures of ` 32 Crore. Interest on debentures has decreased by ` 3.92 Crore as compared to the previous year.
- Interest on Income tax has decreased by ` 27.82 Crore.

11. FIXED ASSETS:

Figures in ` Crore

	2014	2013	Change	Change%
Tangible assets	5,597.75	5,503.13	94.62	1.72%
Intangible assets	0.64	0.83	(0.19)	-22.89%
Capital Work in progress	1,914.63	819.61	1,095.02	133.60%
TOTAL	7,513.02	6,323.57	1,189.45	18.81%

- Marginal increase in tangible assets is due to capitalization of Waste Heat Recovery System (WHRS) at Galgal, Coal handling system at Wadi and purchase of mining and non-mining freehold land for projects.
- Capital work-in-progress has gone up mainly on account of capital expenditure incurred for Jamul and Sindri projects.
 - Jamul Project – The clinkering project for 2.79 million tonnes per annum and grinding unit project for 1.1 million tonnes per annum is progressing satisfactorily and expected to be completed in 2015.
 - Sindri Project – The grinding unit project at Sindri for 1.35 million tonnes per annum is expected to be completed in 2015.

12. INVESTMENTS:

Figures in ` Crore

	2014	2013	Change	Change%
Non-current investments	290.90	176.81	114.09	64.52%
Current investments	1,282.08	2,017.21	(735.13)	-36.44%
TOTAL	1,572.98	2,194.02	(621.4)	-28.31%

- During the current year, the Company has converted inter corporate deposit given to its subsidiary AMRL into equity shares of ` 117 Crore.
- Current investment has decreased due to surplus fund used for Jamul and Sindri projects.

13. LOANS AND ADVANCES:

Figures in ` Crore

	2014	2013	Change	Change%
Long-term loans and advances	855.56	866.83	(11.27)	-1%
Short-term loans and advances	383.92	359.39	24.53	7%
TOTAL	1,239.48	1,226.22	13.26	1%

- Long-term loans and advances decreased mainly due to decrease in Capital advance for Jamul and Sindri projects which is partly offset by increase in Advance of income tax (Net)

Short term loans and advance has increased due to following reasons:

- Advances for supply of Raw material has gone up by ` 30 Crore. This is mainly due to increase in advance for supply of linkage coal.
- Increase in balance with statutory / government authorities by ` 25 Crore is mainly due to the increase in cenvat credit.
- Increase is partially offset by reduction in Loans and advances to related parties by ` 34 Crore due to repayment of loan by Subsidiary Company AMRL.

14. INVENTORIES:

Figures in ` Crore

	2014	2013	Change	Change%
Raw Materials	139.07	132.90	6.17	5%
Work-in-Progress	240.32	252.85	(12.53)	-5%
Finished Goods	153.75	129.82	23.93	18%
Stock-in-trade	0.37	0.49	(0.12)	-24%
Stores & Spare Parts	262.53	274.64	(12.11)	-4%
Packing Material	20.02	21.49	(1.47)	-7%
Fuels	439.53	309.28	130.25	42%
TOTAL	1,255.59	1,121.47	134.12	12%

Fuel inventory has increased mainly due to stoppage of clinkerisation activity at Chaibasa and Bargarh plants which was due to temporary suspension of limestone mining operation.

15. TRADE RECEIVABLES:

Figures in ` Crore

	2014	2013	Change	Change%
Trade receivables – Cement	244.77	269.53	(24.76)	-9%
Trade receivables - Ready Mixed Concrete	165.94	127.69	38.25	30%
TOTAL	410.71	397.22	13.49	3%

- Trade receivable for cement has decreased due to better realization. The average collection days outstanding for cement sales as on December 31, 2014 is 5 as compared to 6 as on December 31, 2013.
- Increase in concrete business trade receivable in 2014 is mainly due to increase in sales.
- The average collection days outstanding for concrete business as on December 31, 2014 is 59 as compared to 62 as on December 31, 2013.

16. OTHER ASSETS:

Figures in ` Crore

	2014	2013	Change	Change%
Other non-current assets	360.71	308.24	52.47	17%
Other current assets	14.54	19.47	(4.93)	-25%
TOTAL	375.25	327.71	47.54	15%

- During the current year, the other non-current assets have gone up due to accrual of incentive receivables from government under various incentives schemes.
- Other current assets have gone down due to decrease in interest accrued on investments.

17. OTHER CURRENT LIABILITIES:

Figures in ` Crore

	2014	2013	Change	Change%
Current maturities of long-term borrowings	-	35.03	(35.03)	-100%
Interest accrued but not due on borrowings	-	0.64	(0.64)	-100%
Unpaid dividend & Deposit	31.89	38.06	(6.17)	-16%
Statutory dues	324.27	314.33	9.94	3%
Advance from customers	131.94	144.85	(12.91)	-9%
Security deposits and retention money	624.48	514.35	110.13	21%
Liability for capital expenditure	131.09	70.06	61.03	87%
Other payables	853.04	835.12	17.92	2%
TOTAL	2,096.71	1,952.44	144.27	7%

- During the current year, the Company has repaid the borrowing of ` 35.03 Crore.
- Liability for capital expenditure has increased due to Jamul and Sindri Projects.

18. PROVISIONS:

Figures in ` Crore

	2014	2013	Change	Change%
Long-term provisions	115.94	106.14	9.5	9%
Short-term provisions	937.27	1,063.70	(126.43)	-12%
TOTAL	1053.21	1,169.84	(116.63)	-10%

- Long-term provisions have gone up due to increase in provision for employee benefits. The increase is on account of change in discounting rate.

Short term provisions has decreased due to following reasons:

- Increase in provision for Leave encashment by ` 19 Crore mainly due to decrease in discounting rate considered for valuation.
- During the year, the Company has written back ` 112.75 Crore of provision for income-tax upon completion of assessment and also provision of ` 196.48 Crore relating to unassessed years considered no longer necessary (Refer note 40 of Note to the financial statement). Decrease in tax provision is partially offset by provision made during the year.

19. TRADE PAYABLES:

Figures in ` Crore

	2014	2013	Change	Change%
Trade payables	750.23	639.20	111.03	17.37%

Increase in trade payable is in line with increase in business activities. Trade payables of concrete business has increased by ` 34 Crore.

20. CASH FLOW:

Figures in ` Crore

	2014	2013	Change	Change%
Net cash flow from operating activities	1,331.70	1,056.23	275.47	26.08%

The net cash from operating activities is increased as compared to previous year due to following reasons.

- The cash operating profit before working capital changes has decreased by ` 173 Crore.
- Reduction in working capital by ` 42 Crore, as compared to an increase by ` 193 Crore in the previous year.
- Cash outflow from direct tax paid is ` 235 Crore, as compared to ` 449 Crore in the previous year.

	2014	2013	Change	Change%
Net cash used for investing activities	(1,436.69)	(857.74)	(578.95)	67.50%

- Cash outflow from investment activities has increased mainly on account of purchase of fixed assets for Jamul and Sindri projects.

	2014	2013	Change	Change%
Net cash used for financing activities	(837.09)	(834.47)	(2.62)	0.31%

- Payment of dividend and dividend tax increased by ` 97 Crore as compared to previous year, increase is offset by lower repayment of borrowings by ` 93 Crore as compared to previous year.

INDEPENDENT AUDITOR'S REPORT

To the Members of ACC Limited

Report on the Financial Statements

We have audited the accompanying financial statements of ACC Limited ("the Company"), which comprise the Balance Sheet as at December 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 36 (A) (e) of the financial statements, relating to the order of the Competition Commission of India, concerning alleged contravention of the provisions of the Competition Act, 2002 and imposing a penalty of ₹ 1,147.59 Crore on the Company. Based on the advice of external legal counsel, no provision has been considered necessary by the Company in this regard. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs;
 - (e) On the basis of written representations received from the directors as on December 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- For S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E
- per RAVI BANSAL**
Partner
Membership Number: 49365
- Place: Mumbai
Date: February 03, 2015

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: ACC Limited ('the Company')

- | | |
|--|---|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) All fixed assets have not been physically verified during the year by the management but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.</p> <p>(c) There was no disposal of a substantial part of fixed assets during the year.</p> <p>(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.</p> <p>(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.</p> <p>(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties (determined in the manner stated in clause (v) (a) below) covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (b) to (d) of the Order are not applicable to the Company and hence not commented upon.</p> <p>(b) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties (determined in the manner stated in clause (v) (a) below) covered in the register maintained under section 301 of the Companies Act, 1956.</p> | <p>Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.</p> <p>(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.</p> <p>(v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered. In evaluating the parties to be covered under section 301, only contracts or arrangements upto March 31, 2014 (being the last day up to which this section was applicable to the Company) have been considered.</p> <p>(b) In our opinion and according to the information and explanations given to us, and having regard to the explanation that certain services availed are of a specialized nature for which comparable quotations are not available, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices that are reasonable having regard to the prevailing market prices at the relevant time.</p> <p>(vi) The Company has not accepted any deposits from the public.</p> <p>(vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.</p> |
|--|---|

- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for the period upto March 31, 2014 (the Companies Act, 1956 and relevant section has been replaced by the Companies Act, 2013 effective April 01, 2014) related to the manufacture of Cement and Ready Mix Concrete, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (ix) (a) According to the records of the Company, provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty and cess on account of any dispute, are as follows:

(` Crores)

Name of Statute (Nature of Dues)	Period to which the amount Relates	Forum where dispute is pending				
		Commissionerate	Appellate authorities & Tribunal	High Court	Supreme Court	Total Amount
Sales Tax (Tax / Penalty / Interest)	1984-85 to 2014-15	27.54	140.18	107.10	6.15	280.97
Central Excise Act (Duty / Penalty / Interest)	1994-95 to 2014-15	2.89	20.68	0.99	2.34	26.90
Service Tax under Finance Act, 1994 (Tax / Penalty / Interest)	2005-06 to 2014-15	1.08	17.08	-	-	18.16
Cess Matters	2003-04 to 2014-15	-	-	7.73	17.29	25.02
Customs Duty Matters (Duty / Penalty / Interest)	2012-13	-	15.03	-	-	15.03
Total		31.51	192.97	115.82	25.78	366.08

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to debenture holders. The Company did not have any outstanding dues in respect of financial institution or bank during the year.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956 for the period upto March 31, 2014 (the Companies Act, 1956 and relevant section has been replaced by the Companies Act, 2013 effective April 01, 2014).
- (xix) The Company had created securities or charge in respect of debentures issued.
- (xx) The Company has not raised any money by way of public issues during the year. Therefore, the provisions of clause (xx) of the Order are not applicable and hence not commented upon.
- (xxi) To the best of our knowledge, and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company, has been noticed or reported during the year.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E

per RAVI BANSAL

Partner

Membership Number: 49365

Place: Mumbai

Date: February 03, 2015

BALANCE SHEET as at December 31, 2014

Particulars	Note No.	2014 ₹ Crore	2013 ₹ Crore
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	187.95	187.95
Reserves and surplus	4	8,047.66	7,636.89
		8,235.61	7,824.84
Non-current liabilities			
Deferred tax liabilities (Net)	6	535.57	507.27
Long-term provisions	7	115.94	106.14
		651.51	613.41
Current liabilities			
Trade payables	8	750.23	639.20
Other current liabilities	9	2,096.71	1,952.44
Short-term provisions	10	937.27	1,063.70
		3,784.21	3,655.34
TOTAL		12,671.33	12,093.59
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible assets	11	5,597.75	5,503.13
Intangible assets	11	0.64	0.83
Capital work-in-progress		1,914.63	819.61
Non-current investments	12	290.90	176.81
Long-term loans and advances	13	855.56	866.83
Other non-current assets	14	360.71	308.24
		9,020.19	7,675.45
Current assets			
Current investments	15	1,282.08	2,017.21
Inventories	16	1,255.59	1,121.47
Trade receivables	17	410.71	397.22
Cash and bank balances	18	304.30	503.38
Short-term loans and advances	19	383.92	359.39
Other current assets	20	14.54	19.47
		3,651.14	4,418.14
TOTAL		12,671.33	12,093.59
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E

N.S.SEKHSARIA
Chairman
DIN: 00276351

ARUNKUMAR R GANDHI
Director
DIN: 00007597

BERNARD FONTANA
Director
DIN: 05178749

per **RAVI BANSAL**
Partner
Membership No. 49365

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

AIDAN LYNAM
Director
DIN: 03058208

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

SUNIL K. NAYAK
Chief Financial Officer

ASHWIN DANI
Director
DIN: 00009126

FARROKH K. KAVARANA
Director
DIN: 00027689

BURJOR D. NARIMAN
Company Secretary

VIJAY KUMAR SHARMA
Director
DIN: 02449088

FALGUNI NAYAR
Director
DIN: 00003633

STATEMENT OF PROFIT AND LOSS for the year ended December 31, 2014

Particulars	Note No.	2014 ` Crore		2013 ` Crore
INCOME				
Revenue from operations (gross)		13,108.18		12,471.74
Less - Excise duty		1,369.97		1,322.13
Revenue from operations (net)	21	11,738.21		11,149.61
Other Income	22	268.28		285.67
Total Revenue			12,006.49	11,435.28
EXPENSES				
Cost of material consumed	23	1,788.31		1,608.80
Purchase of traded goods	24	194.33		161.10
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(11.28)		6.53
Employee benefits expense	26	746.59		661.27
Power and fuel		2,441.82		2,375.97
Freight and Forwarding expense	27	2,598.33		2,308.87
Finance costs	29	82.76		113.55
Depreciation and amortization expense	11	557.58		573.95
Other expenses	28	2,490.51		2,405.74
		10,888.95		10,215.78
Self Consumption of cement (net of Excise duty)		(17.66)		(7.46)
Total Expenses			10,871.29	10,208.32
Profit before tax			1,135.20	1,226.96
Tax expenses				
Current tax		(262.24)		(363.05)
Tax adjustments for earlier years (Refer Note - 40)		309.23		216.74
Deferred tax		(13.90)		15.11
			33.09	(131.20)
Profit for the year			1,168.29	1,095.76
Earnings per equity share	30			
{(Face value of ` 10 each (Previous year - ` 10 each))}				
Basic		`	62.23	58.36
Diluted		`	62.06	58.23
Significant accounting policies	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E

N.S.SEKHSARIA
Chairman
DIN: 00276351

ARUNKUMAR R GANDHI
Director
DIN: 00007597

BERNARD FONTANA
Director
DIN: 05178749

per **RAVI BANSAL**
Partner
Membership No. 49365

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

AIDAN LYNAM
Director
DIN: 03058208

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

SUNIL K. NAYAK
Chief Financial Officer

ASHWIN DANI
Director
DIN: 00009126

FARROKH K. KAVARANA
Director
DIN: 00027689

BURJOR D. NARIMAN
Company Secretary

VIJAY KUMAR SHARMA
Director
DIN: 02449088

FALGUNI NAYAR
Director
DIN: 00003633

CASH FLOW STATEMENT for the year ended December 31, 2014

Particulars	2014 ` Crore	2013 ` Crore
A. Cash flow from operating activities		
Net Profit before Taxation	1,135.20	1,226.96
Adjustments for:		
Depreciation and Amortisation	557.58	573.95
Impairment Loss	-	11.93
Loss / (Profit) on sale / write off of fixed assets (Net)	15.88	3.85
Provision for diminution in the value of Investment and Investment written off	4.82	17.86
Gain on sale of current investments (Net)	(41.45)	(59.47)
Dividend income	(9.86)	(6.59)
Interest income	(216.97)	(219.61)
Finance costs	82.76	113.55
Provision for doubtful debts and advances (Net)	15.88	7.62
Bad debts written off	4.60	0.67
Provision for slow and non moving Stores & Spares parts	13.72	18.48
Provision no longer required written back	(45.85)	(13.92)
Capital Spares Consumed	9.05	23.22
Operating profit before working capital changes	1,525.36	1,698.50
Changes in Working Capital:		
Adjustments for Decrease / (Increase) in operating assets:		
Decrease / (Increase) in Trade receivable, loans & advances and other assets	(196.90)	(299.54)
Decrease / (Increase) in Inventories	(147.84)	(6.40)
Adjustments for Increase / (Decrease) in operating liabilities:		
Increase / (Decrease) in Trade payables, Other liabilities and Provisions	386.46	113.07
Cash generated from operations	1,567.08	1,505.63
Direct tax paid - (Net of refunds)	(235.38)	(449.40)
Net Cash flow from operating activities	1,331.70	1,056.23
B. Cash flow from investing activities		
Loans to subsidiary companies	(75.76)	(24.79)
Payment received against loan given to subsidiaries	109.73	-
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)	(1,527.00)	(947.77)
Proceeds from sale of Fixed Assets	2.58	7.29
Proceeds from sale of current investments (Net)	41.45	59.47
Purchase of Investments in subsidiary companies	(118.91)	-
Investment in bank deposits (having original maturity for more than 3 months)	(7.87)	(119.30)
Dividend Received	9.86	6.59
Interest Received	129.23	160.77
Net cash used in investing activities	(1,436.69)	(857.74)

CASH FLOW STATEMENT for the year ended December 31, 2014 (contd.)

Particulars	2014 ` Crore	2013 ` Crore
C. Cash flow from financing activities		
Finance costs	(49.07)	(50.52)
Repayment of Long term borrowings	(35.03)	(128.03)
Dividend paid	(644.51)	(560.20)
Dividend Distribution Tax paid	(108.48)	(95.72)
Net cash used in financing activities	(837.09)	(834.47)
Net increase / (decrease) in cash and cash equivalents	(942.08)	(635.98)
Cash and cash equivalents at the beginning of the year	2,499.07	3,135.05
Cash and cash equivalents at the end of the year	1,556.99	2,499.07
Components of cash and cash equivalents:		
Cash on hand	0.12	0.12
Balance with banks		
On current accounts	37.64	55.68
On deposit account	105.28	288.02
Earmarked for specific purpose (Refer Note (1) below)	31.87	38.04
Cash and cash equivalents (Refer Note 18)	174.91	381.86
Add : Investment in Mutual Funds	350.00	1,062.00
Add : Investment in Certificate of Deposits	932.08	955.21
Add : Deposit with HDFC Limited	100.00	100.00
Cash and Cash equivalents in cash flow statement	1,556.99	2,499.07
Significant accounting policies (Refer Note - 2)		

Note : 1 These balances are not available for use by the Company as they represent unpaid dividend liabilities.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E

N.S.SEKHSARIA
Chairman
DIN: 00276351

ARUNKUMAR R GANDHI
Director
DIN: 00007597

BERNARD FONTANA
Director
DIN: 05178749

per **RAVI BANSAL**
Partner
Membership No. 49365

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BURJOR D. NARIMAN
Company Secretary

VIJAY KUMAR SHARMA
Director
DIN: 02449088

FALGUNI NAYAR
Director
DIN: 00003633

Mumbai, February 03, 2015

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014

1 COMPANY OVERVIEW

ACC Limited (the Company) is a public limited company domiciled and headquartered in India and incorporated under the provision of Companies Act, 1913. Its shares are listed on two stock exchanges in India. The Company is engaged in the manufacturing and selling of Cement and Ready mix concrete. The Company caters mainly to the domestic market.

2 SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation

- a) The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs.
- b) The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(iii) Tangible Fixed assets

- a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses.
- b) Machinery spares which can be used only in connection with a particular item of Fixed Assets and the use of which is irregular, are capitalized at cost.
- c) Fixed assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately.
- d) Losses arising from the retirement of, and gains and losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- e) Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(iv) Depreciation on tangible fixed assets

- a) Depreciation on fixed assets, other than Captive Power Plant related assets consisting of Buildings, Plant and Equipment (CPP assets), is provided using the straight-line method and on CPP assets using the written-down value method at the rates prescribed in schedule XIV to the Companies Act, 1956 or based on the useful lives of the assets as estimated by management, whichever is higher. The depreciation on the following assets is provided at higher rates as compared to schedule XIV rates:

Assets	Useful Life
Transit Mixers	8 Years
Concrete Pumps	6 Years

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed off.

- b) Machinery spares which are capitalised, are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged in the Statement of Profit and Loss, on issue for consumption.
- c) Leasehold land is amortized on a straight-line basis over the period of lease.
- d) Freehold land used for mining is depreciated on the basis of quantity of minerals actually extracted during the year with respect to the estimated total quantity of extractable mineral reserves.

(v) Intangible Assets and Amortisation

Intangible assets are stated at cost of acquisition or construction less accumulated amortisation and impairment losses if any. Intangible assets are amortised over their estimated useful economic life. Computer Software cost is amortised over a period of three years using straight-line method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(vi) Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

(vii) Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use, are capitalised as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur.

Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(viii) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at the lower of cost and fair value determined on an individual basis.

(ix) Inventories

Inventories are valued after providing for obsolescence, as follows:

a) Raw Materials, Stores & Spare parts, Packing Material and Fuels

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

b) Work-in-progress, Finished goods and Stock-in-Trade

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(x) Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at bank, demand deposits with banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

(xi) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of sales tax / VAT, trade discounts and returns, as applicable. Excise duties deducted from turnover (gross) are the amounts that are included in the amount of turnover (gross) and not the entire amount of liability that arose during the year.

Income from services

Revenue from services is recognised pro-rata over the period of the contract as and when services are rendered.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

Interest and Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

(xii) Government Grants and Subsidies

- a) Government Grants and subsidies are recognized when there is reasonable assurance that the conditions attached to them will be complied, and grant/subsidy will be received.
- b) Government grants and subsidies receivable against an expense are deducted from such expense and subsidy/grant receivable against a specific fixed asset is deducted from cost of the relevant fixed asset.
- c) Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of shareholders' funds.

(xiii) Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

(xiv) Foreign currency transactions

Foreign currency transactions are initially recorded at the rates of exchange prevailing on the date of transactions. Foreign currency monetary items are subsequently reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(xv) Employee benefits

a) Short term employee benefits

Short term employee benefits are recognised as an expense on accrual basis.

b) Defined contribution plans

The Company's Officer's Superannuation Fund scheme, state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense in the Statement of Profit and Loss, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

c) Defined benefit plans

The Company's Gratuity fund scheme, additional gratuity scheme, provident fund scheme managed by trust and post employment benefit scheme are considered as defined benefit plans. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

d) Other long term benefits

Silver jubilee and long service awards and accumulated compensated absences which are expected to be availed or encashed beyond 12 months from the end of the year, are treated as other long term employee benefits for measurement purposes. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

e) Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

f) For the purpose of presentation of Defined benefit plans and other long term benefits, the allocation between short term and long term provisions has been made as determined by an actuary. The Company presents the entire compensated absences as a short term provisions, since employee has an unconditional right to avail the leave at any time during the year.

g) Expenses incurred towards voluntary retirement scheme are charged to the Statement of Profit and Loss as and when incurred.

(xvi) Income taxes

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred income taxes reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

(xvii) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(xviii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xix) Mines Restoration Expenditure

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year.

Mines restoration expenses is incurred on an on going basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(xx) Classification of Current / Non Current Assets and Liabilities

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

(xxi) Segment Reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

3. SHARE CAPITAL

	2014 ` Crore	2013 ` Crore
Authorised Shares		
22,50,00,000 (<i>Previous Year - 22,50,00,000</i>) Equity Shares of ` 10 each	225.00	225.00
10,00,00,000 (<i>Previous Year - 10,00,00,000</i>) Preference Shares of ` 10 each	100.00	100.00
Issued		
18,87,93,243 (<i>Previous Year - 18,87,93,243</i>) Equity Shares of ` 10 each	188.79	188.79
Subscribed & Paid-up		
18,77,45,356 (<i>Previous Year - 18,77,45,356</i>) Equity Shares of ` 10 each fully paid	187.75	187.75
Add : 3,84,060 (<i>Previous Year - 3,84,060</i>) Equity Shares of ` 10 each Forfeited - Amount Paid	0.20	0.20
TOTAL	187.95	187.95

i) Reconciliation of number of equity shares outstanding

	2014		2013	
	No. of shares	` Crore	No. of shares	` Crore
Equity Shares at the beginning of the year	18,77,45,356	187.75	18,77,45,356	187.75
Equity Shares at the end of the year	18,77,45,356	187.75	18,77,45,356	187.75

ii) Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

iii) Equity shares held by holding company / ultimate holding and their subsidiaries

	2014 ` Crore	2013 ` Crore
Holcim (India) Private Limited, the Holding Company 9,38,88,120 (<i>Previous Year - 9,38,88,120</i>) Equity shares ` 10 each fully paid	93.89	93.89
Holderind Investments Ltd., Mauritius, Holding Company of Holcim (India) Private Limited 5,41,000 (<i>Previous Year - 5,41,000</i>) Equity shares ` 10 each fully paid	0.54	0.54

Both these Companies are subsidiaries of Holcim Ltd., Switzerland, the ultimate holding Company.

iv) The Company has issued total 5,064 (*Previous Year - 63,537*) Equity shares ` 10 each fully paid during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan, wherein part consideration was received in form of employee services.

v) Details of shareholders holding more than 5% shares in the Company

	2014		2013	
	No. of shares	% holding	No. of shares	% holding
Holcim (India) Private Limited	9,38,88,120	50.01	9,38,88,120	50.01
Life Insurance Corporation of India	1,79,71,429	9.57	1,53,92,891	8.20

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

4. RESERVES AND SURPLUS

	2014		2013
	₹ Crore	₹ Crore	₹ Crore
Capital Reserve			
Balance as per last Financial Statements	82.88		74.88
Add: Reversal of capital subsidy provision [Refer Note - 36 B (b)]	-		8.00
		82.88	82.88
Securities Premium Account		844.84	844.84
Debenture Redemption Reserve			
Balance as per last Financial statements	8.00		39.25
Less: Transferred to General Reserve	8.00		31.25
		-	8.00
General Reserve			
Balance as per last Financial statements	2,525.30		2,374.05
Add: Transferred from surplus in Statement of Profit and Loss	130.00		120.00
Add: Transferred from Debenture Redemption Reserve	8.00		31.25
		2,663.30	2,525.30
Surplus in Statement of Profit and Loss			
Balance as per last Financial statements	4,175.87		3,861.83
Add: Profit for the year	1,168.29		1,095.76
	5,344.16		4,957.59
Less - Appropriations			
Interim equity dividend {amount per share ₹ 15 (Previous Year - ₹ 11)}	281.62		206.52
Proposed final equity dividend {amount per share ₹ 19 (Previous Year - ₹ 19)}	356.72		356.72
Tax on equity dividends	119.18		95.72
Previous Year tax on equity dividends	-		2.76
Transfer to General Reserve	130.00		120.00
	887.52		781.72
		4,456.64	4,175.87
TOTAL		8,047.66	7,636.89

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

5. LONG-TERM BORROWINGS

	Long Term		Current Maturity of Long-Term Borrowings*	
	2014 ` Crore	2013 ` Crore	2014 ` Crore	2013 ` Crore
Secured				
Privately placed Non-Convertible Debentures				
Nil (Previous Year - 320) 8.45% Non-Convertible Debentures of ` 10,00,000 each (Refer Note (i) below)	-	-	-	32.00
Sub-Total	-	-	-	32.00
Unsecured				
Deferred payment liability (Refer Note (ii) below)	-	-	-	1.62
Deferred sales tax loans (Refer Note (iii) below)	-	-	-	1.41
Sub-Total	-	-	-	3.03
TOTAL	-	-	-	35.03

*Amount disclosed under the head "Other Current Liabilities" (Refer Note - 9)

- i) 8.45% Debentures were redeemable at par at the end of five years from the date of allotment, viz 07 October 2009. These debentures were secured by a charge on all movable and immovable assets under the Debenture Trust Deed. During the year, the Company has redeemed 320 debentures (Previous year - Nil) of ` 32 Crore (Previous year - ` Nil).
- ii) Deferred Payment Liability was payable to the Industrial Development Corporation of Orissa Limited (IDCOL) in eight equal annual installments of ` 1.62 Crore beginning from 2007 without interest or penalty.
- iii) Deferred sales tax loan was interest-free and payable in 12 yearly installments of ` 1.41 Crore each beginning from 2003.

6. DEFERRED TAX LIABILITIES (NET)

	2014 ` Crore	2013 ` Crore
Deferred Tax Liabilities arising on account of :		
Depreciation and amortisation differences	757.00	745.55
	757.00	745.55
Deferred Tax Assets arising on account of :		
Provision for Employee Benefits	81.02	61.85
Expenditure debited in Statement of Profit and Loss but allowed for tax purposes in the following years	67.88	74.34
Provision for obsolescence of Spare Parts	31.46	28.07
Others	41.07	74.02
	221.43	238.28
Net Deferred Tax Liabilities	535.57	507.27

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

7. LONG-TERM PROVISIONS

	2014 ` Crore	2013 ` Crore
Provision for employee benefits (Refer Note - 31)		
Provision for gratuity and staff benefit schemes	95.06	86.99
Other Provisions		
Provision for Mines Restoration	20.88	19.15
TOTAL	115.94	106.14

Movement of provision during the year as required by Accounting Standard 29 :

Mines Restoration Expenditure

	2014 ` Crore	2013 ` Crore
Opening provision	19.15	17.00
Add: Provision during the year	2.08	2.61
Less: Utilisation during the year	(0.35)	(0.46)
Closing provision	20.88	19.15

Mines restoration expenditure is incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

8. TRADE PAYABLES

	2014 ` Crore	2013 ` Crore
Due to Micro and Small Enterprises	1.76	1.66
Due to others	748.47	637.54
TOTAL	750.23	639.20

There is no principal amount and interest overdue to Micro and Small Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

9. OTHER CURRENT LIABILITIES

	2014 ` Crore	2013 ` Crore
Current maturities of long-term borrowings (Refer Note - 5)	-	35.03
Interest accrued but not due on borrowings	-	0.64
Investor Education and Protection Fund :- (Refer Note - (i) below)		
Unpaid dividend	31.87	38.04
Unpaid Matured Deposits	0.02	0.02
Statutory dues	324.27	314.33
Advance from customers	131.94	144.85
Security deposits and retention money	624.48	514.35
Liability for capital expenditure	131.09	70.06
Other payables (including Rebates to customers, Employees dues, etc.)	853.04	835.12
TOTAL	2,096.71	1,952.44

- i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at December 31, 2014

10. SHORT-TERM PROVISIONS

	2014 ` Crore	2013 ` Crore
Provision for employee benefits (Refer Note - 31)		
Provision for gratuity and staff benefit schemes	17.62	14.16
Provision for compensated absences	109.22	90.44
Other Provisions		
Provision for Income Tax (Net of advance tax)	382.39	541.76
Proposed Final Dividend	356.72	356.72
Tax on proposed dividend	71.32	60.62
TOTAL	937.27	1,063.70

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

11. FIXED ASSETS

₹ Crore

Particulars	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01-01-2014	Additions/ Adjustments	Deductions/ Adjustments	As at 31-12-2014	For the Year	Deductions/ Adjustments	As at 31-12-2014	As at 31-12-2013
Tangible Assets :								
Freehold Non Mining Land	104.43	14.46	0.01	118.88	-	-	118.88	104.43
Freehold Mining Land	151.33	14.33	-	165.66	0.20	-	163.67	149.54
Leasehold Land	69.58	7.13	-	76.71	2.74	-	36.01	31.62
Buildings	1,240.94	122.35	12.07	1,351.22	47.23	10.07	945.44	872.32
Plant and Equipment	8,394.26	479.29	99.16	8,774.39	480.55	79.33	4,099.03	4,120.12
Railway Sidings	160.30	13.24	2.16	171.38	8.09	1.65	115.58	110.94
Furniture & Fixtures	41.27	2.82	1.09	43.00	2.33	0.77	22.97	22.80
Vehicles	56.19	9.85	2.00	64.04	5.47	1.52	33.38	29.48
Office equipment	121.26	12.52	7.42	126.36	10.74	6.55	62.79	61.88
TOTAL	10,339.56	675.99	123.91	10,891.64	557.35	99.89	5,597.75	5,503.13
Intangible Assets :								
Computer Software	59.99	0.17	1.08	59.08	0.35	1.07	0.64	0.83
TOTAL	59.99	0.17	1.08	59.08	0.35	1.07	0.64	0.83

Notes:

- Buildings include cost of shares ₹ 4,960 (Previous Year - ₹ 4,960) in various Co-operative Housing Societies, in respect of 10 (Previous Year - 10) residential flats.
- Buildings include Gross block of ₹ 23.86 Crore (Previous year - ₹ 23.86 Crore) and Net block of ₹ 21.27 Crore (Previous Year - ₹ 21.66 Crore) in respect of which the transfer of title deeds to the name of the Company is under process.
- Plant and Equipment includes assets given on lease to Railways under "Own Your Wagons" Scheme of ₹ 28.48 Crore (Previous Year - ₹ 28.48 Crore) and accumulated depreciation ₹ 28.48 Crore (Previous Year - ₹ 28.48 Crore).
- Depreciation charge for the year include ₹ 0.12 Crore (Previous year - Nil) capitalised as pre-operative expenses.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

11. FIXED ASSETS (contd.)

₹ Crore

Particulars	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION / IMPAIRMENT				NET BLOCK		
	As at 01-01-2013	Additions/ Adjustments	Deductions/ Adjustments	As at 31-12-2013	As at 01-01-2013	For the Year	Impairment loss	Deductions/ Adjustments	As at 31-12-2013	As at 31-12-2012
Tangible Assets :										
Freehold Non Mining Land	104.43	-	-	104.43	-	-	-	-	104.43	104.43
Freehold Mining Land	173.77	5.42	27.86	151.33	1.55	0.24	-	-	149.54	172.22
Leasehold Land	68.79	1.78	0.99	69.58	37.44	1.51	-	0.99	37.96	31.35
Buildings	1,209.35	36.28	4.69	1,240.94	324.57	44.61	2.15	2.71	368.62	884.78
Plant and Equipment	8,245.04	217.69	68.47	8,394.26	3,803.25	498.90	9.69	37.70	4,274.14	4,441.79
Railway Sidings	158.10	2.20	-	160.30	42.29	7.07	-	-	49.36	115.81
Furniture & Fixtures	38.83	2.79	0.35	41.27	14.36	4.37	-	0.26	18.47	24.47
Vehicles	47.01	10.71	1.53	56.19	23.25	4.75	-	1.29	26.71	23.76
Office equipment	113.64	10.40	2.78	121.26	49.40	12.07	0.09	2.18	59.38	64.24
TOTAL	10,158.96	287.27	106.67	10,339.56	4,296.11	573.52	11.93	45.13	4,836.43	5,862.85
Intangible Assets :										
Computer Software	59.82	0.24	0.07	59.99	58.80	0.43	-	0.07	59.16	1.02
TOTAL	59.82	0.24	0.07	59.99	58.80	0.43	-	0.07	59.16	1.02

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

12. NON-CURRENT INVESTMENTS

(VALUED AT COST UNLESS STATED OTHERWISE)

	2014		2013	
	Numbers	` Crore	Numbers	` Crore
Trade Investments				
(a) Unquoted equity instruments				
Investment in subsidiaries				
Face value ` 10 each				
Bulk Cement Corporation (India) Limited	3,18,42,050	37.27	3,18,42,050	37.27
Singhania Minerals Private Limited	20,000	5.00	20,000	5.00
Face value ` 100 each				
Lucky Minmat Limited	3,25,000	38.10	3,25,000	38.10
ACC Mineral Resources Limited (1,17,00,000 Shares subscribed for ` 117.00 Crore during the year)	1,21,95,000	121.95	4,95,000	4.95
National Limestone Company Private Limited	8,650	16.24	8,650	16.24
Add: Investment made during the year	1,91,350	1.91	-	-
Less: Diminution in the value of investment (Refer Note - 39)		4.13		-
	2,00,000	14.02		16.24
Investment in Associates				
Face value ` 10 each				
Alcon Cement Company Private Limited	4,08,001	22.25	4,08,001	22.25
Asian Concretes and Cements Private Limited	81,00,000	36.81	81,00,000	36.81
Aakaash Manufacturing Company Private Limited	4,401	6.01	4,401	6.01
Investment in Others				
Face value ` 10 each				
Moirā Madhujore Coal Limited (Written off during the year)	-	-	82,019	0.69
		281.41		167.32

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

12. NON-CURRENT INVESTMENTS (contd.)

(VALUED AT COST UNLESS STATED OTHERWISE)

	2014		2013	
	Numbers	` Crore	Numbers	` Crore
Non trade investments				
(a) Quoted equity instruments				
Shiva Cement Limited (Face value ` 2 each)	2,36,50,000	23.65	2,36,50,000	23.65
Less: Diminution in the value of investment		17.86		17.86
(Refer Note - 39)		5.79		5.79
(b) Investment in equity instruments (unquoted)				
Face value ` 10 each				
* Kanoria Sugar & General Mfg. Company Limited	4	-	4	-
* Gujarat Composites Limited	60	-	60	-
* Rohtas Industries Limited	220	-	220	-
* The Jaipur Udyog Limited	120	-	120	-
* Digvijay Finlease Limited	90	-	90	-
* The Travancore Cement Company Limited	100	-	100	-
* Ashoka Cement Limited	50	-	50	-
Face value ` 5 each				
* The Sone Valley Portland Cement Company Limited	100	-	100	-
		5.79		5.79
Investment in Bonds (Unquoted)				
Face value ` 10,00,000 each				
5.13% Himachal Pradesh Infrastructure Development Board Bonds	37	3.70	37	3.70
TOTAL		290.90		176.81

Notes

(I)	Aggregate amount of quoted Investments {Market value ` 9.63 Crore (Previous year - ` 5.79 Crore)}	5.79	5.79
	Aggregate amount of unquoted Investments	285.11	171.02
(II)	Aggregate provision for diminution in value of investments	21.99	17.86
(III)	* Denotes amount less than ` 50,000		

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

13. LONG-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2014 ` Crore	2013 ` Crore
Capital Advances	206.70	389.74
Security deposits	197.86	184.53
Loans and advances to related parties (Refer Note - 34)	1.84	1.70
Deposits with Government Bodies and Others		
Considered good	199.94	160.79
Considered Doubtful	8.33	4.57
	208.27	165.36
Less: Allowance for doubtful deposits	8.33	4.57
	199.94	160.79
Advances recoverable in cash or kind	16.27	16.87
Advance tax (Net of provision for tax)	232.95	113.20
TOTAL	855.56	866.83

14. OTHER NON-CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2014 ` Crore	2013 ` Crore
Incentives under Government schemes and other receivables		
Considered Good	360.71	308.24
Considered Doubtful	4.70	0.44
	365.41	308.68
Less: Provision for doubtful receivables	4.70	0.44
TOTAL	360.71	308.24

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

15. CURRENT INVESTMENTS

(VALUED AT LOWER OF COST AND FAIR VALUE)

	2014		2013	
	Numbers	₹ Crore	Numbers	₹ Crore
Investment in Certificate of Deposits - Fully paid-up (unquoted)				
Unit of Face value ₹ 1,00,000 each				
Allahabad Bank	10,000	98.21	2,500	24.49
Andhra Bank	10,000	98.03	15,000	146.94
Corporation Bank	5,000	49.05	7,500	73.37
Bank of India	20,000	196.12	2,500	24.51
Punjab National Bank	10,000	98.18	10,000	97.96
Oriental Bank	17,500	171.95	2,500	24.48
Canara Bank	17,500	171.50	7,500	73.48
Union Bank of India	5,000	49.04	-	-
IDBI Bank Limited	-	-	10,000	97.97
Central Bank of India	-	-	2,500	24.54
Syndicate Bank	-	-	5,000	49.02
State Bank of Hyderabad	-	-	7,500	73.49
Bank of Baroda	-	-	2,500	24.46
Kotak Mahindra Bank Limited	-	-	12,500	122.34
UCO Bank	-	-	5,000	49.18
State Bank of Patiala	-	-	5,000	48.98
		932.08		955.21
Investment in Mutual Funds - Fully paid-up (Unquoted)				
Unit of Face value ₹ 10 each				
HDFC Cash Management - GR	1,93,28,505.655	55.00	-	-
Sundaram Money Fund - GR	52,02,823.399	15.00	95,17,902.904	25.00
HDFC Liquid Fund - GR	-	-	3,90,03,988.470	96.00
Unit of Face value ₹ 100 each				
ICICI Prudential Liquid Fund - Super IP - GR	22,21,247.072	45.00	48,33,369.584	89.00
Birla Sunlife Cash Plus Fund - GR	22,78,285.007	50.00	39,92,814.649	80.00
DWS Insta Cash Plus Fund - Super IP - GR	-	-	20,33,230.449	33.00
ICICI Prudential Floating Rate Plan - GR	-	-	18,85,684.423	35.00
Unit of Face value ₹ 1,000 each				
SBI Premier Liquid Fund - Super IP - GR	69,796.981	15.00	5,95,684.836	117.00
Reliance Liquid Fund - GR	1,35,134.443	45.00	3,65,582.219	111.00
IDBI Liquid Fund - GR	1,02,530.178	15.00	2,40,768.694	32.00
L & T Liquid Fund - GR	1,06,529.922	20.00	1,63,028.042	28.00
Pramerica Liquid Fund- Direct - GR	68,428.996	10.00	1,49,759.918	20.00
Principal Cash Management Fund - GR	3,00,947.745	40.00	82,859.810	10.00
Religare Liquid Fund - GR	2,12,611.831	40.00	4,37,001.946	75.00
Axis Liquid Fund - IP - GR	-	-	8,10,267.730	112.00
Templeton India TMA - Super - IP - GR	-	-	1,34,368.003	25.00
Kotak Floater ST - Direct plan GR	-	-	5,23,688.990	107.00
Baroda Pioneer - Liquid Fund - Plan A - GR	-	-	1,18,822.597	17.00
IDFC Cash Fund Plan C - IP - GR	-	-	1,31,961.540	20.00
Canara Robeco Liquid Fund - GR	-	-	33,334.353	5.00
UTI Liquid Fund - Cash Plan - GR	-	-	1,22,397.445	25.00
		350.00		1,062.00
TOTAL		1,282.08		2,017.21
Aggregate amount of unquoted Investments		1,282.08		2,017.21

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

16. INVENTORIES

(AT COST OR NET REALISABLE VALUE WHICHEVER IS LOWER)

	2014 ` Crore	2013 ` Crore
Raw Materials	139.07	132.90
{Including in transit ` 11.32 Crore (Previous Year - ` 1.74 Crore)}		
Work-in-Progress	240.32	252.85
Finished Goods	153.75	129.82
Stock-in-trade	0.37	0.49
Stores & Spare Parts	262.53	274.64
{Including in transit ` 15.68 Crore (Previous Year - ` 9.73 Crore)}		
Packing Material	20.02	21.49
Fuels	439.53	309.28
{Including in transit ` 16.17 Crore (Previous Year - ` 7.86 Crore)}		
TOTAL	1,255.59	1,121.47

17. TRADE RECEIVABLES

	2014 ` Crore	2013 ` Crore
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	14.84	16.36
Unsecured, considered Doubtful	24.28	16.28
	39.12	32.64
Less: Provision for doubtful trade receivables	24.28	16.28
	14.84	16.36
Other Trade receivables		
Secured, considered good	57.90	66.34
Unsecured, considered good	337.97	314.52
Unsecured, considered Doubtful	3.43	3.57
	399.30	384.43
Less: Provision for doubtful trade receivables	3.43	3.57
	395.87	380.86
TOTAL	410.71	397.22

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

18. CASH AND BANK BALANCES

	2014 ` Crore	2013 ` Crore
Cash and cash equivalents		
Balances with banks:		
On current accounts	37.64	55.68
Deposits with original maturity of less than three months	105.28	288.02
On unpaid dividend account	31.87	38.04
Cash on hand	0.12	0.12
	174.91	381.86
Other bank balances		
*Deposits with original maturity for more than 3 months but less than 12 months	129.38	121.51
Post office saving accounts	0.01	0.01
	129.39	121.52
TOTAL	304.30	503.38

*Includes fixed deposit with lien in favour of Competition Appellate Tribunal (COMPAT) {Refer Note - 36 (A) (e)}

19. SHORT-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2014 ` Crore	2013 ` Crore
Security deposits	13.09	9.37
Loans and advances to related parties (Refer Note - 34)	1.60	35.71
Advances recoverable in cash or kind	140.21	110.69
Other loans and advances		
Balances with statutory / government authorities	129.02	103.62
Deposit with HDFC Limited	100.00	100.00
TOTAL	383.92	359.39

20. OTHER CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2014 ` Crore	2013 ` Crore
Interest accrued on investments	4.75	6.16
Other Accrued Interest	1.30	1.41
Fixed assets held for sale	8.49	11.90
TOTAL	14.54	19.47

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

21. REVENUE FROM OPERATIONS

	2014 ` Crore	2013 ` Crore
Sale of products		
Finished goods	12,626.88	12,012.23
Traded goods	204.17	182.70
Sale of services	19.97	16.28
Sale of products and services (gross)	12,851.02	12,211.21
Less: Excise duty	1,369.97	1,322.13
Sale of products and services (net)	11,481.05	10,889.08
Other operating revenue	257.16	260.53
Revenue from operations (net)	11,738.21	11,149.61
i) Details of products sold	2014 ` Crore	2013 ` Crore
Finished goods (Net of Excise duty)		
Cement	10,574.80	10,111.76
Ready Mix Concrete	664.75	544.58
Clinker	17.36	33.76
	11,256.91	10,690.10
Traded Goods		
Cement	128.12	87.65
Ready Mix Concrete	76.05	95.05
	204.17	182.70
ii) Details of sale of services		
Pumping and Conversion services	19.97	16.28
	19.97	16.28
iii) Detail of other Operating revenue		
Provision no longer required written back	45.85	13.92
Sale of Surplus generated Power	0.90	4.36
Incentives and Subsidies	96.92	140.73
Miscellaneous Income	113.49	101.52
TOTAL	257.16	260.53

22. OTHER INCOME

	2014 ` Crore	2013 ` Crore
Interest on Bank deposits	117.41	148.77
Other interest income	10.41	3.33
Interest on Income Tax	89.15	67.51
Gain on sale of current investments	41.45	59.47
{Net of loss on sale of current investment ` Nil (Previous year - ` 2.31 Crore)}		
Dividend from long term investments	9.86	6.59
TOTAL	268.28	285.67

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

23. COST OF MATERIALS CONSUMED

	2014 ` Crore	2013 ` Crore
Opening Stock	132.90	156.41
Purchase and Incidental expenses	1,794.48	1,585.29
	1,927.38	1,741.70
Less: Closing Stock	139.07	132.90
TOTAL	1,788.31	1,608.80

Details of cost of materials consumed	2014 ` Crore	2013 ` Crore
Slag	284.19	331.54
Gypsum	362.59	337.73
Fly Ash	346.55	310.70
Cement	91.51	61.49
Aggregates	114.34	96.49
Others*	589.13	470.85
TOTAL	1,788.31	1,608.80

*includes no item which in value individually accounts for 10 percent or more of the total value cost of materials consumed.

24. PURCHASE OF TRADED GOODS

	2014 ` Crore	2013 ` Crore
Cement	121.91	68.60
Ready Mixed Concrete	72.42	92.50
TOTAL	194.33	161.10

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	2014 ` Crore	2013 ` Crore	(Increase) / decrease ` Crore
Inventories at the end of the year			
Stock-in-trade	0.37	0.49	0.12
Finished Goods	153.75	129.82	(23.93)
Work-in-progress	240.32	252.85	12.53
	394.44	383.16	(11.28)
Inventories at the beginning of the year			
Stock-in-trade	0.49	0.29	(0.20)
Finished Goods	129.82	160.54	30.72
Work-in-progress	252.85	228.86	(23.99)
	383.16	389.69	6.53
TOTAL	(11.28)	6.53	

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**26. EMPLOYEE BENEFITS EXPENSE**

	2014 ` Crore	2013 ` Crore
Salaries and Wages	629.46	572.00
Contributions to Provident and other Funds	74.93	52.89
Staff Welfare Expenses	42.20	36.38
TOTAL	746.59	661.27

27. FREIGHT AND FORWARDING EXPENSE

	2014 ` Crore	2013 ` Crore
On clinker transfer	393.81	277.52
On finished products	2,204.52	2,031.35
TOTAL	2,598.33	2,308.87

28. OTHER EXPENSES

	2014 ` Crore	2013 ` Crore
Consumption of stores and spares parts	361.99	375.49
Consumption of packing materials	483.67	434.15
Excise duty {Refer Note - (ii) & (iii)}	4.37	6.47
Rent	33.83	30.51
Rates and taxes	141.13	120.13
Repairs to building	4.61	7.20
Repairs to machinery	140.78	134.33
Repairs to other Items	26.15	19.91
Insurance	24.62	25.29
Royalty on minerals	129.82	118.28
Discount on sales	93.27	88.28
Advertisement	106.82	116.07
Technology and Know-how fees	112.91	107.66
Miscellaneous expenses {Refer Note - (i) & (iv)}	826.54	821.97
TOTAL	2,490.51	2,405.74

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

28. OTHER EXPENSES (contd.)

	2014 ` Crore	2013 ` Crore
i) Payment to Statutory Auditors (excluding service tax)		
As Auditors		
Audit fees	3.11	2.72
Audit fees for tax financial statements	0.53	0.59
Out of pocket expenses	0.12	0.12
In other matters - Certification	0.01	0.11
TOTAL	3.77	3.54

ii) Includes excise duty related to the difference between the closing stock and opening stock.

iii) Includes excise duty on captive consumption of Clinker - Nil (*Previous Year - ` 6.58 Crore*)

iv) Miscellaneous expenses includes:

(a) Loss on sale / write off and impairment of Fixed Assets (Net) - ` 15.88 Crore (*Previous Year - ` 15.78 Crore*)

(b) Provision for other than temporary diminution in long term investment of ` 4.13 Crore (*Previous year - ` 17.86 Crore*)

(c) Investments written off of ` 0.69 Crore (*Previous year - ` Nil*)

29. FINANCE COSTS

	2014 ` Crore	2013 ` Crore
Interest expenses	48.70	51.67
Interest on Income Tax	34.06	61.88
TOTAL	82.76	113.55

30. EARNINGS PER SHARE - [EPS]

	2014 ` Crore	2013 ` Crore
Net Profit as per Statement of Profit and Loss	1,168.29	1,095.76
Weighted average number of equity shares for Earnings Per Share computation		
Shares for Basic Earnings Per Share	18,77,45,356	18,77,45,356
Add: Potential diluted equity shares on account of shares in abeyance (Movement in Number of shares is on account of change in fair value of share)	4,92,243	4,45,714
Number of Shares for Diluted Earnings Per Share	18,82,37,599	18,81,91,070
Earnings Per Share		
Face value per Share	10.00	10.00
Basic	62.23	58.36
Diluted	62.06	58.23

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

31. EMPLOYEE BENEFITS:

a) Defined Contribution Plans – Amount recognised and included in Note 26 “Contributions to Provident and other Funds” of Statement of Profit and Loss ₹ 14.82 Crore (*Previous Year - ₹ 14.59 Crore*).

b) Defined Benefit Plans – As per actuarial valuation on December 31, 2014

The Company has a defined benefit gratuity and post retirement medical benefit plans as given below:

- i. Every employee who has completed minimum five years of service is entitled to gratuity at 15 days salary for each completed year of services. The scheme is funded with insurance companies in the form of qualifying insurance policies.
- ii. Benefits under Post Employment medical Benefit plans are payable for actual domiciliary treatment / hospitalization for employees and their specified relatives. The scheme is Non Funded.
- iii. Every employee who has joined before December 01, 2005 and separates from service of the Company on Superannuation and on medical grounds is entitled to additional gratuity. The scheme is Non Funded.

Defined Benefit Plans as per Actuarial valuation on December 31, 2014

	Gratuity		Post Employment Medical benefits (PEMB)
	Funded	Non Funded	
	₹ Crore	₹ Crore	₹ Crore
I Expense recognised in the Statement of Profit & Loss – for the year ended December 31, 2014			
1 Current Service cost	10.05	4.57	0.04
	<i>9.20</i>	<i>4.09</i>	<i>0.05</i>
2 Interest Cost	13.71	6.03	0.36
	<i>12.21</i>	<i>5.12</i>	<i>0.26</i>
3 Employee Contributions	-	-	(0.32)
	-	-	<i>(0.31)</i>
4 Expected return on plan assets	(12.36)	-	-
	<i>(11.66)</i>	-	-
5 Net Actuarial (Gains) / Losses	18.99	8.51	2.58
	<i>0.93</i>	<i>1.53</i>	<i>1.27</i>
6 Total expense	30.39	19.11	2.66
	<i>10.68</i>	<i>10.74</i>	<i>1.27</i>
II Amount recognised in Balance Sheet			
1 Present value of Defined Benefit Obligation	(188.36)	(85.42)	(6.26)
	<i>(165.88)</i>	<i>(71.18)</i>	<i>(4.18)</i>
2 Fair value of plan assets	177.24	-	-
	<i>149.80</i>	-	-
3 Funded status {Surplus/(Deficit)}	(11.12)	(85.42)	(6.26)
	<i>(16.08)</i>	<i>(71.18)</i>	<i>(4.18)</i>
4 Net asset/(liability) as at December 31, 2014	(11.12)	(85.42)	(6.26)
	<i>(16.08)</i>	<i>(71.18)</i>	<i>(4.18)</i>

(Figures in italics pertain to previous year)

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

		Gratuity		Post Employment Medical benefits (PEMB)
		Funded	Non Funded	
		` Crore	` Crore	` Crore
III	Present Value of Defined Benefit Obligation			
1	Present value of Defined Benefit Obligation at beginning of the year	165.88	71.18	4.18
		<i>160.11</i>	<i>65.54</i>	<i>3.50</i>
2	Current Service cost	10.05	4.57	0.04
		<i>9.20</i>	<i>4.09</i>	<i>0.05</i>
3	Interest Cost	13.71	6.03	0.36
		<i>12.21</i>	<i>5.12</i>	<i>0.26</i>
4	Employee Contributions	-	-	(0.32)
		-	-	<i>(0.31)</i>
5	Actuarial (Gains) / Losses	21.32	8.51	2.58
		<i>2.06</i>	<i>1.53</i>	<i>1.27</i>
6	Benefits Payments	(22.60)	(4.87)	(0.58)
		<i>(17.70)</i>	<i>(5.10)</i>	<i>(0.59)</i>
7	Present value of Defined Benefit Obligation at the end of the year	188.36	85.42	6.26
		<i>165.88</i>	<i>71.18</i>	<i>4.18</i>
IV	Fair Value of Plan Assets			
1	Plan assets at the beginning of the year	149.80	-	-
		<i>137.12</i>	-	-
2	Expected return on plan assets	12.36	-	-
		<i>11.66</i>	-	-
3	Contributions by Employer	12.75	-	-
		-	-	-
4	Actual benefits paid	-	-	-
		<i>(0.11)</i>	-	-
5	Actuarial Gains / (Losses)	2.33	-	-
		<i>1.13</i>	-	-
6	Plan assets at the end of the year	177.24	-	-
		<i>149.80</i>	-	-
7	Actual return on plan assets	14.69	-	-
		<i>12.79</i>	-	-

(Figures in italics pertain to previous year)

V	The major categories of plan assets as a percentage of total plan	2014	2013
		%	%
	Government Securities	51	46
	Debentures and Bonds	30	35
	Equity Shares	5	4
	Fixed Deposits	14	15
		100	100

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

VI Effect of One percentage point change in the assumed Medical Inflation rate	One percentage increase - ` Crore	One percentage decrease - ` Crore
Increase /(Decrease) on aggregate service and interest cost of Post Employment Medical benefits	0.03	(0.02)
	<i>0.05</i>	<i>(0.05)</i>
Increase/(Decrease) on Present value of Defined Benefit Obligation as at December 31, 2014	0.32	(0.31)
	<i>0.56</i>	<i>(0.56)</i>

(Figures in italics pertain to previous year)

VII Actuarial Assumptions:

a) Financial Assumptions

1 Discount Rate	7.90 % p.a. (P.Y. - 8.85% p.a.)
2 Expected rate of return on plan assets	8.5 % p.a. (P.Y. - 8.5% p.a.)
3 Salary increase rate	7% p.a. (P.Y. - 7% p.a.)

b) Demographic Assumptions

1 Mortality pre-retirement	Indian Assured Lives Mortality (2006-08) Modified Ultimate
2 Mortality post-retirement	Mortality for annuitants LIC (1996-98) Ultimate
3 Turnover rate	5% p.a. (P.Y. - 5% p.a.)
4 Medical premium inflation	12% p.a. for the first 5 years and thereafter 8% p.a.

c) Basis used to determine expected rate of return on assets:

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation. The Gratuity Scheme is invested in Life Insurance Corporation (LIC) of India's Group Gratuity-cum-Life Assurance cash accumulation policy and HDFC Standard Life's Group Unit Linked Plan - For Defined Benefit Scheme.

d) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

e) The Company expects to contribute ` 9.00 Crore (Previous year - ` 7.50 Crore) to Gratuity fund in the year 2015.

f) Post employment defined benefit plan expenses are included under employee benefit expenses in the statement of Profit and Loss.

g) Amounts for the current and previous four years are as follows:

(i) Gratuity (Funded)

	2014	2013	2012	2011	2010
Defined benefit obligation	(188.36)	(165.88)	(160.11)	(134.32)	(117.16)
Plan assets	177.24	149.80	137.12	118.77	103.72
Surplus / (deficit)	(11.12)	(16.08)	(22.99)	(15.55)	(13.44)
Experience adjustments on plan assets	(2.42)	(1.17)	(1.29)	(0.43)	(0.46)
Experience adjustments on plan liabilities	8.62	11.76	16.89	19.94	10.54

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(ii) Gratuity (Non funded)	` Crore				
	2014	2013	2012	2011	2010
Defined benefit obligation	(85.42)	(71.18)	(65.54)	(52.05)	(41.83)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(85.42)	(71.18)	(65.54)	(52.05)	(41.83)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	3.17	5.05	7.33	9.49	7.67
(iii) Post Employment Medical Benefits	` Crore				
	2014	2013	2012	2011	2010
Defined benefit obligation	(6.26)	(4.18)	(3.50)	(2.58)	(2.28)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(6.26)	(4.18)	(3.50)	(2.58)	(2.28)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	2.25	1.33	1.38	1.02	(0.20)

h) Provident Fund

Provident fund for certain eligible employees is managed by the Company through trust " The Provident Fund of ACC Ltd.", in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below there is no shortfall as at December 31, 2014 and December 31, 2013.

The details of the fund and plan assets position are as follows:

	2014	2013
	` Crore	` Crore
Plan assets at year end, at fair value	520.19	447.54
Present value of defined obligation at year end	492.21	445.67
Net Liability / (Assets) *	(27.98)	(1.87)

The assumption used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

	2014	2013
Discounting rate	7.90%	8.85%
Expected guaranteed interest rate	8.75%	8.50%
Expected Rate of Return on Asset	9.27%	8.94%

* Only liability is recognised in the books

- Amount recognised as an expense under employee benefit expenses in the statement of Profit and Loss in respect of other benefits is ` 39.89 Crore (*Previous Year - ` 29.52 Crore*).
- Present value of other benefits obligation at year end is ` 119.10 Crore (*Previous year ` 100.15 Crore*). These schemes are Non Funded.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

32. SEGMENT REPORTING

The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system. The Company's operations predominantly relate to manufacture of cement and Ready mix concrete. The export turnover is not significant in the context of total turnover of the company and further the risk and returns are not significantly different from that of India. As such there is only one geographical segment.

Inter segment transfers:

Inter Segment Transfer Pricing Policy – Cement supplied to ready mix concrete activity and ready mix concrete supplied to Cement activity is based on current market prices. All other inter segment transfers are at cost.

INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

₹ Crore

	Cement		Ready mix Concrete		Total	
	2014	2013	2014	2013	2014	2013
REVENUE						
External sales	10,720.28	10,233.17	760.77	655.91	11,481.05	10,889.08
Other operating revenue	248.38	251.15	8.78	9.38	257.16	260.53
Inter-segment sales	122.54	115.01	9.03	6.19	131.57	121.20
	11,091.20	10,599.33	778.58	671.48	11,869.78	11,270.81
Less : Elimination	(122.54)	(115.01)	(9.03)	(6.19)	(131.57)	(121.20)
Total revenue	10,968.66	10,484.32	769.55	665.29	11,738.21	11,149.61
RESULT						
Segment result	941.37	1,072.92	16.17	1.87	957.54	1,074.79
Unallocated corporate Income					33.59	39.52
Operating Profit					991.13	1,114.31
Finance Cost					(82.76)	(113.55)
Interest and Dividend income					226.83	226.20
Income Taxes					33.09	(131.20)
Profit after tax					1,168.29	1,095.76
OTHER INFORMATION						
Segment assets	10,172.02	8,896.86	271.10	230.95	10,443.12	9,127.81
Unallocated Corporate assets					2,228.21	2,965.78
Total assets					12,671.33	12,093.59
Segment liabilities	2,799.00	2,433.52	149.74	113.29	2,948.74	2,546.81
Unallocated Corporate liabilities					1,486.98	1,721.94
Total liabilities					4,435.72	4,268.75
Capital expenditure	1,571.11	950.34	17.03	14.99	1,588.14	965.33
Depreciation and Amortization	539.10	556.24	18.48	17.71	557.58	573.95
Impairment loss recognised	-	11.93	-	-	-	11.93
Other non-cash expenses	33.05	4.29	5.97	9.02	39.02	13.31

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

33. OPERATING LEASE

	2014 ₹ Crore	2013 ₹ Crore
a) Future Lease Rental payments		
(i) Not later than one year	29.18	40.69
(ii) Later than one year and not later than five years	98.31	99.01
(iii) Later than five years	21.07	45.12
b) Operating lease payment recognised in Statement of Profit & Loss amounting to ₹ 133.82 Crore (Previous Year - ₹ 116.54 Crore)		
c) General description of the leasing arrangement:		
(i) Leased Assets: Grinding facility, Concrete pumps, Godowns, Transit Mixer, Flats, Office premises and other premises.		
(ii) Future lease rentals are determined on the basis of agreed terms.		
(iii) There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases.		
(iv) At the expiry of the lease term, the Company has an option either to return the asset or extend the term by giving notice in writing.		

34. RELATED PARTY DISCLOSURE

(A) Names of the Related parties where control exists:	Nature of Relationship
1 Holcim Ltd.	Ultimate Holding Company
2 Holderind Investments Ltd.	Holding Company of Holcim(India) Private Limited
3 Holcim (India) Private Limited	Holding Company
4 Bulk Cement Corporation (India) Limited	Subsidiary Company
5 ACC Mineral Resources Limited	Subsidiary Company
6 Lucky Minmat Limited	Subsidiary Company
7 National Limestone Company Private Limited	Subsidiary Company
8 Singhania Minerals Private Limited	Subsidiary Company
(B) Others - With whom transactions have been taken place during the year	
(a) Names of other Related parties	Nature of Relationship
1 Alcon Cement Company Private Limited	Associate Company
2 Asian Concretes and Cements Private Limited	Associate Company
3 Aakaash Manufacturing Company Private Limited	Associate Company
4 Ambuja Cements Limited	Fellow Subsidiary
5 Holcim (Singapore) Pte Limited	Fellow Subsidiary
6 Holcim Trading FZCO	Fellow Subsidiary
7 Holcim (Lanka) Limited	Fellow Subsidiary
8 P T Holcim Indonesia Tbk	Fellow Subsidiary
9 Holcim Services (South Asia) Limited	Fellow Subsidiary
10 Siam City Cement Public Company Limited	Associate Company of Fellow Subsidiary w.e.f. January 01, 2013
11 Holcim (Bangladesh) Limited	Fellow Subsidiary

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

Names of other Related parties	Nature of Relationship
12 Holcim (Vietnam) Limited	Fellow Subsidiary
13 Holcim (Malaysia) SDN Bhd	Fellow Subsidiary
14 Holcim Foundation	Entity controlled by Holcim Ltd.
15 Holcim Philippines	Fellow Subsidiary
16 Holcim Services (Asia) Limited	Fellow Subsidiary
17 Holcim Group Services Ltd	Fellow Subsidiary
18 Holcim Technology Ltd	Fellow Subsidiary
19 Holcim Trading Pte Ltd	Fellow Subsidiary
20 AL Jabor Cement Industries Co.	Fellow Subsidiary
21 National Cement Factory	Associate Company of Fellow Subsidiary
22 Holcim Trading SA	Fellow Subsidiary
23 Holcim (Canada) Inc.	Fellow Subsidiary
24 Holcim Azerbaijan	Fellow Subsidiary
25 Holcim (Romania) S.A.	Fellow Subsidiary

(b) Key Management Personnel:

Name of the Related Party	Nature of Relationship
1. Mr. Kuldip K. Kaura	CEO & Managing Director (Upto August 12, 2014)
2. Mr. Harish Badami	CEO & Managing Director (w.e.f. August 13, 2014)

(C) Transactions with Subsidiary Companies

	2014	2013
	₹ Crore	₹ Crore
(i) Sale of Finished Goods & Others	0.74	0.24
Bulk Cement Corporation (India) Limited	0.74	0.24
(ii) Reimbursement of Expenses Paid/Payable	30.46	29.68
Bulk Cement Corporation (India) Limited	29.85	29.02
Others	0.61	0.66
(iii) Reimbursement of Expenses Received/Receivable	0.50	1.92
Bulk Cement Corporation (India) Limited	0.35	1.85
Lucky Minmat Limited	0.12	0.02
Others	0.03	0.05
(iv) Rendering of Services	1.63	1.43
Bulk Cement Corporation (India) Limited	1.63	1.43
(v) Receiving of Services	21.88	18.65
Bulk Cement Corporation (India) Limited	21.88	18.65
(vi) Interest on Inter Corporate Deposit / Other advances received	5.69	-
ACC Mineral Resources Limited	5.67	-
Others	0.02	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(C) Transactions with Subsidiary Companies (contd.)

	2014 ` Crore	2013 ` Crore
(vii) Investment in Equity Shares	118.91	-
ACC Mineral Resources Limited	117.00	-
National Limestone Company Private Limited	1.91	-
(viii) Inter Corporate Deposits / Loans Given	75.76	24.82
ACC Mineral Resources Limited	75.25	23.99
National Limestone Company Private Limited	0.22	0.11
Lucky Minmat Limited	0.29	0.72
(ix) Inter Corporate Deposits Repayment Received	109.73	-
ACC Mineral Resources Limited	109.73	-
(x) Inter Corporate Deposits as at the end of the Year	1.60	35.71
ACC Mineral Resources Limited	-	34.48
Lucky Minmat Limited	1.18	1.00
National Limestone Company Private Limited	0.39	0.20
Singhania Minerals Private Limited	0.03	0.03
(xi) Outstanding balance included in Trade receivables	0.32	0.42
Bulk Cement Corporation (India) Limited	0.27	0.38
Singhania Minerals Private Limited	0.05	0.03
Others	-	0.01
(xii) Outstanding balance included in Long -term loans and advances	1.84	1.70
National Limestone Company Private Limited	1.71	1.68
Lucky Minmat Limited	0.13	0.02
(xiii) Outstanding balance included in Trade payables	2.60	1.96
Bulk Cement Corporation (India) Limited	2.60	1.96

(D) Transactions with Associate Companies

	2014 ` Crore	2013 ` Crore
(i) Purchase of Finished Goods	138.24	163.35
Alcon Cement Company Private Limited	71.40	74.53
Aakaash Manufacturing Company Private Limited	66.84	88.82
(ii) Purchase of Raw Materials	31.40	22.20
Asian Concretes and Cements Private Limited	31.40	22.20
(iii) Sale of Unfinished Goods	23.64	25.00
Alcon Cement Company Private Limited	23.64	25.00
(iv) Sale of Finished Goods	10.80	9.97
Aakaash Manufacturing Company Private Limited	10.80	9.97

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**(D) Transactions with Associate Companies (contd.)**

	2014 ` Crore	2013 ` Crore
(v) Dividend Received	9.86	6.59
Alcon Cement Company Private Limited	4.08	4.53
Aakaash Manufacturing Company Private Limited	0.38	2.06
Asian Concretes and Cements Private Limited	5.40	-
(vi) Reimbursement of Expenses Received/Receivable	6.87	6.25
Alcon Cement Company Private Limited	6.87	5.64
Others	-	0.61
(vii) Reimbursement of Expenses Paid/Payable	-	0.02
Aakaash Manufacturing Company Private Limited	-	0.02
(viii) Rendering of Services	1.16	1.24
Alcon Cement Company Private Limited	1.16	1.24
(ix) Receiving of Services	51.96	53.04
Asian Concretes and Cements Private Limited	51.96	53.04
(x) Other recoveries (Net)	1.17	0.84
Aakaash Manufacturing Company Private Limited	1.17	0.84
(xi) Outstanding balance included in Trade receivables	8.34	6.22
Alcon Cement Company Private Limited	6.41	4.59
Aakaash Manufacturing Company Private Limited	1.93	1.63
(xii) Outstanding balance included in Trade payables	24.38	17.52
Alcon Cement Company Private Limited	3.80	1.74
Aakaash Manufacturing Company Private Limited	10.31	8.03
Asian Concretes and Cements Private Limited	10.27	7.75

(E) Details of Transactions relating to Holding Companies

	2014 ` Crore	2013 ` Crore
(i) Dividend Paid	321.06	283.28
Holcim (India) Private Limited	319.22	281.66
Holderind Investments Limited	1.84	1.62
(ii) Reimbursement of Expenses Received / Receivable	-	0.02
Holcim (India) Private Limited	-	0.02

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(F) Details of Transactions relating to Fellow Subsidiary Companies

	2014 Crore	2013 Crore
(i) Purchase of Raw Materials	126.72	17.24
Holcim Trading FZCO	-	4.45
Holcim Trading Pte Ltd	120.48	3.19
Ambuja Cements Limited	6.24	9.60
(ii) Purchase of Finished / Unfinished Goods	168.37	13.59
Ambuja Cements Limited	168.37	13.59
(iii) Purchase of Stores & Spares	1.14	0.12
Ambuja Cements Limited	1.14	0.12
(iv) Purchase of Fixed Assets	-	4.08
Ambuja Cements Limited	-	4.08
(v) Sale of Finished / Unfinished Goods	44.92	6.16
Ambuja Cements Limited	44.92	6.16
(vi) Sale of Stores & Spares	2.24	-
Ambuja Cements Limited	2.24	-
(vii) Sale of Raw Material & Other Items	0.81	11.55
Ambuja Cements Limited	0.81	11.55
(viii) Rendering of Services	15.26	4.56
Ambuja Cements Limited	14.92	4.12
Others	0.34	0.44
(ix) Reimbursement of Expenses Paid / Payable	4.84	3.20
Holcim Trading FZCO	-	2.74
Ambuja Cements Limited	4.82	0.45
Others	0.02	0.01
(x) Reimbursement of Expenses Received / Receivable	4.88	5.82
Ambuja Cements Limited	3.35	4.00
Holcim Group Services Ltd.	-	0.90
Others	1.53	0.92
(xi) Receiving of Services	68.76	49.86
Ambuja Cements Limited	10.28	0.21
Holcim Group Services Ltd.	2.19	1.54
Holcim Services (South Asia) Limited	52.19	36.91
Holcim Trading FZCO	-	5.02
Holcim Technology Ltd	3.88	5.55
Others	0.22	0.63

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**(F) Details of Transactions relating to Fellow Subsidiary Companies (contd.)**

	2014 ` Crore	2013 ` Crore
(xii) Technology and Know-how fee	112.91	107.66
Holcim Technology Ltd	112.91	107.66
(xiii) Outstanding balance included in Trade receivables	13.01	1.94
Ambuja Cements Limited	11.71	1.24
AL Jabor Cements Industries CO.	-	0.32
Others	1.30	0.38
(xiv) Outstanding balance included in Short term loans and advances	1.07	-
Ambuja Cements Limited	1.07	-
(xv) Outstanding balance included in Trade payables	52.89	42.83
Ambuja Cements Limited	17.08	8.62
Holcim Technology Ltd	25.09	29.47
Holcim Services (South Asia) Limited	9.45	3.09
Others	1.27	1.65

(G) Details of Transactions relating to Associate Companies of Fellow Subsidiary

	2014 ` Crore	2013 ` Crore
(i) Rendering of Services	0.01	0.34
National Cement Factory	0.01	0.34
(ii) Reimbursement of Expenses Received / Receivable	-	0.06
National Cement Factory	-	0.06
(iii) Receiving of Services	-	0.01
Siam City Cement Public Company Limited	-	0.01
(iv) Outstanding balance included in Trade receivables	-	0.39
National Cement Factory	-	0.39
(v) Outstanding balance included in Trade payables	-	0.01
Siam City Cement Public Company Limited	-	0.01

(H) Details of Transaction with Key Management Personnel

	2014 ` Crore	2013 ` Crore
(i) Remuneration*	7.44	6.05
Mr. Kuldip K. Kaura (Upto August 12, 2014)	4.33	6.05
Mr. Harish Badami (w.e.f. August 13, 2014)	3.11	-
(ii) Outstanding balance included in other current liabilities	0.99	1.10
Mr. Kuldip K. Kaura	0.45	1.10
Mr. Harish Badami	0.54	-

*Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

35. CAPITAL AND OTHER COMMITMENTS

	2014 ` Crore	2013 ` Crore
A) Estimated value of contracts in capital account remaining to be executed	566.97	1,532.60

- B) The Company from time to time provides need based support to subsidiaries towards capital and other requirements.

36. (A) CONTINGENT LIABILITIES NOT PROVIDED FOR -

	2014 ` Crore	2013 ` Crore
a) Claims not acknowledged by the Company		
Sales tax	31.43	30.22
Customs demand	30.97	17.69
Claim by Suppliers	36.79	36.79
Labour related	29.57	26.48
Claims for mining Lease rent	73.46	-
Others	23.14	27.98
TOTAL	225.36	139.16

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities.

b) Indemnity, Guarantee/s given to Banks/Financial Institutions, Government Bodies and others {Including Guarantee given on behalf of Subsidiary Company of ` 0.12 Crore (<i>Previous Year - ` Nil</i>)}	341.73	256.16
c) Bills discounted	22.38	9.51

- d) The Company had filed petitions against the orders / notices of various authorities demanding ` 106.59 Crore (*Previous Year - ` 211.73 Crore including MP*) towards demand of additional Royalty on Limestone based on the ratio of 1.6 tonnes of Limestone to 1 tonne of Cement produced at its factories in Chattisgarh and on cement produced vis a vis consumption of limestone at its factory in Tamil Nadu. Recently, the Madhya Pradesh High Court has decided the matter in favour of the Company by directing the Authorities to only demand Royalty based on quantity of Limestone, actually mined and recorded through statutory documentation, and not based on any ratio.

The Company holds the view that the payment of royalty on limestone is correctly made based on the actual quantity of limestone extracted from the mining area, and feels that similar relief can also be expected from the Judiciary and / or Authorities in the cases of Chattisgarh & Tamil Nadu Units. In view of the demand being legally unjustifiable, and due to the decision of the Madhya Pradesh High Court, the Company does not expect any liability in above matter.

- e) The Competition Commission of India issued an Order dated June 20, 2012, imposing penalty on certain cement manufacturers, including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002, and imposed a penalty of ` 1,147.59 Crore on the Company. The Company had filed an appeal against the said Order before the Competition Appellate Tribunal (COMPAT). Pending final disposal of the appeal, the COMPAT has stayed the penalty with a condition to deposit 10% of the penalty amount, which has been deposited in the form of short term bank fixed deposit with lien in favour of COMPAT. The fixed deposit has been renewed periodically on maturity along with interest of ` 13.81 Crore. Based on the advice of external legal counsel, the Company believes that it has good grounds for a successful appeal. Accordingly, no provision is considered necessary.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

36. (B) MATERIAL DEMANDS AND DISPUTES CONSIDERED AS "REMOTE" BY THE COMPANY

- a) The Company had availed Sales Tax Incentives in respect of its new 1 MTPA Plant at Gagal (Gagal II) under the HP State Industrial Policy, 1991. The Company had accrued Sales Tax Incentives aggregating ₹ 56 Crore. The Sales Tax Authorities had introduced certain restrictive conditions after commissioning of the unit stipulating that incentive is available only for incremental amount over the base revenue and production (of Gagal I) prior to the commissioning of Gagal II. The Company contends that such restrictions are not applicable to the unit as Gagal II is a new unit, as decided by the HP High Court and confirmed by the Supreme Court while determining the eligibility for Transport Subsidy. The Department had recovered ₹ 64 Crore (Tax of ₹ 56 Crore and interest of ₹ 8 Crore) and the same is accounted as an amount recoverable.

The HP High Court, had, in 2012, dismissed the Company's appeal. The Company believes the Hon'ble High Court's judgment is based on an erroneous understanding of certain facts and legal positions and that it also failed to consider certain key facts. The Company has been advised by legal experts that there is no change in the merits of the Company's case. Based on such advice, the Company filed a Special Leave Petition before the Hon'ble Supreme Court in , which is pending.

- b) The Company was eligible for certain incentives (in the nature of One Time Lumpsum Capital Subsidy and refund of incremental VAT paid) in respect of its investment towards modernization and expansion of the Chaibasa Cement Unit pursuant to confirmation received under the State Industrial Policy of Jharkhand. Accordingly, the company has made claims for refund of VAT paid each financial year. However, no disbursements were made (except an amount of ₹ 7 Crore representing part of the One Time Lumpsum capital Subsidy Claim of ₹ 15 Crore) as the authorities have raised various new conditions and restriction, that were extraneous to the approvals and confirmations expressly received by the Company. The Company had filed two writ appeals before the Jharkhand High Court against the restrictions and disputes on the extent of the eligible claims now being sought to be effected / raised by the Government.

In October 2013, the High Court (Single Bench) decided the matter partially in favour of the Company. Consequently, the Company has accrued, on account of VAT Refund, ₹ 95 Crore, and in respect of the unpaid One Time Lumpsum Capital Subsidy, reversed a provision of ₹ 8 Crore made in an earlier year. Based on the Court direction, the Company has submitted its revised claim in this regard.

The Company has also preferred an appeal before the Division Bench of the Jharkhand High Court for the balance claim. Similarly, the Jharkhand Government has preferred an appeal against the part of the order of the single Judge, which was in the Company's favour. The appeals have been heard on January 19, 2015, and the order reserved.

- c) The Company had set up a captive power plant ('Wadi TG 2') in the year 1995-96. This plant was sold to Tata Power Co Ltd., in the year 1998-99 and was subsequently repurchased from it in the year 2004-05. The Company had purchased another captive power plant ('Wadi TG 3', set up by Tata Power Co Ltd in the year 2002-03) in 2004-05. Both these power plants were eligible for tax holiday under the provisions of Section 80IA of the Income Tax Act, 1961. The Income tax department has disputed the Company's claim of deduction under Section 80IA of the Act, on the ground that the conditions prescribed under the section are not fulfilled. In case of Wadi TG 2, in respect of the demand of ₹ 56.66 Crore (net of provision), the Company is in appeal before the ITAT and in case of Wadi TG 3 in respect of the demand of ₹ 115.62 Crore, which was set aside by the ITAT, the Department is in appeal against the decision in favour of the Company. The Company believes that the merits of the claims are strong and will be allowed.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

- d) One of the Company's Cement manufacturing plants located in Himachal Pradesh was eligible, under the State Industrial Policy for deferral of its sales tax liability arising on sale of cement manufactured in the said plant. The Excise and Taxation department of the Government of Himachal Pradesh, disputed the eligibility of the company to such deferment on the ground that the company also manufactures an intermediate product, viz. Clinker, arising in the manufacture of cement, and such intermediate product was in the negative list. A demand of ₹ 82.37 Crore was raised. Company filed a writ petition before High Court of Himachal Pradesh against the demand. The case has been admitted and the hearing is in process. The Company believes its case is strong and the demand shall not sustain under law.
- e) The Company is eligible for incentives for one of its cement plants situated in Maharashtra, under a Package Scheme of Incentives of the Government of Maharashtra. The scheme inter alia, includes refund of royalty paid by the Company on extraction or procurement of various raw materials (Minerals). The Department of Industries has disputed the Company's claim for refund of royalty on an erroneous technical interpretation of the sanction letter issued to the Company, that only the higher of the amount of (i) VAT Refund and (ii) Royalty refund claim amounts, each year, shall be considered. The Company maintains that such annual restriction is not applicable as long as the cumulative limit of claim does not exceed the amount of eligible investment. The Company has accrued an amount of ₹ 73 Crore till December 2014 on this account. The Company has filed an appeal before the Bombay High Court challenging the stand of the Government, which is admitted & pending. The Company believes that the merits of the claim are strong.

37. ACC Mineral Resources Limited ('AMRL'), a wholly owned subsidiary of the Company, had participated in four Joint Ventures with the Madhya Pradesh State Mining Corporation Limited ('MPSMCL') for development and mining of four coal blocks allocated to MPSMCL. The Company had applied for the development and mining operations through a competitive bidding process, consequent to which the JVs were effected, in which AMRL and MPSMCL hold 49% and 51% shares respectively. As of December 31, 2014, the amount incurred, invested and advanced (including deposits to MPSMCL and other parties) by the Company in this regard is approximately ₹ 153.79 Crore.

The Hon'ble Supreme Court, vide its decision of September 24, 2014, held that allocation of various coal blocks, including those allocated to MPSMCL, is arbitrary and illegal, and hence liable to be cancelled. Subsequently, the Government promulgated The Coal Mines (Special Provisions) Ordinance, 2014, which intends to take appropriate action to deal with the situation arising pursuant to the Hon'ble Supreme Court's decision.

The management, based on its understanding of its contractual rights under its JV agreements, its interpretation of the Ordinance and on the basis of legal advice, believes that the financial loss or operational impact if any, will not be significant.

38. PARTICULARS OF UN HEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE

Particulars	Currency	2014			2013		
		Foreign currency in Crore	Exchange rate	₹ Crore	Foreign currency in Crore	Exchange rate	₹ Crore
Trade Receivable	SAR	-	-	-	0.25	16.43	4.03
Trade Payable and Other Current Liabilities	CHF	0.01	64.05	0.95	0.23	69.50	15.99
	USD	0.20	63.43	12.47	0.03	61.78	1.72
	GBP	0.0001	98.79	0.01	0.0001	102.08	0.01
	EUR	0.27	77.02	20.75	0.04	85.18	3.20

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

39. During the year, the Company has provided ` 4.13 Crore in National Limestone Company Private Limited (*Previous year - ` 17.86 Crore in Shiva Cement Limited*) for diminution in the value of these investment considering the diminution in value of this investment other than temporary nature.
40. During the year, the Company has written back ` 112.75 Crore of provision for income-tax upon completion of assessment. Outcome of certain matters in this assessment, read with judicial precedents, provides additional information relating to certain tax positions, which has a bearing on some subsequent unassessed years, resulting in provision for tax recognized of ` 196.48 Crore for those years being considered no longer necessary. Accordingly, total amount of ` 309.23 Crore (*Previous Year – ` 216.74 Crore*) have been written back during the year and disclosed separately as 'Tax adjustments for earlier years.
41. The Company has arrangements with few third parties whereby it sells clinker to them and purchases Cement manufactured by them out of such clinker. While the transactions are considered as individual sale / purchase transactions for determination of taxable turnover and tax under VAT laws, considering the accounting treatment prescribed under various accounting guidance, revenue for sale of such clinker of ` 22.84 Crore (*Previous year - ` 25.88 Crore*) has not been recognized as a part of the Turnover but has been adjusted against cost of purchase of cement so converted.
42. **LOANS AND ADVANCES, IN THE NATURE OF LOANS – AS REQUIRED UNDER CLAUSE 32 OF LISTING AGREEMENT :**

Particulars	2014	Maximum Balance during the Year	2013	Maximum Balance during the Year
	` Crore	` Crore	` Crore	` Crore
Inter Corporate Deposits / Loans:				
ACC Mineral Resources Limited	-	109.73	34.48	34.48
Lucky Minmat Limited	1.31	1.31	1.02	1.02
National Limestone Company Private Limited	2.10	2.10	1.88	1.88
Singhania Minerals Private Limited	0.03	0.03	0.03	0.03

Note - There is no repayment schedule in respect of the above loans

43. CAPITAL WORK-IN-PROGRESS INCLUDES :

	2014 ` Crore	2013 ` Crore
Expenditure during construction for projects as under :		
Opening balance	74.06	16.82
Addition during the year	75.08	57.74
	149.14	74.56
Less : Capitalised during the year	15.47	0.50
Balance included in capital work-in-progress	133.67	74.06

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

44. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS :

	2014 ` Crore	2013 ` Crore
Raw Material	111.07	61.17
Stores and Spare Parts	52.92	53.65
Coal	512.02	244.41
Capital Goods	191.47	104.35
TOTAL	867.48	463.58

45. EXPENDITURE IN FOREIGN CURRENCIES (ON ACCRUAL BASIS) :

	2014 ` Crore	2013 ` Crore
Technology and Know-how fees	112.91	107.66
Fees for Technical support services	14.67	24.33
Consultants' Fees	1.58	1.28
Others	6.23	14.69
TOTAL	135.39	147.96

46. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, STORES AND SPARE PARTS CONSUMED :

	2014		2013	
	` Crore	%	` Crore	%
(a) Raw Materials				
Imported	134.89	7.54	85.84	5.34
Indigenous	1,653.42	92.46	1,522.96	94.66
	1,788.31	100.00	1,608.80	100.00
(b) Stores and Spare Parts				
Imported	44.40	12.27	42.25	11.25
Indigenous	317.59	87.73	333.24	88.75
	361.99	100.00	375.49	100.00

47. EARNINGS IN FOREIGN EXCHANGE (ON ACCRUAL BASIS) :

	2014 ` Crore	2013 ` Crore
Consultancy Services	0.33	0.78
Others	1.52	-
TOTAL	1.85	0.78

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**48. REMITTANCES IN FOREIGN CURRENCIES :**

	2014	2013
On account of dividend to non-resident shareholders		
(a) Final Dividend		
No. of shareholders	1	1
No. of Equity Shares	5,41,000	5,41,000
Amount remitted (` Crore)	1.03	1.03
Year to which it pertains	2013	2012
(b) Interim Dividend		
No. of shareholders	1	1
No. of Equity Shares	5,41,000	5,41,000
Amount remitted (` Crore)	0.81	0.59
Year to which it pertains	2014	2013

49. PROPOSED DIVIDEND :

The final dividend proposed for the year is as follows :

	2014	2013
On Equity Shares of ` 10 each		
Amount of dividend proposed (` Crore)	356.72	356.72
Dividend per Equity Share (`)	19	19

50. COMPARATIVE FIGURES :

Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2015

For and on behalf of the Board of Directors of ACC Limited,

N.S.SEKHSARIA
Chairman
DIN: 00276351

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

ARUNKUMAR R GANDHI
Director
DIN: 00007597

AIDAN LYNAM
Director
DIN: 03058208

ASHWIN DANI
Director
DIN: 00009126

VIJAY KUMAR SHARMA
Director
DIN: 02449088

BERNARD FONTANA
Director
DIN: 05178749

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

FARROKH K. KAVARANA
Director
DIN: 00027689

FALGUNI NAYAR
Director
DIN: 00003633

STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

	ACC Mineral Resources Limited	BULK Cement Corporation (India) Limited	Lucky Minmat Limited	National Limestone Co. Pvt. Limited	Singhania Minerals Pvt. Limited
(A) The "Financial Year" of the Subsidiary Companies	December 31, 2014	December 31, 2014	December 31, 2014	December 31, 2014	December 31, 2014
(B) Shares of the Subsidiary held by ACC Limited on the above dates :					
(a) Number and face value	1,21,95,000 Shares of ` 100/- each fully paid up	3,18,42,050 Shares of ` 10/- each fully paid up	325,000 Share of ` 100/- each fully paid up	8,650 Shares of ` 100/- each fully paid up	20,000 Shares of ` 10/- each fully paid up
(b) Extent of holding	100%	94.65%	100%	100%	100%
(C) The net aggregate of Profits/ (Losses) of the Subsidiary Companies so far as it concerns the members of The ACC Limited -					
(a) Not dealt with in the accounts of ACC Limited for the year ended December 31, 2014 amounted to -					
(i) for the Subsidiaries financial year ended as in (A) above (` Lakhs)	(584.98)	432.99	(78.55)	(22.94)	(2.08)
(ii) for the previous financial years of the Subsidiaries since they became the Holding Company's subsidiaries (` Lakhs)	(99.96)	1,252.66	(166.31)	(53.95)	(5.54)
(b) Dealt with in the accounts of ACC Limited for the year ended December 31, 2014 amounted to -					
(i) for the Subsidiaries financial year ended as in (A) above	-	-	-	-	-
(ii) for the previous financial years of the Subsidiaries since they became the Holding Company's subsidiaries	-	-	-	-	-

For and on behalf of the Board of Directors of ACC Limited,

N.S.SEKHSARIA
Chairman
DIN: 00276351

ARUNKUMAR R GANDHI
Director
DIN: 00007597

BERNARD FONTANA
Director
DIN: 05178749

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

AIDAN LYNAM
Director
DIN: 03058208

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

SUNIL K. NAYAK
Chief Financial Officer

ASHWIN DANI
Director
DIN: 00009126

FARROKH K. KAVARANA
Director
DIN: 00027689

BURJOR D. NARIMAN
Company Secretary

VIJAY KUMAR SHARMA
Director
DIN: 02449088

FALGUNI NAYAR
Director
DIN: 00003633

CONSOLIDATED GROUP OPERATING RESULTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2014		2013
	` Crore	` Crore	` Crore
ACC's Net Profit		1,168.29	1,095.76
Add: Pro-rata share of profits / (losses) of subsidiaries -			
Bulk Cement Corporation (India) Limited	4.33		2.71
ACC Mineral Resources Limited	(5.85)		(0.23)
Lucky Minmat Limited	(0.79)		(0.42)
National Limestone Co. Pvt. Limited	(0.23)		(0.17)
Singhania Mineral Private Limited	(0.02)		(0.03)
		(2.56)	1.86
Add: Pro-rata share of profit of Associates		11.38	13.09
Less: Minority Interest of Subsidiary (BCCI)		0.23	0.15
Less: Amortisation of Goodwill on acquisition of Subsidiary and			
Investment in Associates		9.30	9.30
Less: Dividend received from Associates		9.86	6.59
Add: Other adjustments (Net)		4.10	-
		1,161.82	1,094.67

CONSOLIDATED GROUP NET WORTH AS AT DECEMBER 31, 2014

	2014		2013
	` Crore	` Crore	` Crore
ACC's Net Worth		8,235.61	7,824.84
Add: Net worth as per Balance Sheet of Subsidiary Companies -			
Bulk Cement Corporation (India) Limited	53.48		49.15
ACC Mineral Resources Limited	115.10		3.95
Lucky Minmat Limited	0.64		1.43
National Limestone Co. Pvt. Limited	1.27		(0.41)
Singhania Mineral Private Limited	(0.06)		(0.04)
	170.43		54.08
Less: Pro-rata share of Minority shareholders interest in			
the Net Worth of Subsidiary Companies	2.93		2.70
Less: ACC's share in pre-acquisition Net Worth of			
Subsidiary Companies	157.40		42.62
		10.10	8.76
Less: Amortisation of Goodwill in Subsidiary Companies		37.96	32.07
Less: Unrealised profit on purchase of Fixed Assets		(0.53)	(0.53)
Add: Increase in Net Worth of Alcon Cement Company Pvt. Ltd.		(4.42)	(1.58)
Add: Increase in Net Worth of Asian Cements and Concretes Pvt. Ltd.		10.97	10.17
Add: Increase in Net Worth of Aakaash Manufacturing Co. Pvt. Ltd.		2.96	2.81
Less: Other adjustments (Net)		0.11	0.08
		8,217.68	7,813.38

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of ACC Limited

We have audited the accompanying consolidated financial statements of ACC Limited ("the Company") and its subsidiaries and associates ("the Group"), which comprise the consolidated Balance Sheet as at December 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India including the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with General Circular 8/2014 dated April 04, 2014 issued by Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation

of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 36 (A) (e) of the financial statements, relating to the order of the Competition Commission of India (CCI), concerning alleged contravention of the provisions of the Competition Act, 2002 and imposing a penalty of ₹ 1,147.59 Crore on the Company. Based on the advice of external legal counsel, no provision has been considered necessary by the Company in this regard. Our opinion is not qualified in respect of this matter.

Other Matter

We did not audit total assets of ₹ 199.30 Crores as at December 31, 2014, total revenues of ₹ 5.20 Crores and net cash inflows amounting to ₹ 3.14 crores for the year then ended, included in the accompanying consolidated financial statements in respect of five subsidiaries and the Group's share of profit of ₹ 11.38 Crores in respect of three associates included in the accompanying consolidated financial statements, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiaries and associates is based solely on the report of other auditors.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E

per RAVI BANSAL

Partner

Membership Number: 49365

Place: Mumbai

Date: February 03, 2015

CONSOLIDATED BALANCE SHEET as at December 31, 2014

Particulars	Note No.	2014 ₹ Crore	2013 ₹ Crore
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	187.95	187.95
Reserves and surplus	4	8,029.73	7,625.43
		8,217.68	7,813.38
Minority Interest		2.93	2.70
Non-current liabilities			
Deferred tax liabilities (Net)	6	540.98	512.84
Long-term provisions	7	115.94	106.14
		656.92	618.98
Current liabilities			
Trade payables	8	752.02	641.64
Other current liabilities	9	2,114.81	1,960.66
Short-term provisions	10	937.27	1,063.70
		3,804.10	3,666.00
TOTAL		12,681.63	12,101.06
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible assets	11	5,643.80	5,541.74
Intangible assets	11	22.19	28.24
Capital work-in-progress		1,939.23	823.54
Intangible assets under development		16.67	8.65
Non-current investments	12	84.08	86.66
Long-term loans and advances	13	936.77	887.37
Other non-current assets	14	360.71	308.24
		9,003.45	7,684.44
Current assets			
Current investments	15	1,301.08	2,038.91
Inventories	16	1,256.38	1,122.30
Trade receivables	17	410.60	397.18
Cash and bank balances	18	309.78	505.72
Short-term loans and advances	19	385.77	332.98
Other current assets	20	14.57	19.53
		3,678.18	4,416.62
TOTAL		12,681.63	12,101.06
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E

N.S.SEKHSARIA
Chairman
DIN: 00276351

ARUNKUMAR R GANDHI
Director
DIN: 00007597

BERNARD FONTANA
Director
DIN: 05178749

per RAVI BANSAL
Partner
Membership No. 49365

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DIN: 00027689

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Company Secretary

VIJAY KUMAR SHARMA
Director
DIN: 02449088

FALGUNI NAYAR
Director
DIN: 00003633

Mumbai, February 03, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended December 31, 2014

Particulars	Note No.	2014 ` Crore	2013 ` Crore
INCOME			
Revenue from operations (gross)		13,108.76	12,472.22
Less - Excise duty		1,369.97	1,322.13
Revenue from operations (net)	21	11,738.79	11,150.09
Other Income	22	256.63	281.01
Total Revenue		11,995.42	11,431.10
EXPENSES			
Cost of material consumed	23	1,787.57	1,608.80
Purchase of traded goods	24	194.33	161.10
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(11.28)	6.53
Employee benefits expense	26	748.05	662.55
Power and fuel		2,444.47	2,378.10
Freight and Forwarding expense	27	2,578.42	2,291.91
Finance costs	29	82.76	113.55
Depreciation and amortization expense	11	567.62	583.79
Other expenses	28	2,501.60	2,418.59
		10,893.54	10,224.92
Self Consumption of cement (net of Excise duty)		(17.66)	(7.46)
Total Expenses		10,875.88	10,217.46
Profit before tax		1,119.54	1,213.64
Tax expenses			
Current tax		(264.36)	(363.87)
Tax adjustments for earlier years (Refer Note - 40)		309.23	216.74
Deferred tax		(13.74)	15.22
		31.13	(131.91)
Profit after tax		1,150.67	1,081.73
Share of Profit in Associates		11.38	13.09
Minority Interest		(0.23)	(0.15)
Profit for the year		1,161.82	1,094.67
Earnings per equity share	30		
{(Face value of ` 10 each (Previous year - ` 10 each))}			
Basic		61.88	58.31
Diluted		61.72	58.17
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E

N.S.SEKHSARIA
Chairman
DIN: 00276351

ARUNKUMAR R GANDHI
Director
DIN: 00007597

BERNARD FONTANA
Director
DIN: 05178749

per RAVI BANSAL
Partner
Membership No. 49365

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

AIDAN LYNAM
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ASHWIN DANI
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FARROKH K. KAVARANA
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BURJOR D. NARIMAN
Company Secretary

VIJAY KUMAR SHARMA
Director
DIN: 02449088

FALGUNI NAYAR
Director
DIN: 00003633

Mumbai, February 03, 2015

CONSOLIDATED CASH FLOW STATEMENT for the year ended December 31, 2014

Particulars	2014 Crore	2013 Crore
A. Cash flow from operating activities		
Net Profit before Taxation	1,119.54	1,213.64
Adjustments for:		
Depreciation and Amortisation	567.62	583.79
Impairment Loss	-	11.93
Loss / (Profit) on sale / write off of fixed assets (Net)	15.88	3.93
Provision for diminution in the value of Investment and Investment written off	0.69	17.86
Gain on sale of current investments (Net)	(43.43)	(61.27)
Interest income	(213.20)	(219.74)
Finance costs	82.76	113.55
Provision for doubtful debts and advances (Net)	15.88	7.53
Bad debts written off	4.60	0.67
Provision for Slow and non moving Stores & Spares parts	13.72	18.48
Provision no longer required written back	(45.85)	(13.92)
Capital Spares Consumed	9.05	23.22
Miscellaneous expenditure written off	3.43	3.44
Operating profit before working capital changes	1,530.69	1703.11
Changes in Working Capital:		
Adjustments for Decrease / (Increase) in operating assets:		
Decrease / (Increase) in Trade receivable, loans & advances and other assets	(191.79)	(300.37)
Decrease / (Increase) in Inventories	(147.80)	(6.39)
Adjustments for Increase / (Decrease) in operating liabilities:		
Increase / (Decrease) in Trade payables, Other liabilities and Provisions	398.45	117.97
Cash generated from operations	1,589.55	1,514.32
Direct tax paid - (Net of refunds)	(237.37)	(450.88)
Net Cash flow from operating activities	1,352.18	1,063.44
B. Cash flow from investing activities		
Loans to Joint Ventures	(23.97)	(8.21)
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)	(1,606.21)	(970.13)
Proceeds from sale of Fixed Assets	2.58	7.30
Proceed from sale of current investments (Net)	43.43	61.27
Investment in bank deposits (having original maturity for more than 3 months)	(7.87)	(119.30)
Dividend Received	9.86	6.59
Interest Received	125.46	160.90
Net cash used in investing activities	(1,456.72)	(861.58)

CONSOLIDATED CASH FLOW STATEMENT for the year ended December 31, 2014 (contd.)

Particulars	2014 ` Crore	2013 ` Crore
C. Cash flow from financing activities		
Finance costs	(49.07)	(50.52)
Repayment of Long term borrowings	(35.03)	(128.03)
Dividend paid	(644.51)	(560.20)
Dividend Distribution Tax paid	(108.48)	(95.72)
Net cash used in financing activities	(837.09)	(834.47)
Net increase / (decrease) in cash and cash equivalents	(941.63)	(632.61)
Cash and cash equivalents at the beginning of the year	2,522.89	3,155.50
Cash and cash equivalents at the end of the year	1,581.26	2,522.89
Components of cash and cash equivalents:		
Cash on hand	0.12	0.12
Balance with banks		
On current accounts	41.17	56.15
On deposit account	107.02	289.67
Earmarked for specific purpose (Refer Note (1) below)	31.87	38.04
Cash and cash equivalents (Refer Note 18)	180.18	383.98
Add : Investment in Mutual Funds	369.00	1,083.70
Add : Investment in Certificate of Deposits	932.08	955.21
Add : Deposit with HDFC Limited	100.00	100.00
Cash and Cash equivalents in cash flow statement	1,581.26	2,522.89
Significant accounting policies (Refer Note - 2)		

Note : 1 These balances are not available for use by the Company as they represent unpaid dividend liabilities.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of ACC Limited,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E

N.S.SEKHSARIA
Chairman
DIN: 00276351

ARUNKUMAR R GANDHI
Director
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per **RAVI BANSAL**
Partner
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FALGUNI NAYAR
Director
DIN: 00003633

Mumbai, February 03, 2015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014

1 COMPANY OVERVIEW

ACC Limited (the Company) is a public limited company domiciled and headquartered in India and incorporated under the provision of Companies Act, 1913. Its shares are listed on two stock exchanges in India. The Company is engaged in the manufacturing and selling of Cement and Ready mix concrete. The Company caters mainly to the domestic market.

2 SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation

- a) The Consolidated Financial Statements are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended). The Consolidated Financial Statements comprise the financial statements of ACC Limited (the Company), its subsidiaries and associates. The Company, its subsidiaries and associates constitute the ACC Group. Reference in these notes to the 'Company' or 'ACC' shall mean to include ACC Limited and/or any of its subsidiaries / associates, consolidated in these financial statements unless otherwise stated.
- b) The list of Companies which are included in consolidation and the Parent Company's holdings therein are as under:

Name of the Company	Percentage Holding	
	2014	2013
a) Subsidiaries		
1 Bulk Cement Corporation (India) Limited (BCCI)	94.65%	94.65%
2 ACC Mineral Resources Limited	100%	100%
3 Lucky Minmat Limited	100%	100%
4 National Limestone Co. Private Limited	100%	100%
5 Singhania Mineral Private Limited	100%	100%
b) Associates		
1 Alcon Cement Company Private Limited	40%	40%
2 Asian Concretes and Cements Private Limited	45%	45%
3 Aakaash Manufacturing Private Limited	40%	40%
c) Joint Ventures of ACC Mineral Resources Limited		
1 MP AMRL(Semaria) Coal Company Limited	49%	49%
2 MP AMRL(Bicharpur) Coal Company Limited	49%	49%
3 MP AMRL(Marki Barka) Coal Company Limited	49%	49%
4 MP AMRL(Morga) Coal Company Limited	49%	49%

Notes :

Each of the above Companies is incorporated in India & financials statements are drawn up to the same reporting date as that of the parent Company i.e. December 31, 2014.

- c) The Consolidated Financial Statements have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

- d) The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.
- e) The Consolidated Financial Statements of the Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized Profits/ Losses.
- f) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- g) The difference between the cost of investment in the subsidiaries, and the Company's share of net assets at the time of acquisition of share in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be. Goodwill is amortised over a period of ten years from the date of acquisition/investment.
- h) Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.
Minority interest in the net assets of consolidated subsidiaries consists of:
 - (a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
 - (b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.
- i) Minority interest's share of Net Profit / (Loss) for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group.
- j) Investment in associates where the Company directly or indirectly through subsidiaries holds more than 20% of equity, are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated financial Statements" notified by Companies (Accounting Standards) Rules, 2006 (as amended).
- k) The difference between the cost of investment in the associates and the Company's share of net assets at the time of acquisition of share in the associate is identified in the financial statements as Goodwill or Capital Reserve as the case may be. Goodwill is amortised over a period of ten years from the date of investment.
- l) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006 (as amended).

(ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(iii) Tangible Fixed assets

- a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses.
- b) Machinery spares which can be used only in connection with a particular item of Fixed Assets and the use of which is irregular, are capitalized at cost.
- c) Fixed assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately.
- d) Losses arising from the retirement of, and gains and losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- e) Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

(iv) Depreciation on tangible fixed assets

- a) Depreciation on fixed assets, other than Captive Power Plant related assets consisting of Buildings, Plant and Equipment (CPP assets), is provided using the straight-line method and on CPP assets using the written-down value method at the rates prescribed in schedule XIV to the Companies Act, 1956 or based on the useful lives of the assets as estimated by management, whichever is higher. The depreciation on the following assets is provided at higher rates as compared to schedule XIV rates:

Assets	Useful Life
Transit Mixers	8 Years
Concrete Pumps	6 Years

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed off.

- b) Machinery spares which are capitalised are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged in the Statement of Profit and Loss, on issue for consumption.
- c) Leasehold land is amortized on a straight line basis over the period of lease.
- d) Freehold land used for mining is depreciated on the basis of quantity of minerals actually extracted during the year with respect to the estimated total quantity of extractable mineral reserves.

(v) Intangible Assets and Amortisation

Intangible assets are stated at cost of acquisition or construction less accumulated amortisation and impairment losses if any. Intangible assets are amortised over their estimated useful economic life. Computer Software cost is amortised over a period of three years using straight-line method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(vi) Intangible assets under development

Mine Development Expenses has been recognized as intangible assets under development and includes expenses on account of prospecting, expenses for regulatory clearances, exploration and evaluation of coal mines etc. These expenses are carried forward and will be capitalized once the mine starts the commercial production.

(vii) Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

(viii) Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use, are capitalised as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur.

Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

(ix) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at the lower of cost and fair value determined on an individual basis.

(x) Inventories

Inventories are valued after providing for obsolescence, as follows:

a) Raw Materials, Stores & Spare parts, Packing Material and Fuels

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

b) Work-in-progress, Finished goods and Stock-in-Trade

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**(xi) Cash and Cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at bank, demand deposits with banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

(xii) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of sales tax / VAT, trade discounts and returns, as applicable. Excise duties deducted from turnover (gross) are the amounts that are included in the amount of turnover (gross) and not the entire amount of liability that arose during the year.

Income from services

Revenue from services is recognised pro-rata over the period of the contract as and when services are rendered.

Interest and Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

(xiii) Government Grants and Subsidies

- a) Government Grants and subsidies are recognized when there is reasonable assurance that the conditions attached to them will be complied, and grant/subsidy will be received.
- b) Government grants and subsidies receivable against an expense are deducted from such expense and subsidy/grant receivable against a specific fixed asset is deducted from cost of the relevant fixed asset.
- c) Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of shareholders' funds.

(xiv) Leases**Where the Company is the lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(xv) Foreign currency transactions

Foreign currency transactions are initially recorded at the rates of exchange prevailing on the date of transactions. Foreign currency monetary items are subsequently reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(xvi) Employee benefits

a) Short term employee benefits

Short term employee benefits are recognised as an expense on accrual basis.

b) Defined contribution plans

The Company's Officer's Superannuation Fund scheme, state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense in the Statement of Profit and Loss, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

c) Defined benefit plans

The Company's Gratuity fund scheme, additional gratuity scheme, provident fund scheme managed by trust and post employment benefit scheme are considered as defined benefit plans. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

d) Other long term benefits

Silver jubilee and long service awards and accumulated compensated absences which are expected to be availed or encashed beyond 12 months from the end of the year, are treated as other long term employee benefits for measurement purposes. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

e) Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

f) For the purpose of presentation of Defined benefit plans and other long term benefits, the allocation between short term and long term provisions has been made as determined by an actuary. The Company presents the entire compensated absences as a short term provisions, since employee has an unconditional right to avail the leave at any time during the year.

g) Expenses incurred towards voluntary retirement scheme are charged to the Statement of Profit and Loss as and when incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**(xvii) Income taxes**

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred income taxes reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

(xviii) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(xix) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(xx) Mines Restoration Expenditure

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year.

Mines restoration expenses is incurred on an on going basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

(xxi) Classification of Current / Non Current Assets and Liabilities

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

(xxii) Segment Reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

3. SHARE CAPITAL

	2014 ₹ Crore	2013 ₹ Crore
Authorised Shares		
22,50,00,000 (Previous Year - 22,50,00,000) Equity Shares of ₹ 10 each	225.00	225.00
10,00,00,000 (Previous Year - 10,00,00,000) Preference Shares of ₹ 10 each	100.00	100.00
Issued		
18,87,93,243 (Previous Year - 18,87,93,243) Equity Shares of ₹ 10 each	188.79	188.79
Subscribed & Paid-up		
18,77,45,356 (Previous Year - 18,77,45,356) Equity Shares of ₹ 10 each fully paid	187.75	187.75
Add : 3,84,060 (Previous Year - 3,84,060) Equity Shares of ₹ 10 each Forfeited - Amount Paid	0.20	0.20
TOTAL	187.95	187.95

i) Reconciliation of number of equity shares outstanding

	2014		2013	
	No. of shares	₹ Crore	No. of shares	₹ Crore
Equity Shares at the beginning of the year	18,77,45,356	187.75	18,77,45,356	187.75
Equity Shares at the end of the year	18,77,45,356	187.75	18,77,45,356	187.75

ii) Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

iii) Equity shares held by holding company / ultimate holding and their subsidiaries

	2014 ₹ Crore	2013 ₹ Crore
Holcim (India) Private Limited, the Holding Company 9,38,88,120 (Previous Year - 9,38,88,120) Equity shares ₹ 10 each fully paid	93.89	93.89
Holderind Investments Ltd., Mauritius, Holding Company of Holcim (India) Private Limited 5,41,000 (Previous Year - 5,41,000) Equity shares ₹ 10 each fully paid	0.54	0.54

Both these Companies are subsidiaries of Holcim Ltd., Switzerland, the ultimate holding Company.

iv) The Company has issued total 5,064 (Previous Year - 63,537) Equity shares ₹ 10 each fully paid during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan, wherein part consideration was received in form of employee services.

v) Details of shareholders holding more than 5% shares in the Company

	2014		2013	
	No. of shares	% holding	No. of shares	% holding
Holcim (India) Private Limited	9,38,88,120	50.01	9,38,88,120	50.01
Life Insurance Corporation of India	1,79,71,429	9.57	1,53,92,891	8.20

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

4. RESERVES AND SURPLUS

	2014		2013
	` Crore	` Crore	` Crore
Capital Reserve			
Balance as per last Financial Statements	15.07		7.07
Add: Reversal of capital subsidy provision [Refer Note - 36 B (b)]	-		8.00
		15.07	15.07
Securities Premium Account		844.84	844.84
Debenture Redemption Reserve			
Balance as per last Financial statements	8.00		39.25
Less: Transferred to General Reserve	8.00		31.25
		-	8.00
General Reserve			
Balance as per last Financial statements	2,598.78		2,447.53
Add: Transferred from surplus in Statement of Profit and Loss	130.00		120.00
Add: Transferred from Debenture Redemption Reserve	8.00		31.25
		2,736.78	2,598.78
Surplus in Statement of Profit and Loss			
Balance as per last Financial statements	4,158.74		3,845.79
Add: Profit for the year	1,161.82		1,094.67
	5,320.56		4,940.46
Less - Appropriations			
Interim equity dividend {amount per share ` 15 (Previous Year - ` 11)}	281.62		206.52
Proposed final equity dividend {amount per share ` 19 (Previous Year - ` 19)}	356.72		356.72
Tax on equity dividends	119.18		95.72
Previous Year tax on equity dividends	-		2.76
Transfer to General Reserve	130.00		120.00
	887.52		781.72
		4,433.04	4,158.74
TOTAL		8,029.73	7,625.43

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

5. LONG-TERM BORROWINGS

	Long Term		Current Maturity of Long-Term Borrowings*	
	2014 ₹ Crore	2013 ₹ Crore	2014 ₹ Crore	2013 ₹ Crore
Secured				
Privately placed Non-Convertible Debentures				
Nil (Previous Year - 320) 8.45% Non-Convertible Debentures of ₹ 10,00,000 each (Refer Note (i) below)	-	-	-	32.00
Sub-Total	-	-	-	32.00
Unsecured				
Deferred payment liability (Refer Note (ii) below)	-	-	-	1.62
Deferred sales tax loans (Refer Note (iii) below)	-	-	-	1.41
Sub-Total	-	-	-	3.03
TOTAL	-	-	-	35.03

*Amount disclosed under the head "Other Current Liabilities" (Refer Note - 9)

- i) 8.45% Debentures were redeemable at par at the end of five years from the date of allotment, viz 07 October 2009. These debentures were secured by a charge on all movable and immovable assets under the Debenture Trust Deed. During the year, the Company has redeemed 320 debentures (Previous Year - Nil) of ₹ 32 Crore (Previous year - ₹ Nil).
- ii) Deferred Payment Liability was payable to the Industrial Development Corporation of Orissa Limited (IDCOL) in eight equal annual instalments of ₹ 1.62 Crore beginning from 2007 without interest or penalty.
- iii) Deferred sales tax loan was interest-free and payable in 12 yearly instalments of ₹ 1.41 Crore each beginning from 2003.

6. DEFERRED TAX LIABILITIES (NET)

	2014 ₹ Crore	2013 ₹ Crore
Deferred Tax Liabilities arising on account of :		
Depreciation and amortisation differences	762.41	751.12
	762.41	751.12
Deferred Tax Assets arising on account of :		
Provision for employee benefits	81.02	61.85
Expenditure debited in Statement of Profit and Loss but allowed for tax purposes in the following years	67.88	74.34
Provision for obsolescence of spare parts	31.46	28.07
Others	41.07	74.02
	221.43	238.28
Net Deferred Tax Liabilities	540.98	512.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

7. LONG-TERM PROVISIONS

	2014 ` Crore	2013 ` Crore
Provision for employee benefits (Refer Note - 31)		
Provision for gratuity and staff benefit schemes	95.06	86.99
Other Provisions		
Provision for Mines Restoration	20.88	19.15
TOTAL	115.94	106.14

Movement of provision during the year as required by Accounting Standard 29 :

Mines Restoration Expenditure

	2014 ` Crore	2013 ` Crore
Opening provision	19.15	17.00
Add: Provision during the year	2.08	2.61
Less: Utilisation during the year	(0.35)	(0.46)
Closing provision	20.88	19.15

Mines restoration expenditure is incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

8. TRADE PAYABLES

	2014 ` Crore	2013 ` Crore
Due to Micro and Small Enterprises	1.76	1.66
Due to others	750.26	639.98
TOTAL	752.02	641.64

There is no principal amount and interest overdue to Micro and Small Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**9. OTHER CURRENT LIABILITIES**

	2014 ₹ Crore	2013 ₹ Crore
Current maturities of long-term borrowings (Refer Note - 5)	-	35.03
Interest accrued but not due on borrowings	-	0.64
Investor Education and Protection Fund :- (Refer Note - (i) below)		
Unpaid dividend	31.87	38.04
Unpaid Matured Deposits	0.02	0.02
Statutory dues	324.40	314.42
Advance from customers	132.04	144.95
Security deposits and retention money	624.76	514.68
Liability for capital expenditure	133.39	75.11
Other payables (including Rebates to customers, Employees dues, etc.)	868.33	837.77
TOTAL	2,114.81	1,960.66

- i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at December 31, 2014

10. SHORT-TERM PROVISIONS

	2014 ₹ Crore	2013 ₹ Crore
Provision for employee benefits (Refer Note - 31)		
Provision for gratuity and staff benefit schemes	17.62	14.16
Provision for compensated absences	109.22	90.44
Other Provisions		
Provision for Income Tax (Net of advance tax)	382.39	541.76
Proposed Final Dividend	356.72	356.72
Tax on proposed dividend	71.32	60.62
TOTAL	937.27	1,063.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

11. FIXED ASSETS

₹ Crore

Particulars	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01-01-2014	Additions/ Adjustments	Deductions/ Adjustments	As at 31-12-2014	For the Year	Deductions/ Adjustments	As at 31-12-2014	As at 31-12-2013
Tangible Assets :								
Freehold Non Mining Land	104.43	14.46	0.01	118.88	-	-	118.88	104.43
Freehold Mining Land	152.41	14.57	-	166.98	0.20	-	164.99	150.62
Leasehold Land	70.23	7.13	-	77.36	2.74	-	36.07	31.68
Buildings	1,247.42	127.43	12.07	1,362.78	47.42	10.07	953.71	875.70
Plant and Equipment	8,514.95	484.17	99.16	8,899.96	484.07	79.32	4,130.21	4,149.95
Railway Sidings	166.68	13.98	2.16	178.50	8.42	1.65	119.62	114.57
Furniture & Fixtures	42.66	3.21	1.09	44.78	2.37	0.77	24.10	23.58
Vehicles	47.43	10.08	2.00	55.51	5.49	1.52	33.67	29.56
Office equipment	120.96	12.52	7.42	126.06	10.75	6.55	62.55	61.65
TOTAL	10,467.17	687.55	123.91	11,030.81	561.46	99.88	5,643.80	5,541.74
Intangible Assets :								
Computer Software	60.09	0.24	1.08	59.25	0.39	1.07	0.74	0.90
Goodwill	59.42	-	-	59.42	5.89	-	37.97	27.34
TOTAL	119.51	0.24	1.08	118.67	6.28	1.07	22.19	28.24

Notes:

- Buildings include cost of shares ₹ 4,960 (Previous Year - ₹ 4,960) in various Co-operative Housing Societies, in respect of 10 (Previous Year - 10) residential flats.
- Buildings include Gross block of ₹ 23.86 Crore (Previous year - ₹ 23.86 Crore) and Net block of ₹ 21.27 Crore (Previous Year - ₹ 21.66 Crore) in respect of which the transfer of title deeds to the name of the Company is under process.
- Plant and Equipment includes assets given on lease to Railways under "Own Your Wagons" Scheme of ₹ 28.48 Crore (Previous Year - ₹ 28.48 Crore) and accumulated depreciation ₹ 28.48 Crore (Previous Year - ₹ 28.48 Crore).
- Depreciation charge for the year include ₹ 0.12 Crore (Previous year - Nil) capitalised as pre-operative expenses.
- Goodwill is on account of investment in subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

11. FIXED ASSETS (contd.)

Particulars	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION / IMPAIRMENT				NET BLOCK	
	As at 01-01-2013	Additions/ Adjustments	Deductions/ Adjustments	As at 31-12-2013	As at 01-01-2013	For the Year	Impairment loss	Deductions/ Adjustments	As at 31-12-2013
Tangible Assets :									
Freehold Non Mining Land	104.43	-	-	104.43	-	-	-	-	104.43
Freehold Mining Land	174.50	5.77	27.86	152.41	1.55	0.24	-	1.79	150.62
Leasehold Land	69.44	1.78	0.99	70.23	38.03	1.51	-	0.99	31.68
Buildings	1,215.83	36.28	4.69	1,247.42	327.56	44.72	2.15	2.71	875.70
Plant and Equipment	8,360.01	225.23	70.29	8,514.95	3,892.35	502.40	9.69	39.44	4,149.95
Railway Sidings	164.39	2.29	-	166.68	44.74	7.37	-	-	114.57
Furniture & Fixtures	39.94	3.14	0.42	42.66	15.03	4.38	-	0.33	23.58
Vehicles	38.25	10.71	1.53	47.43	14.40	4.76	-	1.29	29.56
Office equipment	113.34	10.40	2.78	120.96	49.32	12.08	0.09	2.18	61.65
TOTAL	10,280.13	295.60	108.56	10,467.17	4,382.98	577.46	11.93	46.94	5,541.74
Intangible Assets :									
Computer Software	59.82	0.34	0.07	60.09	58.82	0.44	-	0.07	0.90
Goodwill	59.42	-	-	59.42	26.19	5.89	-	-	27.34
TOTAL	119.24	0.34	0.07	119.51	85.01	6.33	-	0.07	28.24
									34.23

` Crore

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

12. NON-CURRENT INVESTMENTS

(VALUED AT COST UNLESS STATED OTHERWISE)

	2014			2013	
	Numbers	` Crore		Numbers	` Crore
Trade Investments					
(a) Unquoted equity instruments					
Investment in Associates					
Face value ` 10 each					
Alcon Cement Company Private Limited {includes unamortised Goodwill of ` 5.23 Crore (Previous Year - ` 6.85 Crore)}	4,08,001	20.67		4,08,001	23.10
Add : Share of Profit		2.86			3.72
Less: Dividend Received		(4.08)			(4.53)
Less: Amortisation of Goodwill		(1.62)			(1.62)
			17.83		20.67
Asian Concretes and Cements Private Limited {includes unamortised Goodwill of ` 8.16 Crore (Previous Year - ` 9.71 Crore)}	81,00,000	46.99		81,00,000	41.86
Add : Share of Profit		7.75			6.68
Less: Dividend Received		(5.40)			-
Less: Amortisation of Goodwill		(1.55)			(1.55)
			47.79		46.99
Aakaash Manufacturing Company Private Limited {includes unamortised Goodwill of ` 1.75 Crore (Previous Year - ` 1.99 Crore)}	4,401	8.82		4,401	8.44
Add : Share of Profit		0.77			2.69
Less: Dividend Received		(0.38)			(2.06)
Less: Amortisation of Goodwill		(0.24)			(0.25)
			8.97		8.82
Investment in Others					
Face value ` 10 each					
Moirā Madhujore Coal Limited (Written off during the year)	-	-		82,019	0.69
			74.59		77.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

12. NON-CURRENT INVESTMENTS (contd.)

(VALUED AT COST UNLESS STATED OTHERWISE)

	2014			2013	
	Numbers	₹ Crore		Numbers	₹ Crore
Non trade investments					
(a) Quoted equity instruments					
Shiva Cement Limited (Face value ₹ 2 each)	2,36,50,000	23.65		2,36,50,000	23.65
Less: Diminution in the value of investment (Refer Note - 39)		17.86			17.86
		5.79			5.79
(b) Investment in equity instruments (unquoted)					
Face value ₹ 10 each					
*Katoria Sugar & General Mfg. Company Limited	4	-		4	-
*Gujarat Composites Limited	60	-		60	-
*Rohtas Industries Limited	220	-		220	-
*The Jaipur Udyog Limited	120	-		120	-
*Digvijay Finlease Limited	90	-		90	-
*The Travancore Cement Company Limited	100	-		100	-
*Ashoka Cement Limited	50	-		50	-
Face value ₹ 5 each					-
*The Sone Valley Portland Cement Company Limited	100	-		100	-
			5.79		5.79
Investment in Bonds (Unquoted)					
Face value ₹ 10,00,000 each					
5.13% Himachal Pradesh Infrastructure Development Board Bonds	37	3.70		37	3.70
TOTAL		84.08			86.66

Notes:

(I) Aggregate amount of quoted Investments	5.79	5.79
{Market value ₹ 9.63 Crore (Previous year - ₹ 5.79 Crore)}		
Aggregate amount of unquoted Investments	78.29	80.87
(II) Aggregate provision for diminution in value of investments	17.86	17.86
(III) * Denotes amount less than ₹ 50,000		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

13. LONG-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2014 ` Crore	2013 ` Crore
Capital Advances	251.93	398.83
Security deposits	199.10	184.87
Deposits with Government Bodies and Others		
Considered Good	199.94	160.80
Considered Doubtful	8.33	4.57
	208.27	165.37
Less: Allowance for doubtful deposits	8.33	4.57
	199.94	160.80
Loans and advances to related parties (Refer Note - 34)	35.31	11.34
Advances recoverable in cash or kind	16.29	16.95
Advance tax (Net of provision for tax)	234.20	114.58
TOTAL	936.77	887.37

14. OTHER NON-CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2014 ` Crore	2013 ` Crore
Incentives under Government schemes and other receivables		
Considered Good	360.71	308.24
Considered Doubtful	4.70	0.44
	365.41	308.68
Less: Provision for doubtful receivables	4.70	0.44
TOTAL	360.71	308.24

15. CURRENT INVESTMENTS

(VALUED AT LOWER OF COST AND FAIR VALUE)

	2014		2013	
	Numbers	` Crore	Numbers	` Crore
Investment in Certificate of Deposits - Fully paid-up (unquoted)				
Unit of Face value ` 1,00,000 each				
Allahabad Bank	10,000	98.21	2,500	24.49
Andhra Bank	10,000	98.03	15,000	146.94
Corporation Bank	5,000	49.05	7,500	73.37
Bank of India	20,000	196.12	2,500	24.51
Punjab National Bank	10,000	98.18	10,000	97.96
Oriental Bank	17,500	171.95	2,500	24.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

15. CURRENT INVESTMENTS (contd.)

(VALUED AT LOWER OF COST AND FAIR VALUE)

	2014		2013	
	Numbers	` Crore	Numbers	` Crore
Canara Bank	17,500	171.50	7,500	73.48
Union Bank of India	5,000	49.04	-	-
IDBI Bank Limited	-	-	10,000	97.97
Central Bank of India	-	-	2,500	24.54
Syndicate Bank	-	-	5,000	49.02
State Bank of Hyderabad	-	-	7,500	73.49
Bank of Baroda	-	-	2,500	24.46
Kotak Mahindra Bank Limited	-	-	12,500	122.34
UCO Bank	-	-	5,000	49.18
State Bank of Patiala	-	-	5,000	48.98
		932.08		955.21
Investment in Mutual Funds - Fully paid-up (Unquoted)				
Unit of Face value ` 10 each				
HDFC Cash Management - GR	1,93,28,505.655	55.00	-	-
Sundaram Money Fund - GR	52,02,823.399	15.00	95,17,902.904	25.00
HDFC Liquid Fund - GR	-	-	3,90,03,988.470	96.00
DWS Cash Opportunities Fund-Regular Plan- GR	-	-	71,97,524.052	12.00
Unit of Face value ` 100 each				
ICICI Prudential Liquid Fund - Super IP - GR	22,21,247.072	45.00	48,33,369.584	89.00
Birla Sunlife Cash Plus Fund - GR	22,78,285.007	50.00	39,92,814.649	80.00
DWS Insta Cash Plus Fund - Super IP - GR	-	-	20,33,230.449	33.00
ICICI Prudential Floating Rate Plan - GR	-	-	18,85,684.423	35.00
Unit of Face value ` 1,000 each				
SBI Premier Liquid Fund - Super IP - GR	69,796.981	15.00	5,95,684.836	117.00
Reliance Liquid Fund - GR	1,35,134.443	45.00	3,65,582.219	111.00
IDBI Liquid Fund - GR	1,02,530.178	15.00	2,40,768.694	32.00
L & T Liquid Fund - GR	1,06,529.922	20.00	1,63,028.042	28.00
Pramerica Liquid Fund- Direct - GR	68,428.996	10.00	1,49,759.918	20.00
Principal Cash Management Fund - GR	3,00,947.745	40.00	82,859.810	10.00
Religare Liquid Fund - GR	2,12,611.831	40.00	4,37,001.946	75.00
DSP Black rock Money Manager Fund-Regular Plan-GR	5,403.060	1.00	29,432.586	5.00
Taurus Liquid Fund - Existing Plan - Super Institutional-GR	20,269.957	3.00	-	-
Reliance Liquid Fund - Cash Plan-GR	68,798.254	15.00	-	-
Axis Liquid Fund - IP - GR	-	-	8,10,267.730	112.00
Templeton India TMA - Super - IP - GR	-	-	1,34,368.003	25.00
Kotak Floater ST - Direct plan GR	-	-	5,23,688.990	107.00
Baroda Pioneer - Liquid Fund - Plan A - GR	-	-	1,18,822.597	17.00
IDFC Cash Fund Plan C - IP - GR	-	-	1,31,961.540	20.00
Canara Robeco Liquid Fund - GR	-	-	33,334.353	5.00
UTI Liquid Fund - Cash Plan -GR	-	-	1,22,397.445	25.00
UTI Floating rate fund-STP-Regular plan- GR	-	-	23,233.120	4.70
		369.00		1,083.70
TOTAL		1,301.08		2,038.91
Aggregate amount of unquoted Investments		1,301.08		2,038.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

16. INVENTORIES

(AT COST OR NET REALISABLE VALUE WHICHEVER IS LOWER)

	2014 ` Crore	2013 ` Crore
Raw Materials	139.07	132.90
{Including in transit ` 11.32 Crore (Previous Year - ` 1.74 Crore)}		
Work-in-Progress	240.32	252.85
Finished Goods	154.11	130.18
Stock-in-trade	0.37	0.49
Stores & Spare Parts	262.96	275.11
{Including in transit ` 15.68 Crore (Previous Year - ` 9.73 Crore)}		
Packing Material	20.02	21.49
Fuels {Including in transit ` 16.17 Crore (Previous Year - ` 7.86 Crore)}	439.53	309.28
TOTAL	1,256.38	1,122.30

17. TRADE RECEIVABLES

	2014 ` Crore	2013 ` Crore
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, Considered Good	14.91	16.43
Considered Doubtful	24.28	16.28
	39.19	32.71
Less: Provision for doubtful trade receivables	24.28	16.28
	14.91	16.43
Other Trade receivables		
Secured, Considered Good	57.90	66.34
Unsecured, Considered Good	337.79	314.41
Unsecured, considered Doubtful	3.43	3.57
	399.12	384.32
Less: Provision for doubtful trade receivables	3.43	3.57
	395.69	380.75
TOTAL	410.60	397.18

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

18. CASH AND BANK BALANCES

	2014 ` Crore	2013 ` Crore
Cash and cash equivalents		
Balances with banks:		
On current accounts	41.17	56.15
Deposits with original maturity of less than three months	107.02	289.67
On unpaid dividend account	31.87	38.04
Cash on hand	0.12	0.12
	180.18	383.98
Other bank balances		
*Deposits with original maturity for more than 3 months but less than 12 months	129.59	121.73
Post office saving accounts	0.01	0.01
	129.60	121.74
TOTAL	309.78	505.72

*Includes fixed deposit with lien in favour of Competition Appellate Tribunal (COMPAT) {Refer Note - 36 (A) (e)}

19. SHORT-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2014 ` Crore	2013 ` Crore
Security deposits	14.14	10.41
Advances recoverable in cash or kind	142.53	118.89
Other loans and advances		
Balances with statutory / government authorities	129.10	103.68
Deposit with HDFC Limited	100.00	100.00
TOTAL	385.77	332.98

20. OTHER CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2014 ` Crore	2013 ` Crore
Interest accrued on investments	4.78	6.16
Other Accrued Interest	1.30	1.45
Fixed assets held for sale	8.49	11.92
TOTAL	14.57	19.53

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

21. REVENUE FROM OPERATIONS

	2014 ` Crore	2013 ` Crore
Sale of products		
Finished goods	12,626.14	12,012.23
Traded goods	204.17	182.70
Sale of services	19.97	16.28
Sale of products and services (gross)	12,850.28	12,211.21
Less: Excise duty	1,369.97	1,322.13
Sale of products and services (net)	11,480.31	10,889.08
Other operating revenue	258.48	261.01
Revenue from operations (net)	11,738.79	11,150.09

Detail of other Operating revenue	2014 ` Crore	2013 ` Crore
Provision no longer required written back	45.85	14.01
Sale of Surplus generated Power	0.90	4.36
Incentives and Subsidies	96.92	140.73
Miscellaneous Income	114.81	101.91
TOTAL	258.48	261.01

22. OTHER INCOME

	2014 ` Crore	2013 ` Crore
Interest on Bank deposits	117.57	148.90
Other interest income	6.48	3.33
Interest on Income Tax	89.15	67.51
Gain on sale of current investments (Net)	43.43	61.27
{Net of loss on sale of current investment ` Nil (Previous year - ` 2.31 Crore)}		
TOTAL	256.63	281.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**23. COST OF MATERIALS CONSUMED**

	2014 ` Crore	2013 ` Crore
Opening Stock	132.90	156.41
Purchase and Incidental expenses	1,793.74	1,585.29
	1,926.64	1,741.70
Less: Closing Stock	139.07	132.90
TOTAL	1,787.57	1,608.80

Details of cost of materials consumed	2014 ` Crore	2013 ` Crore
Slag	284.19	331.54
Gypsum	362.59	337.73
Fly Ash	346.55	310.70
Aggregates	114.34	96.49
Cement	91.51	61.49
Others*	588.39	470.85
TOTAL	1,787.57	1,608.80

*includes no item which in value individually accounts for 10 percent or more of the total value of cost of materials consumed.

24. PURCHASE OF TRADED GOODS

	2014 ` Crore	2013 ` Crore
Cement	121.91	68.60
Ready Mixed Concrete	72.42	92.50
TOTAL	194.33	161.10

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	2014 ` Crore	2013 ` Crore	(Increase) / decrease ` Crore
Inventories at the end of the year			
Stock-in-trade	0.37	0.49	0.12
Finished Goods	154.11	130.18	(23.93)
Work-in-progress	240.32	252.85	12.53
	394.80	383.52	(11.28)
Inventories at the beginning of the year			
Stock-in-trade	0.49	0.29	(0.20)
Finished Goods	130.18	160.90	30.72
Work-in-progress	252.85	228.86	(23.99)
	383.52	390.05	6.53
TOTAL	(11.28)	6.53	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

26. EMPLOYEE BENEFITS EXPENSE

	2014 ` Crore	2013 ` Crore
Salaries and Wages	630.91	573.28
Contributions to Provident and other Funds	74.93	52.89
Staff Welfare Expenses	42.21	36.38
TOTAL	748.05	662.55

27. FREIGHT AND FORWARDING EXPENSE

	2014 ` Crore	2013 ` Crore
On Clinker transfer	393.88	277.59
On finished products	2,184.54	2,014.32
TOTAL	2,578.42	2,291.91

28. OTHER EXPENSES

	2014 ` Crore	2013 ` Crore
Consumption of stores and spare parts	363.82	376.74
Consumption of packing materials	483.67	434.15
Excise duty (Refer Note - (i) & (ii) below)	4.37	6.47
Rent	33.87	30.53
Rates and taxes	142.04	121.47
Repairs to building	5.64	7.58
Repairs to machinery	144.46	137.06
Repairs to other Items	26.43	20.02
Insurance	24.83	25.50
Royalty on minerals	130.29	118.76
Discount on sales	93.27	88.28
Advertisement	106.82	116.07
Technology and Know-how fees	112.91	107.66
Miscellaneous expenses (Refer Note - (iii) below)	829.18	828.30
TOTAL	2,501.60	2,418.59

- i) Includes excise duty related to the difference between the closing stock and opening stock
- ii) Includes excise duty on captive consumption of Clinker - Nil (*Previous Year - ` 6.58 Crore*)
- iii) Miscellaneous expenses includes:
 - (a) Loss on sale / write off and impairment of Fixed Assets (Net) - ` 15.88 Crore (*Previous Year - ` 15.86 Crore*)
 - (b) Provision for other than temporary diminution in long term investment of - Nil (*Previous year - ` 17.86 Crore*)
 - (c) Investment written off of - 0.69 Crore (*Previous year - Nil*)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**29. FINANCE COST**

	2014 ` Crore	2013 ` Crore
Interest expenses	48.70	51.67
Interest on Income Tax	34.06	61.88
TOTAL	82.76	113.55

30. EARNINGS PER SHARE - [EPS]

	2014 ` Crore	2013 ` Crore
Net Profit as per Statement of Profit and Loss	1,161.82	1,094.67
Weighted average number of equity shares for Earnings Per Share computation		
Shares for Basic Earnings Per Share	18,77,45,356	18,77,45,356
Add: Potential diluted equity shares on account of shares in abeyance (Movement in Number of shares is on account of change in fair value of share)	4,92,243	4,45,714
Number of Shares for Diluted Earnings Per Share	18,82,37,599	18,81,91,070
Earnings Per Share		
Face value per Share	10.00	10.00
Basic	61.88	58.31
Diluted	61.72	58.17

31. EMPLOYEE BENEFITS:

- a) Defined Contribution Plans – Amount recognised and included in Note 26 “Contributions to Provident and Other Funds” of Statement of Profit and Loss ` 14.82 Crore (*Previous Year - ` 14.59 Crore*).
- b) Defined Benefit Plans – As per actuarial valuation on December 31, 2014

The Company has a defined benefit gratuity and post retirement medical benefit plans as given below:

- i. Every employee who has completed minimum five years of service is entitled to gratuity at 15 days salary for each completed year of services. The scheme is funded with insurance companies in the form of qualifying insurance policies.
- ii. Benefits under Post Employment medical Benefit plans are payable for actual domiciliary treatment / hospitalization for employees and their specified relatives. The scheme is Non Funded.
- iii. Every employee who has joined before December 01, 2005 and separates from service of the Company on Superannuation and on medical grounds is entitled to additional gratuity. The scheme is Non Funded.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

Defined Benefit Plans as per Actuarial valuation on December 31, 2014

	Gratuity		Post Employment Medical benefits (PEMB)
	Funded	Non Funded	
	₹ Crore	₹ Crore	₹ Crore
I Expense recognised in the Statement of Profit & Loss – for the year ended December 31, 2014			
1 Current Service cost	10.05	4.57	0.04
	<i>9.20</i>	<i>4.09</i>	<i>0.05</i>
2 Interest Cost	13.71	6.03	0.36
	<i>12.21</i>	<i>5.12</i>	<i>0.26</i>
3 Employee Contributions	-	-	(0.32)
	-	-	<i>(0.31)</i>
4 Expected return on plan assets	(12.36)	-	-
	<i>(11.66)</i>	-	-
5 Net Actuarial (Gains) / Losses	18.99	8.51	2.58
	<i>0.93</i>	<i>1.53</i>	<i>1.27</i>
6 Total expense	30.39	19.11	2.67
	<i>10.68</i>	<i>10.74</i>	<i>1.27</i>
II Amount recognised in Balance Sheet			
1 Present value of Defined Benefit Obligation	(188.36)	(85.42)	(6.26)
	<i>(165.88)</i>	<i>(71.18)</i>	<i>(4.18)</i>
2 Fair value of plan assets	177.24	-	-
	<i>149.80</i>	-	-
3 Funded status [Surplus / (Deficit)]	(11.12)	(85.42)	(6.26)
	<i>(16.08)</i>	<i>(71.18)</i>	<i>(4.18)</i>
4 Net asset / (liability) as at December 31, 2014	(11.12)	(85.42)	(6.26)
	<i>(16.08)</i>	<i>(71.18)</i>	<i>(4.18)</i>
III Present Value of Defined Benefit Obligation			
1 Present value of Defined Benefit Obligation at beginning of the year	165.88	71.18	4.18
	<i>160.11</i>	<i>65.54</i>	<i>3.50</i>
2 Current Service cost	10.05	4.57	0.04
	<i>9.20</i>	<i>4.09</i>	<i>0.05</i>
3 Interest Cost	13.71	6.03	0.36
	<i>12.21</i>	<i>5.12</i>	<i>0.26</i>
4 Employee Contributions	-	-	(0.32)
	-	-	<i>(0.31)</i>
5 Actuarial (Gains) / Losses	21.32	8.51	2.58
	<i>2.06</i>	<i>1.53</i>	<i>1.27</i>
6 Benefits Payments	(22.60)	(4.87)	(0.58)
	<i>(17.70)</i>	<i>(5.10)</i>	<i>(0.59)</i>
7 Present value of Defined Benefit Obligation at the end of the year	188.36	85.42	6.26
	<i>165.88</i>	<i>71.18</i>	<i>4.18</i>

(Figures in italics pertain to previous year)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

		Gratuity		Post Employment Medical benefits (PEMB)
		Funded	Non Funded	
		₹ Crore	₹ Crore	₹ Crore
IV	Fair Value of Plan Assets			
1	Plan assets at the beginning of the year	149.80	-	-
		<i>137.12</i>	-	-
2	Expected return on plan assets	12.36	-	-
		<i>11.66</i>	-	-
3	Contributions by Employer	12.75	-	-
		-	-	-
4	Actual benefits paid	-	-	-
		<i>(0.11)</i>	-	-
5	Actuarial Gains / (Losses)	2.33	-	-
		<i>1.13</i>	-	-
6	Plan assets at the end of the year	177.24	-	-
		<i>149.80</i>	-	-
7	Actual return on plan assets	14.69	-	-
		<i>12.79</i>	-	-

(Figures in italics pertain to previous year)

V	The major categories of plan assets as a percentage of total plan	2014	2013
		%	%
	Government Securities	51	46
	Debentures and Bonds	30	35
	Equity Shares	5	4
	Fixed Deposits	14	15
		100	100

VI	Effect of One percentage point change in the assumed Medical Inflation rate	One percentage increase - ₹ Crore	One percentage decrease - ₹ Crore
	Increase / (Decrease) on aggregate service and interest cost of Post Employment Medical benefits	0.03	(0.02)
		<i>0.05</i>	<i>(0.05)</i>
	Increase/ (Decrease) on Present value of Defined Benefit Obligation as at December 31, 2014	0.32	(0.31)
		<i>0.56</i>	<i>(0.56)</i>

(Figures in italics pertain to previous year)

VII Actuarial Assumptions:

a) Financial Assumptions

1	Discount Rate	7.90 % p.a. (P.Y. - 8.85% p.a.)
2	Expected rate of return on plan assets	8.5 % p.a. (P.Y. - 8.5% p.a.)
3	Salary increase rate	7% p.a. (P.Y. - 7% p.a.)

b) Demographic Assumptions

1	Mortality pre-retirement	Indian Assured Lives Mortality (2006-08) Modified Ultimate
2	Mortality post-retirement	Mortality for annuitants LIC (1996-98) ultimate
3	Turnover rate	5% p.a. (P.Y. - 5% p.a.)
4	Medical premium inflation	12% p.a. for the first 5 years and thereafter 8% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

- c) Basis used to determine expected rate of return on assets:

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation. The Gratuity Scheme is invested in Life Insurance Corporation (LIC) of India's Group Gratuity-cum-Life Assurance cash accumulation policy and HDFC Standard Life's Group Unit Linked Plan - For Defined Benefit Scheme.

- d) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- e) The Company expects to contribute ` 9.00 Crore (*Previous year - ` 7.50 Crore*) to Gratuity fund in the year 2015.
- f) Post employment defined benefit plan expenses are included under employee benefit expenses in the statement of Profit and Loss.

g) Amounts for the current and previous four years are as follows:

- (i) Gratuity (Funded)

₹ Crore

	2014	2013	2012	2011	2010
Defined benefit obligation	(188.36)	(165.88)	(160.11)	(134.32)	(117.16)
Plan assets	177.24	149.80	137.12	118.77	103.72
Surplus / (deficit)	(11.12)	(16.08)	(22.99)	(15.55)	(13.44)
Experience adjustments on plan assets	(2.42)	(1.17)	(1.29)	(0.43)	(0.46)
Experience adjustments on plan liabilities	8.62	11.76	16.89	19.94	10.54

- (ii) Gratuity (Non funded)

₹ Crore

	2014	2013	2012	2011	2010
Defined benefit obligation	(85.42)	(71.18)	(65.54)	(52.05)	(41.83)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(85.42)	(71.18)	(65.54)	(52.05)	(41.83)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	3.17	5.05	7.33	9.49	7.67

- (iii) Post Employment Medical Benefits

₹ Crore

	2014	2013	2012	2011	2010
Defined benefit obligation	(6.26)	(4.18)	(3.50)	(2.58)	(2.28)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(6.26)	(4.18)	(3.50)	(2.58)	(2.28)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	2.25	1.33	1.38	1.02	(0.20)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

h) Provident Fund

Provident fund for certain eligible employees is managed by the Company through trust "The Provident Fund of ACC Ltd.", in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below there is no shortfall as at December 31, 2014 and December 31, 2013.

The details of the fund and plan assets position are as follows:

	2014 ` Crore	2013 ` Crore
Plan assets at year end, at fair value	520.19	447.54
Present value of defined obligation at year end	492.21	445.67
Net Liability / (Assets) *	(27.98)	(1.87)

The assumption used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

	2014	2013
Discounting rate	7.90%	8.85%
Expected guaranteed interest rate	8.75%	8.50%
Expected Rate of Return on Asset	9.27%	8.94%

* Only liability is recognised in the books

- i) Amount recognised as an expense under employee benefit expenses in the statement of Profit and Loss in respect of other benefits is ` 39.89 Crore (*Previous Year* - ` 29.52 Crore).
- j) Present value of other benefits obligation at year end is ` 119.10 Crore (*Previous Year* ` 100.15 Crore). These schemes are Non Funded.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

32. SEGMENT REPORTING

The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system. The Company's operations predominantly relate to manufacture of cement and Ready mix concrete. The export turnover is not significant in the context of total turnover of the company and further the risk and returns are not significantly different from that of India. As such there is only one geographical segment.

Inter segment transfers:

Inter Segment Transfer Pricing Policy – Cement supplied to ready mix concrete activity and ready mix concrete supplied to Cement activity is based on current market prices. All other inter segment transfers are at cost.

INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

₹ Crore

	Cement		Ready mix Concrete		Total	
	2014	2013	2014	2013	2014	2013
REVENUE						
External sales	10,720.28	10,233.17	760.03	655.91	11,480.31	10,889.08
Other operating revenue	249.70	251.63	8.78	9.38	258.48	261.01
Inter-segment sales	122.54	115.01	9.77	6.19	132.31	121.20
	11,092.52	10,599.81	778.58	671.48	11,871.10	11,271.29
Less : Elimination	(122.54)	(115.01)	(9.77)	(6.19)	(132.31)	(121.20)
Total revenue	10,969.98	10,484.80	768.81	665.29	11,738.79	11,150.09
RESULT						
Segment result	933.23	1,064.27	16.17	1.87	949.40	1,066.14
Unallocated corporate Income					39.70	41.31
Operating Profit					989.10	1,107.45
Finance Cost					(82.76)	(113.55)
Interest and Dividend income					213.20	219.74
Income Taxes					31.13	(131.91)
Profit after tax					1,150.67	1,081.73
OTHER INFORMATION						
Segment assets	10,331.51	9,004.71	271.10	230.95	10,602.61	9,235.66
Unallocated Corporate assets					2,079.02	2,865.40
Total assets					12,681.63	12,101.06
Segment liabilities	2,818.89	2,446.89	149.74	113.29	2,968.63	2,560.18
Unallocated Corporate liabilities					1,495.32	1,727.50
Total liabilities					4,463.95	4,287.68
Capital expenditure	1,639.55	970.45	17.03	14.99	1,656.58	985.44
Depreciation and Amortization	549.14	566.08	18.48	17.71	567.62	583.79
Impairment loss recognised	-	11.93	-	-	-	11.93
Other non-cash expenses	33.05	4.29	5.97	9.02	39.02	13.31

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**33. OPERATING LEASE**

	2014 ` Crore	2013 ` Crore
a) Future Lease Rental payments		
(i) Not later than one year	29.18	40.69
(ii) Later than one year and not later than five years	98.31	99.01
(iii) Later than five years	21.07	45.12

b) Operating lease payment recognised in Statement of Profit & Loss amounting to ` 133.82 Crore (Previous Year - ` 116.54 Crore)

c) General description of the leasing arrangement:

- (i) Leased Assets: Grinding facility, Concrete pumps, Godowns, Transit Mixer, Flats, Office premises and other premises.
- (ii) Future lease rentals are determined on the basis of agreed terms.
- (iii) There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases.
- (iv) At the expiry of the lease term, the Company has an option either to return the asset or extend the term by giving notice in writing.

34. RELATED PARTY DISCLOSURE

(A) Names of the Related parties where control exists:	Nature of Relationship
1 Holcim Ltd.	Ultimate Holding Company
2 Holderind Investments Ltd.	Holding Company of Holcim(India) Private Limited
3 Holcim (India) Private Limited	Holding Company
4 MP AMRL(Semaria) Coal Company Limited	Joint Venture of ACC Mineral Resources Limited
5 MP AMRL(Bicharpur) Coal Company Limited	Joint Venture of ACC Mineral Resources Limited
6 MP AMRL(Marki Barka) Coal Company Limited	Joint Venture of ACC Mineral Resources Limited
7 MP AMRL(Morga) Coal Company Limited	Joint Venture of ACC Mineral Resources Limited

(B) Others - With whom transactions have been taken place during the year

(a) Names of other Related parties	Nature of Relationship
1 Alcon Cement Company Private Limited	Associate Company
2 Asian Concretes and Cements Private Limited	Associate Company
3 Aakaash Manufacturing Company Private Limited	Associate Company
4 Ambuja Cements Limited	Fellow Subsidiary
5 Holcim (Singapore) Pte Limited	Fellow Subsidiary
6 Holcim Trading FZCO	Fellow Subsidiary
7 Holcim (Lanka) Limited	Fellow Subsidiary
8 P T Holcim Indonesia Tbk	Fellow Subsidiary
9 Holcim Services (South Asia) Limited	Fellow Subsidiary
10 Siam City Cement Public Company Limited	Associate Company of Fellow Subsidiary w.e.f. January 01, 2013
11 Holcim (Bangladesh) Limited	Fellow Subsidiary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

Names of other Related parties	Nature of Relationship
12 Holcim (Vietnam) Limited	Fellow Subsidiary
13 Holcim (Malaysia) SDN Bhd	Fellow Subsidiary
14 Holcim Foundation	Entity controlled by Holcim Ltd.
15 Holcim Philippines	Fellow Subsidiary
16 Holcim Services (Asia) Limited	Fellow Subsidiary
17 Holcim Group Services Ltd	Fellow Subsidiary
18 Holcim Technology Ltd	Fellow Subsidiary
19 Holcim Trading Pte Ltd	Fellow Subsidiary
20 AL Jabor Cement Industries Co.	Fellow Subsidiary
21 National Cement Factory	Associate Company of Fellow Subsidiary
22 Holcim Trading SA	Fellow Subsidiary
23 Holcim (Canada) Inc.	Fellow Subsidiary
24 Holcim Azerbaijan	Fellow Subsidiary
25 Holcim (Romania) S.A.	Fellow Subsidiary

(b) Key Management Personnel:

Name of the Related Party	Nature of Relationship
1. Mr. Kuldip K. Kaura	CEO & Managing Director (Upto August 12, 2014)
2. Mr. Harish Badami	CEO & Managing Director (w.e.f August 13, 2014)

(C) Transactions with Associate Companies

	2014 ` Crore	2013 ` Crore
(i) Purchase of Finished Goods	138.24	163.35
Alcon Cement Company Private Limited	71.40	74.53
Aakaash Manufacturing Company Private Limited	66.84	88.82
(ii) Purchase of Raw Materials	31.40	22.20
Asian Concretes & Cements Private Limited	31.40	22.20
(iii) Sale of Unfinished Goods	23.64	25.00
Alcon Cement Company Private Limited	23.64	25.00
(iv) Sale of Finished Goods	10.80	9.97
Aakaash Manufacturing Company Private Limited	10.80	9.97
(v) Dividend Received	9.86	6.59
Alcon Cement Company Private Limited	4.08	4.53
Aakaash Manufacturing Company Private Limited	0.38	2.06
Asian Concretes and Cements Private Limited	5.40	-
(vi) Reimbursement of Expenses Received/Receivable	6.87	6.25
Alcon Cement Company Private Limited	6.87	5.64
Others	-	0.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**(C) Transactions with Associate Companies (contd.)**

	2014 ` Crore	2013 ` Crore
(vii) Reimbursement of Expenses Paid/Payable	-	0.02
Aakaash Manufacturing Company Private Limited	-	0.02
(viii) Rendering of Services	1.16	1.24
Alcon Cement Company Private Limited	1.16	1.24
(ix) Receiving of Services	51.96	53.04
Asian Concretes and Cements Private Limited	51.96	53.04
(x) Other recoveries (Net)	1.17	0.84
Aakaash Manufacturing Company Private Limited	1.17	0.84
(xi) Outstanding balance included in Trade receivables	8.34	6.22
Alcon Cement Company Private Limited	6.41	4.59
Aakaash Manufacturing Company Private Limited	1.93	1.63
(xii) Outstanding balance included in Trade payables	24.38	17.52
Alcon Cement Company Private Limited	3.80	1.74
Aakaash Manufacturing Company Private Limited	10.31	8.03
Asian Concretes and Cements Private Limited	10.27	7.75

(D) Details of Transactions relating to Holding Companies

	2014 ` Crore	2013 ` Crore
(i) Dividend Paid	321.06	283.28
Holcim (India) Private Limited	319.22	281.66
Holderind Investments Limited	1.84	1.62
(ii) Reimbursement of Expenses Received / Receivable	-	0.02
Holcim (India) Private Limited	-	0.02

(E) Details of Transactions relating to Fellow Subsidiary Companies

	2014 ` Crore	2013 ` Crore
(i) Purchase of Raw Materials	126.72	17.24
Holcim Trading FZCO	-	4.45
Holcim Trading Pte Ltd	120.48	3.19
Ambuja Cements Limited	6.24	9.60
(ii) Purchase of Finished / Unfinished Goods	168.37	13.59
Ambuja Cements Limited	168.37	13.59
(iii) Purchase of Stores & Spares	1.14	0.12
Ambuja Cements Limited	1.14	0.12
(iv) Purchase of Fixed Assets	-	4.08
Ambuja Cements Limited	-	4.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

(E) Details of Transactions relating to Fellow Subsidiary Companies (contd.)

	2014 ` Crore	2013 ` Crore
(v) Sale of Finished / Unfinished Goods	44.92	6.16
Ambuja Cements Limited	44.92	6.16
(vi) Sale of Stores & Spares	2.24	-
Ambuja Cements Limited	2.24	-
(vii) Sale of Raw Material & Other Items	0.81	11.55
Ambuja Cements Limited	0.81	11.55
(viii) Rendering of Services	15.26	4.56
Ambuja Cements Limited	14.92	4.12
Others	0.34	0.44
(ix) Reimbursement of Expenses Paid / Payable	4.84	3.20
Holcim Trading FZCO	-	2.74
Ambuja Cements Limited	4.82	0.45
Others	0.02	0.01
(x) Reimbursement of Expenses Received / Receivable	4.88	5.82
Ambuja Cements Limited	3.35	4.00
Holcim Group Services Ltd.	-	0.90
Others	1.53	0.92
(xi) Receiving of Services	68.76	49.86
Ambuja Cements Limited	10.28	0.21
Holcim Group Services Ltd.	2.19	1.54
Holcim Services (South Asia) Limited	52.19	36.91
Holcim Trading FZCO	-	5.02
Holcim Technology Ltd	3.88	5.55
Others	0.22	0.63
(xii) Technology and Know-how fee	112.91	107.66
Holcim Technology Ltd	112.91	107.66
(xiii) Outstanding balance included in Trade receivables	13.01	1.94
Ambuja Cements Limited	11.71	1.24
AL Jabor Cements Industries CO.	-	0.32
Others	1.30	0.38
(xiv) Outstanding balance included in Short term loans and advances	1.07	-
Ambuja Cements Limited	1.07	-
(xv) Outstanding balance included in Trade payables	52.89	42.83
Ambuja Cements Limited	17.08	8.62
Holcim Technology Ltd	25.09	29.47
Holcim Services (South Asia) Limited	9.45	3.09
Others	1.27	1.65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**(F) Details of Transactions relating to Associate Companies of Fellow Subsidiary**

	2014 Crore	2013 Crore
(i) Rendering of Services	0.01	0.34
National Cement Factory	0.01	0.34
(ii) Reimbursement of Expenses Received / Receivable	-	0.06
National Cement Factory	-	0.06
(iii) Receiving of Services	-	0.01
Siam City Cement Public Company Limited	-	0.01
(iv) Outstanding balance included in Trade receivables	-	0.39
National Cement Factory	-	0.39
(v) Outstanding balance included in Trade payables	-	0.01
Siam City Cement Public Company Limited	-	0.01

(G) Details of Transaction with Key Management Personnel

	2014 Crore	2013 Crore
(i) Remuneration*	7.44	6.05
Mr. Kuldip K. Kaura (Upto August 12, 2014)	4.33	6.05
Mr. Harish Badami (w.e.f August 13, 2014)	3.11	-
(ii) Outstanding balance included in other current liabilities	0.99	1.10
Mr. Kuldip K. Kaura	0.45	1.10
Mr. Harish Badami	0.54	-

*Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel

(H) Details of Transactions with Joint Venture Companies*

	2014 Crore	2013 Crore
(i) Advances given	44.22	16.14
MP AMRL(Semaria) Coal Company Limited	0.09	0.09
MP AMRL(Bicharpur) Coal Company Limited	40.04	12.49
MP AMRL(Marki Barka) Coal Company Limited	4.06	3.55
MP AMRL(Morga) Coal Company Limited	0.03	0.01
(ii) Advances Repaid	-	0.01
MP AMRL(Morga) Coal Company Limited	-	0.01
(iii) Interest on Inter Corporate Deposit / Other advances received	2.77	-
MP AMRL(Semaria) Coal Company Limited	0.12	-
MP AMRL(Bicharpur) Coal Company Limited	2.17	-
MP AMRL(Marki Barka) Coal Company Limited	0.48	-
(iv) Outstanding balance in Short Term Loans and Advances	69.22	22.23
MP AMRL(Semaria) Coal Company Limited	2.04	1.83
MP AMRL(Bicharpur) Coal Company Limited	56.75	14.54
MP AMRL(Marki Barka) Coal Company Limited	10.40	5.86
MP AMRL(Morga) Coal Company Limited	0.03	-

* Transaction with joint Ventures have been disclosed at full value

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)**35. CAPITAL AND OTHER COMMITMENTS**

	2014 ` Crore	2013 ` Crore
Estimated value of contracts in capital account remaining to be executed	719.84	1,535.64

36. (A) CONTINGENT LIABILITIES NOT PROVIDED FOR -

	2014 ` Crore	2013 ` Crore
a) Claims not acknowledged by the Company		
Sales tax	31.43	30.22
Customs demand	30.97	17.69
Claim by Suppliers	36.79	36.79
Labour related	29.57	26.48
Claims for mining Lease rent	73.46	-
Mines and Geology	19.87	19.87
Others	28.27	31.83
TOTAL	250.36	162.88

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities.

b) Indemnity, Guarantee/s given to Banks/Financial Institutions, Government Bodies and others	341.73	256.21
c) Bills discounted	22.38	9.51

- d) The Company had filed petitions against the orders / notices of various authorities demanding ` 106.59 Crore (Previous Year – ` 211.73 Crore including MP) towards demand of additional Royalty on Limestone based on the ratio of 1.6 tonnes of Limestone to 1 tonne of Cement produced at its factories in Chattisgarh and on cement produced vis a vis consumption of limestone at its factory in Tamil Nadu. Recently, the Madhya Pradesh High Court has decided the matter in favour of the Company by directing the Authorities to only demand Royalty based on quantity of Limestone, actually mined and recorded through statutory documentation, and not based on any ratio.

The Company holds the view that the payment of royalty on limestone is correctly made based on the actual quantity of limestone extracted from the mining area, and feels that similar relief can also be expected from the Judiciary and / or Authorities in the cases of Chattisgarh & Tamil Nadu Units. In view of the demand being legally unjustifiable, and due to the decision of the Madhya Pradesh High Court, the Company does not expect any liability in above matter.

- e) The Competition Commission of India issued an Order dated June 20, 2012, imposing penalty on certain cement manufacturers, including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002, and imposed a penalty of ` 1,147.59 Crore on the Company. The Company had filed an appeal against the said Order before the Competition Appellate Tribunal (COMPAT). Pending final disposal of the appeal, the COMPAT has stayed the penalty with a condition to deposit 10% of the penalty amount, which has been deposited in the form of short term bank fixed deposit with lien in favour of COMPAT. The fixed deposit has been renewed periodically on maturity along with interest of ` 13.81 Crore. Based on the advice of external legal counsel, the Company believes that it has good grounds for a successful appeal. Accordingly, no provision is considered necessary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

36. (B) MATERIAL DEMANDS AND DISPUTES CONSIDERED AS "REMOTE" BY THE COMPANY

- a) The Company had availed Sales Tax Incentives in respect of its new 1 MTPA Plant at Gagal (Gagal II) under the HP State Industrial Policy, 1991. The Company had accrued Sales Tax Incentives aggregating ₹ 56 Crore. The Sales Tax Authorities had introduced certain restrictive conditions after commissioning of the unit stipulating that incentive is available only for incremental amount over the base revenue and production (of Gagal I) prior to the commissioning of Gagal II. The Company contends that such restrictions are not applicable to the unit as Gagal II is a new unit, as decided by the HP High Court and confirmed by the Supreme Court while determining the eligibility for Transport Subsidy. The Department had recovered ₹ 64 Crore (Tax of ₹ 56 Crore and interest of ₹ 8 Crore) and the same is accounted as an amount recoverable.

The HP High Court, had, in 2012, dismissed the Company's appeal. The Company believes the Hon'ble High Court's judgment is based on an erroneous understanding of certain facts and legal positions and that it also failed to consider certain key facts. The Company has been advised by legal experts that there is no change in the merits of the Company's case. Based on such advice, the Company filed a Special Leave Petition before the Hon'ble Supreme Court in , which is pending.

- b) The Company was eligible for certain incentives (in the nature of One Time Lumpsum Capital Subsidy and refund of incremental VAT paid) in respect of its investment towards modernization and expansion of the Chaibasa Cement Unit pursuant to confirmation received under the State Industrial Policy of Jharkhand. Accordingly, the company has made claims for refund of VAT paid each financial year. However, no disbursements were made (except an amount of ₹ 7 Crore representing part of the One Time Lumpsum capital Subsidy Claim of ₹ 15 Crore) as the authorities have raised various new conditions and restriction, that were extraneous to the approvals and confirmations expressly received by the Company. The Company had filed two writ appeals before the Jharkhand High Court against the restrictions and disputes on the extent of the eligible claims now being sought to be effected / raised by the Government.

In October 2013, the High Court (Single Bench) decided the matter partially in favour of the Company. Consequently, the Company has accrued, on account of VAT Refund, ₹ 95 Crore, and in respect of the unpaid One Time Lumpsum Capital Subsidy, reversed a provision of ₹ 8 Crore made in an earlier year. Based on the Court direction, the Company has submitted its revised claim in this regard.

The Company has also preferred an appeal before the Division Bench of the Jharkhand High Court for the balance claim. Similarly, the Jharkhand Government has preferred an appeal against the part of the order of the single Judge, which was in the Company's favour. The appeals have been heard on January 19, 2015, and the order reserved.

- c) The Company had set up a captive power plant ('Wadi TG 2') in the year 1995-96. This plant was sold to Tata Power Co Ltd., in the year 1998-99 and was subsequently repurchased from it in the year 2004-05. The Company had purchased another captive power plant ('Wadi TG 3', set up by Tata Power Co Ltd in the year 2002-03) in 2004-05. Both these power plants were eligible for tax holiday under the provisions of Section 80IA of the Income Tax Act, 1961. The Income tax department has disputed the Company's claim of deduction under Section 80IA of the Act, on the ground that the conditions prescribed under the section are not fulfilled. In case of Wadi TG 2, in respect of the demand of ₹ 56.66 Crore (net of provision), the Company is in appeal before the ITAT and in case of Wadi TG 3 in respect of the demand of ₹ 115.62 Crore, which was set aside by the ITAT, the Department is in appeal against the decision in favour of the Company. The Company believes that the merits of the claims are strong and will be allowed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

- d) One of the Company's Cement manufacturing plants located in Himachal Pradesh was eligible, under the State Industrial Policy for deferral of its sales tax liability arising on sale of cement manufactured in the said plant. The Excise and Taxation department of the Government of Himachal Pradesh, disputed the eligibility of the company to such deferment on the ground that the company also manufactures an intermediate product, viz. Clinker, arising in the manufacture of cement, and such intermediate product was in the negative list. A demand of ₹ 82.37 Crore was raised. Company filed a writ petition before High Court of Himachal Pradesh against the demand. The case has been admitted and the hearing is in process. The Company believes its case is strong and the demand shall not sustain under law.
- e) The Company is eligible for incentives for one of its cement plants situated in Maharashtra, under a Package Scheme of Incentives of the Government of Maharashtra. The scheme inter alia, includes refund of royalty paid by the Company on extraction or procurement of various raw materials (Minerals). The Department of Industries has disputed the Company's claim for refund of royalty on an erroneous technical interpretation of the sanction letter issued to the Company, that only the higher of the amount of (i) VAT Refund and (ii) Royalty refund claim amounts, each year, shall be considered. The Company maintains that such annual restriction is not applicable as long as the cumulative limit of claim does not exceed the amount of eligible investment. The Company has accrued an amount of ₹ 73 Crore till December 2014 on this account. The Company has filed an appeal before the Bombay High Court challenging the stand of the Government, which is admitted & pending. The Company believes that the merits of the claim are strong.
- f) ACC Mineral Resources Limited ('AMRL'), a wholly-owned subsidiary of the company, had given mobilisation advances, in respect of three contracts namely Supply, Development Operation, to JMS Mining Services Private Limited (JMS), a contractor for carrying out the development activities for Bicharpur Coal Block. The unadjusted advance amount as at the Balance sheet date is ₹ 43.60 Crore. In view of the cancellation of the coal blocks by the Supreme Court of India, the work given to the contractor has been suspended by the Company to the bare minimum activities pertaining to security and safety of the coal block. This advance is considered as fully recoverable in view of the Bank Guarantees held by AMRL.

Subsequent to the suspension of work, JMS has raised a claim of ₹ 255.65 Crore (net of advances paid as above) in respect of these three contracts. AMRL has been advised that due to the availability of Termination Clauses in the contracts with JMS, it will not be liable for any claim for damages arising out of termination of the contracts on account, inter alia, of withdrawal of the mining lease.

37. ACC Mineral Resources Limited ('AMRL'), a wholly owned subsidiary of the Company, had participated in four Joint Ventures with the Madhya Pradesh State Mining Corporation Limited ('MPSMCL') for development and mining of four coal blocks allocated to MPSMCL. The Company had applied for the development and mining operations through a competitive bidding process, consequent to which the JVs were effected, in which AMRL and MPSMCL hold 49% and 51% shares respectively. As of December 31, 2014, the amount incurred, invested and advanced (including deposits to MPSMCL and other parties) by the Company in this regard is approximately ₹ 153.79 Crore.

The Hon'ble Supreme Court, vide its decision of September 24, 2014, held that allocation of various coal blocks, including those allocated to MPSMCL, is arbitrary and illegal, and hence liable to be cancelled. Subsequently, the Government promulgated The Coal Mines (Special Provisions) Ordinance, 2014, which intends to take appropriate action to deal with the situation arising pursuant to the Hon'ble Supreme Court's decision.

The management, based on its understanding of its contractual rights under its JV agreements, its interpretation of the Ordinance and on the basis of legal advice, believes that the financial loss or operational impact if any, will not be significant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

38. PARTICULARS OF UN HEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE

Particulars	Currency	2014			2013		
		Foreign currency in Crore	Exchange rate	` Crore	Foreign currency in Crore	Exchange rate	` Crore
Trade Receivable	SAR	-	-	-	0.25	16.43	4.03
Trade Payable and Other Current Liabilities	CHF	0.01	64.05	0.95	0.23	69.50	15.99
	USD	0.20	63.43	12.47	0.03	61.78	1.72
	GBP	0.0001	98.79	0.01	0.0001	102.08	0.01
	EUR	0.27	77.02	20.75	0.04	85.18	3.20

39. During the previous year, the Company has provided ` 17.86 Crore for diminution in the value of investment in Shiva Cement Limited considering the diminution in value of this investment other than temporary nature.
40. During the year, the Company has written back ` 112.75 Crore of provision for income-tax upon completion of assessment. Outcome of certain matters in this assessment, read with judicial precedents, provides additional information relating to certain tax positions, which has a bearing on some subsequent unassessed years, resulting in provision for tax recognized of ` 196.48 Crore for those years being considered no longer necessary. Accordingly, total amount of ` 309.23 Crore (*Previous year – ` 216.74 Crore*) have been written back during the year and disclosed separately as Tax adjustments for earlier years.
41. The Company has arrangements with few third parties whereby it sells clinker to them and purchases Cement manufactured by them out of such clinker. While the transactions are considered as individual sale / purchase transactions for determination of taxable turnover and tax under VAT laws, considering the accounting treatment prescribed under various accounting guidance, revenue for sale of such clinker of ` 22.84 Crore (*Previous year - ` 25.88 Crore*) has not been recognized as a part of the Turnover but has been adjusted against cost of purchase of cement so converted.

42. CAPITAL WORK-IN-PROGRESS INCLUDES :

	2014 ` Crore	2013 ` Crore
Expenditure during construction for projects as under :		
Opening balance	74.06	16.82
Addition during the year	75.08	57.74
	149.14	74.56
Less : Capitalised during the year	15.47	0.50
Balance included in capital work-in-progress	133.67	74.06

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2014 (contd.)

43. The aggregate amounts of assets, liabilities, income and expenses related to the Company's interest in the four joint ventures companies are as under:

	2014 ₹ Crore	2013 ₹ Crore
Assets		
Fixed Assets	30.30	10.15
Long term Loans and Advances	2.55	1.75
Cash and Bank Balances	-	0.06
Other Current Assets	0.02	0.01
Liabilities		
Other Current Liabilities	0.19	0.03
Expenses	2.31	0.17

44. PROPOSED DIVIDEND

The final dividend proposed for the year is as follows :

	2014	2013
On Equity Shares of ₹ 10 each		
Amount of dividend proposed (₹ Crore)	356.72	356.72
Dividend per Equity Share (₹)	19	19

45. COMPARATIVE FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E

per **RAVI BANSAL**
Partner
Membership No. 49365

Mumbai, February 03, 2015

For and on behalf of the Board of Directors of ACC Limited,

N.S.SEKHSARIA
Chairman
DIN: 00276351

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

SUNIL K. NAYAK
Chief Financial Officer

BURJOR D. NARIMAN
Company Secretary

ARUNKUMAR R GANDHI
Director
DIN: 00007597

AIDAN LYNAM
Director
DIN: 03058208

ASHWIN DANI
Director
DIN: 00009126

VIJAY KUMAR SHARMA
Director
DIN: 02449088

BERNARD FONTANA
Director
DIN: 05178749

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

FARROKH K. KAVARANA
Director
DIN: 00027689

FALGUNI NAYAR
Director
DIN: 00003633

Accounts - Subsidiary Companies

Page Nos.

ACC Mineral Resources Limited

S1-S12

Bulk Cement Corporation (India) Limited

S13-S27

Lucky Minmat Limited

S28-S41

National Limestone Company Private Limited

S42-S56

Singhania Minerals Private Limited

S57-S69

BOARD'S REPORT

TO THE MEMBERS,
ACC MINERAL RESOURCES LIMITED

The Directors take pleasure in presenting the Eighty Sixth Annual Report, together with the audited financial statements for the year ended December 31, 2014.

1. FINANCIAL HIGHLIGHTS (STANDALONE)

The financial highlights of your Company for the year ended December 31, 2014 is as under:

PARTICULARS	2014 Amount (`)	2013 Amount (`)
Total Operational Income	-	-
Other Income	3,24,77,978	-
Total Income	3,24,77,978	-
Less: Operating Expenditure	1,07,96,438	4,73,086
Profit before Interest, Depreciation, Amortization Tax & Exceptional Item	2,16,81,540	(4,73,086)
Less: Depreciation & Amortization	4,69,174	83,890
Less: Finance Cost	5,66,70,460	-
Profit before Tax and Exceptional Item	(3,54,58,094)	(5,57,066)
Exceptional Items	-	-
Profit before Tax	(3,54,58,094)	(5,57,066)
Less: Provision for Taxation(incl. liability for earlier years)	-	1,000
Less: Deferred Tax Liability/assets	-	-
Add: MAT credit entitlement	-	-
Net Profit for the year	(3,54,58,094)	(5,56,066)
EPS- Basic & Diluted	(26.06)	(1.12)

2. OPERATIONS

The Company is a joint venture Partner in four coal blocks allocated to Madhya Pradesh State Mining Corporation Ltd, Bhopal. Amongst the four Joint Venture Companies (JVCs), Bicharpur Coal Block in district Shahdol was in an advanced stage

of development and six months away from coal production. The second coal block Marki Barka in district Singrauli was also ready for commencement of mine development activities with all regulatory clearances obtained and land acquisition activities completed. On September 24, 2014 the Hon'ble Supreme Court of India cancelled the allocation of coal blocks by the Government of India to State & private entities during the period of 1993 to 2010. Consequently, the allocation of Marki Barka, Semaria/Piparia and Morga IV coal blocks stood cancelled with immediate effect. However by virtue of and advanced stage of development, Bicharpur Coal Block is liable for de-allocation with effect from March 31, 2015 and the remaining three coal blocks with immediate effect.

In terms of the Government of India directives claims have been filed for re-imbursement of expenses incurred by the Company for mines development. While mining work has been temporarily suspended at Bicharpur following Supreme Court ruling, the safety & security is being maintained at the Bicharpur block in accordance with the ordinance till vesting of the block.

The JVC shall continue it's operations to protect it's rights, for the maintenance of infrastructure, etc. and, accordingly the accounts are continued to be prepared on a 'Going Concern' basis.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2014.

4. SHARE CAPITAL

During the year under review the Authorized Share Capital of the Company was increased from ` 20 Crore to ` 130 Crore by the creation of 1,10,00,000 Equity shares of ` 100 each face value. Capital infusion was thereafter done by way of a Rights Issue of 1,17,00,000 Equity shares of ` 100 each. Pursuant to the above, the Issued, Subscribed and Paid up Share Capital of the Company stands increased from ` 4,95,00,000 (Rupees Four Crore Ninty Five Lakhs)

to ₹ 121,95,00,000 (Rupees One Hundred twenty One Crore Ninty Five Lakhs).

5. INDUSTRIAL RELATIONS

During the year under review, industrial relations at the Company's unit continued to remain cordial and peaceful.

6. PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

7. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

8. MEETINGS OF THE BOARD

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars. In compliance with the Companies Act, 2013 and the Rules framed thereunder, where permitted, Directors are provided the facility to join the proceedings of the meeting through video conferencing.

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2014 four Board Meetings were held on, February 04, 2014, April 21, 2014, July 14, 2014 and October 20, 2014. The intervening gap between the

meetings was as prescribed under the Companies Act, 2013.

9. DIRECTORS

The Board of Directors has appointed Mr M L Narula as an Additional Director of the Company with effect from April 21, 2014. Mr Narula holds office upto the date of the forthcoming Annual General Meeting. His candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

The Board of Directors has appointed Mr Harish Badami as an Additional Director of the Company with effect from October 20, 2014. Mr Badami holds office upto the date of the forthcoming Annual General Meeting. His candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

Mr. Kuldip Kaura and Mr. T.N. Tiwari stepped down from the Board with effect from September 06, 2014 and November 28, 2014 respectively. The Board records its deep appreciation of the valuable services rendered by Mr. Kaura and Mr. Tiwari during their respective tenures as directors with the Company.

In accordance with the provisions of the Companies Act, 2013, Mr Rajiv Prasad and Mr Rajendra Singh Rathore retire by rotation and are eligible for re-appointment. Accordingly their respective appointments have been included in the Notice convening the Annual General Meeting of the Company. The Company is in the process of identifying suitable Independent Directors.

10. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual financial statements for the year ended December 31,

2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- (b) that such accounting policies as mentioned in Note 2 of the Notes to the financial statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31, 2014 and of the loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

11. AUDIT COMMITTEE

The paid-up share capital of the Company was less than rupees five Crores in the beginning of the year however the same has been increased to Rupees 121.95 Crores in December 2014. Accordingly, the Company is taking steps to set up an Audit Committee of the Board.

12. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting. As required under the provision of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from Messrs. K S Aiyar & Co that their appointment, if made, would be in conformity with the Companies Act, 2013. Your

directors recommend the re-appointment of Messrs K S Aiyar & Co, Chartered Accountants, as Auditors of the Company for the year 2015.

13. COST AUDITORS

The Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Amendments Rules, 2014.

14. NOMINATION AND REMUNERATION COMMITTEE

The Paid-up Share Capital of the Company was less than Rupees Five Crores in the beginning of the year however the same has been increased to Rupees 121.95 Crores during December 2014. Steps will be taken to constitute Nomination and Remuneration Committee.

15. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of the excellent co-operation received from the Government and Company's Bankers. Your Directors also acknowledge the unstinted assistance and support received from ACC Limited, the holding Company, and all its employees for their valuable contribution during the year.

For and on behalf of the Board of Directors
ACC Mineral Resources Limited

Harish Badami
Chairman

Mumbai
January 20, 2015

Registered Office:
Cement House
121, Maharshi Karve Road,
Mumbai 400 020

INDEPENDENT AUDITORS' REPORT

The Board of Directors of ACC MINERAL RESOURCES LIMITED.

Report on the Consolidated Financial Statements for the year ended December 31, 2014

We have audited the accompanying Consolidated Financial Statements of ACC MINERAL RESOURCES LIMITED (the Company) and its 4 joint venture companies which comprises the Consolidated Balance Sheet as at December 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the requirements of Accounting Standard (AS) 27 Financial Reporting of interests in Joint Venture Companies issued by the Central Government under Companies (Accounting Standards) Rules, 2006 and other recognized accounting practices and policies. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due

to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- b. In the case of the Consolidated Statement of Profit and Loss, of the Loss for the year ended on that date;
- c. In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For K. S. AIYAR & CO.

Chartered Accountants

ICAI Firm Registration No :- 100186W

RAJESH S. JOSHI.

Partner

Place: Mumbai

Date: January 20, 2015

Membership No.: 38526

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 2014

Particulars	Note No.	As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
I Equity and Liabilities			
(1) Shareholders' Funds			
(a) Share Capital	3	1,21,95,00,000	4,95,00,000
(b) Reserves and Surplus	4	(6,84,94,413)	(99,96,039)
(2) Current Liabilities			
(a) Short term borrowings from holding Company	12 (B)	-	34,48,34,000
(b) Other Current Liabilities	5	12,23,86,091	8,32,107
TOTAL		1,27,33,91,678	38,51,70,068
II Assets			
(1) Non Current Assets			
(a) Fixed Assets	6		
(i) Tangible assets		2,74,59,180	1,30,83,927
(ii) Capital work-in-progress		24,58,92,506	46,31,726
(iii) Intangible Assets under development		16,66,65,828	8,65,22,237
(b) Long term Loans & Advances			
-Long term Loans to JV Companies		35,30,65,631	11,33,56,261
-Capital Advances		45,22,78,620	9,03,87,201
-Rent in Advance		34,000	-
-Security Deposit With MPPKV & others		1,06,03,170	14,82,650
(2) Current Assets			
(a) Cash and Bank Balances	7	1,25,26,392	38,01,464
(b) Short term loans & advances	8	-	7,15,43,892
(c) Other Current Assets	9	48,66,351	3,60,710
TOTAL		1,27,33,91,678	38,51,70,068
Refer Significant Accounting Policies & Other Explanatory information	2		

The notes referred to above form an integral part of the Consolidated Balance Sheet

As per our report of even date For and on behalf of the Board of ACC Mineral Resources Limited,

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Regn. No. 100186W

RAJESH S. JOSHI
Partner
Membership No. 038526

BURJOR D NARIMAN
Director
DIN: 00492269

SUNIL NAYAK
Director
DIN: 00081466

DINESH KUMAR SONTHALIA
Company Secretary

Mumbai, January 20, 2015

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED DECEMBER 31, 2014

Particulars	Note No.	For the year ended December 31, 2014 (₹)	For the year ended December 31, 2013 (₹)
I Revenue from Operations		-	-
II Other Income		1,74,02,238	47,873
III Total Revenue		1,74,02,238	47,873
IV Expenses			
Depreciation and Amortization Expenses	6	4,96,971	1,11,779
Other Expenses			
-Interest		5,66,70,460	-
-Rent		3,83,516	1,78,360
-Rates & Taxes		4,900	4,900
-Audit Fees		2,90,021	2,16,904
-Bank Charges		1,803	2,599
-Consultancy & legal Charges		4,02,140	4,46,734
-Printing & Stationery		4,29,377	-
-Security Service Expenses		11,71,914	3,02,333
-Traveling & Conveyance		7,80,508	21,550
-General Charges		1,16,54,280	-
-CSR Expenditure		27,54,053	-
-Tele-Communication & Electricity charges		1,31,993	7,18,782
-Safety Materials & Site Infrastructure		6,29,427	-
-Miscellaneous Expenditure Written off		99,250	2,97,804
Total Expenses		7,59,00,613	23,01,745
V Loss before Tax		(5,84,98,375)	(22,53,872)
VI Tax Expenses	10		
-Tax in respect of Earlier years		-	1,132
VII Loss for the year		(5,84,98,375)	(22,55,004)
VIII Earning per Share (₹)	13	(44.47)	(4.56)
Refer Significant Accounting Policies & Other Explanatory information	2		

The notes referred to above form an integral part of the Consolidated Balance Sheet

As per our report of even date For and on behalf of the Board of ACC Mineral Resources Limited,

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Regn. No. 100186W

RAJESH S. JOSHI
Partner
Membership No. 038526

BURJOR D NARIMAN
Director
DIN: 00492269

SUNIL NAYAK
Director
DIN: 00081466

DINESH KUMAR SONTHALIA
Company Secretary

Mumbai, January 20, 2015

ACC MINERAL RESOURCES LIMITED (AMRL)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014

	For the year ended December 31, 2014 (₹)	For the year ended December 31, 2013 (₹)
A. Cash flow from operating activities		
1 Net Profit / (Loss) before Tax	(5,84,98,375)	(22,53,872)
Adjustments for :		
2 Depreciation	4,96,971	1,11,779
3 Interest Income	(1,74,02,238)	(47,873)
4 Interest Expense	5,66,70,460	-
5 Miscellaneous Expenditure	99,250	2,97,804
Operating profit before working capital changes	(1,86,33,932)	(18,92,162)
Adjustments for :		
6 Other receivables	(18,19,24,888)	(8,20,28,549)
7 Other current liabilities	12,15,53,984	6,71,217
Cash generated from operations	(7,90,04,836)	(8,32,49,494)
8 Direct Taxes - (net)	-	(1,132)
Net Cash flow from operating activities	(7,90,04,836)	(8,32,50,626)
B. Cash flow from investing activities		
9 Purchase of Fixed Assets	(33,62,76,595)	(6,39,44,717)
10 (Increase)/decrease in capital advances	(36,18,91,419)	(9,00,52,341)
11 Interest received	1,74,02,238	47,873
Net cash used in investing activities	(68,07,65,776)	(15,39,49,185)
C. Cash flow from financing activities		
12 Interest paid	(5,66,70,460)	-
13 Proceeds from issue of Share Capital	1,17,00,00,000	-
14 Proceeds (Repayment) from Short term Borrowings	(34,48,34,000)	23,99,17,000
Net cash used in financing activities-	76,84,95,540	23,99,17,000
Net increase/(decrease) in cash and cash equivalents	87,24,928	27,17,189
Cash and cash equivalents - Opening Balance	38,01,464	10,84,275
- Closing Balance	1,25,26,392	38,01,464
Notes :		
1 All figures in brackets are outflow		
2 Previous Period's figures are regrouped / rearranged wherever necessary.		
3 Cash and Cash Equivalents is Cash and Bank Balance as per Balance Sheet.		

As per our report of even date

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Regn. No. 100186W

RAJESH S. JOSHI
Partner
Membership No. 038526

Mumbai, January 20, 2015

For and on behalf of the Board of ACC Mineral Resources Limited,

BURJOR D NARIMAN
Director
DIN: 00492269

DINESH KUMAR SONTALIA
Company Secretary

SUNIL NAYAK
Director
DIN: 00081466

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

1. CORPORATE INFORMATION

The company is a wholly owned Subsidiary of ACC Limited. The company has entered into four joint ventures in the year 2009 with M.P. State Mining Corporation Limited (MPSMC) for mining and development of four coal blocks allotted to MPSMC by Ministry of Coal.

2. SIGNIFICANT ACCOUNTING POLICIES**(I) Basis of preparation**

- i. The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the accounting principles generally accepted in India and in compliance with accounting standards notified under the Companies Act 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs and other recognized accounting practices and policies.
- ii. Financial statements are based on historical cost except where impairment is made and/or revaluation is carried out.
- iii. Accounting policies have been consistently applied by the Company except as stated otherwise.

(II) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(III) Fixed Assets

- (i) Tangible fixed assets are stated at the cost of acquisition less depreciation.
- (ii) Intangible assets:
 - a. Mineral rights of coal has been recognized as intangible assets under development and valued equivalent to the Equity share capital allotted to The M.P. State Mining Corporation Limited (MPSMC) in lieu thereof in terms of the provisions of Joint Venture Agreements of four Joint Venture Companies.
 - b. Development Expenses has been recognized as intangible assets under development and includes expenses on account of prospecting, expenses for regulatory clearances, exploration and evaluation of coal mines etc. These expenses are carried forward and will be capitalized once the mine starts the commercial production.

(IV) Depreciation/Amortization

Depreciation on tangible fixed assets is provided on straight line method at the rates prescribed in schedule XIV of the Companies Act, 1956 on a pro-rata basis.

Intangible assets of mine and Infrastructure Development will be amortized based on the coal extracted in proportion of the coal mine reserve of the respective coal block.

(V) Revenue recognition**Dividend and Interest income**

Dividend income is recognized when the right to receive such dividend is established.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(VI) Investments

Current investments are carried at lower of cost and fair market value. Long term investments are carried at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in nature.

(VII) Foreign currency transactions

Foreign currency transactions are initially recorded at the rates of exchange prevailing on the date of transactions. Foreign currency monetary items are subsequently reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(VIII) Income taxes

Tax expense comprises of current and deferred tax. The deferred tax charge or credit is recognized using current tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of assets.

Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date.

(IX) Contingencies/Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefit is remote.

(X) Segment Reporting

The company operates in one business segment i.e. Development and operation of coal mines. This business segment is regarded as the primary segment. As the company has not yet started its commercial activities, there are no reportable geographical segments.

(XI) Share issue expenses are written off to the statement of Profit and Loss in the year it is incurred.

ACC MINERAL RESOURCES LIMITED (AMRL)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 3 : SHARE CAPITAL :

	As at December 31, 2014 (¹)	As at December 31, 2013 (¹)
(a) Shares authorized:		
1,30,00,000 Equity Shares of ` 100/- each (Prev. Year 20,00,000 Equity shares of ` 100/- each)	13,00,00,00,000	20,00,00,000
(b) Shares issued, subscribed and fully paid :		
1,21,95,000 Equity Shares of ` 100/- each (Prev. Year 4,95,000 Equity shares of ` 100/- each) (All the Shares are held by ACC Limited, the Holding Company and its nominees)	1,21,95,00,000	4,95,00,000
	1,21,95,00,000	4,95,00,000

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

	Numbers	As at December 31, 2014 (¹)	Numbers	As at December 31, 2013 (¹)
At the beginning of the period	4,95,000	4,95,00,000	4,95,000	4,95,00,000
Issued during the year	1,17,00,000	1,17,00,00,000	-	-
At the end of the period	1,21,95,000	1,21,95,00,000	4,95,000	4,95,00,000

During the year the Company has issued 1,17,00,000 Equity shares of ` 100 each to its Holding company ACC limited.

(d) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of Capital.

The Company is having only one class of shares i.e Equity carrying a nominal value of ` 100/- per share

Every holder of the equity share of the Company is entitled to one vote per share held

In case the company declares any dividend, the equity shareholders will be entitled to receive the dividend in proportion of the number of shares held by each equity shareholder, after all preferential payments.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution to all the preferential creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

(e) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held.

Particulars	December 31, 2014		December 31, 2013	
	Numbers	% held	Numbers	% held
ACC Limited	1,21,95,000	100	495,000	100
	1,21,95,000	100	495,000	100

NOTE 4 : RESERVES & SURPLUS

	AMRL As at December 31, 2014 (¹)	JVC Total As at December 31, 2014 (¹)	Total As at December 31, 2014 (¹)	As at December 31, 2013 (¹)
Surplus				
Balance as per last accounts	(9,13,784)	(90,82,254)	(99,96,038)	(77,41,035)
Profit / (Loss) for the year	(5,05,81,993)	(79,16,382)	(5,84,98,375)	(22,55,004)
TOTAL	(5,14,95,777)	(1,69,98,636)	(6,84,94,413)	(99,96,039)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 5 : OTHER CURRENT LIABILITIES

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
(a) Audit Fees Payable	1,58,162	5,643	1,63,805	1,08,166
(b) Payable to Others	12,03,00,408	19,21,878	12,22,22,286	7,23,941
TOTAL	12,04,58,570	19,27,521	12,23,86,091	8,32,107

NOTE 6 : FIXED ASSETS

Amount in `

Nature of fixed assets	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1-1-2014	Additions during the Period	Deductions/ Adjustments	As at 31-12-2014	As at 1-1-2014	Provided during the Period	Deductions/ Adjustments	As at 31-12-2014	As at 31-12-2014	As at 31-12-2013
TANGIBLE ASSETS										
Furniture, Fixtures & Equipments	27,11,061	21,18,480	55,600	47,73,941	1,04,627	2,29,457	1,671	3,32,413	44,41,528	26,06,433
Plant & Machinery	-	80,00,000	-	80,00,000	-	95,781	-	95,781	79,04,219	-
Land	1,02,78,871	23,61,294	-	1,26,40,165	-	-	-	-	1,26,40,165	1,02,78,871
Digital Camera	6,272	-	-	6,272	1,664	443	-	2,107	4,165	4,608
Gps- Oregon	48,000	-	-	48,000	4,316	2,281	-	6,597	41,403	43,684
Printer	1,84,756	1,69,050	-	3,53,806	80,420	38,507	-	1,18,927	2,34,879	1,04,336
Vehicle	54,676	22,79,000	-	23,33,676	8,681	1,32,174	-	1,40,855	21,92,821	45,995
TOTAL	1,32,83,636	1,49,27,824	55,600	2,81,55,860	1,99,708	4,98,643	1,671	6,96,680	2,74,59,180	1,30,83,927
Previous year	76,15,402	56,98,784	30,550	1,32,83,636	87,930	1,11,779	-	1,99,708	1,30,83,927	
Capital Work-In-Progress									24,58,92,506	46,31,726
INTANGIBLE ASSETS UNDER DEVELOPMENT										
Mine And Infrastructure Development Expenses									16,66,65,828	8,65,22,237
TOTAL									16,66,65,828	8,65,22,237
GRAND TOTAL									44,00,17,514	10,42,37,890

NOTE 7 : CASH & BANK BALANCES

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
Cash & Cash Equivalent				
Cash in hand	9,016	-	9,016	7,916
Bank Balance - Current Account & TDR	1,24,86,143	31,233	1,25,17,376	37,93,548
TOTAL	1,24,95,159	31,233	1,25,26,392	38,01,464

ACC MINERAL RESOURCES LIMITED (AMRL)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 8 : SHORT TERM LOANS & ADVANCES

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
Advances to JV Companies	-	-	-	7,15,43,892
	-	-	-	7,15,43,892

NOTE 9: OTHER CURRENT ASSETS

	AMRL As at December 31, 2014 (₹)	JVC Total As at December 31, 2014 (₹)	Total As at December 31, 2014 (₹)	As at December 31, 2013 (₹)
Advances to others	47,15,810	1,41,619	48,57,429	1,31,397
Accrued Interest	-	-	-	1,11,443
TDS Receivable	-	8,922	8,922	6,860
Security Deposit -BSNL, Rent and others	-	-	-	11,760
Miscellaneous exp. to be written off over next 12 months	-	-	-	99,250
	47,15,810	1,50,541	48,66,351	3,60,710

NOTE 10: TAXATION

No provision for current tax is made as at December 31, 2014 in absence of any taxable income. However the income tax liability, if any of the Company, would be determined on the basis of its results for the financial year ending as on March 31, 2015.

NOTE 11: During the year Company has changed its accounting policy in respect of share issue expenses which hitherto were written off over a period of 60 months are now being written off in the year in which same is incurred. Consequently Loss for the year is higher by ₹ 1,02,75,833 and Reserves and surplus are lower by a like amount as compared to its previous policy.

NOTE 12: RELATED PARTY DISCLOSURE

(A) Particulars of Holding/ Joint Venture Companies

Name of Related Party	Nature of Relationship
ACC Limited	Holding Company
MP AMRL (Semaria) Coal Company Limited	Joint Venture Company (49% interest in Equity is held by AMRL)
MP AMRL (Bicharpur) Coal Company Limited	Joint Venture Company (49% interest in Equity is held by AMRL)
MP AMRL (Marki Barka) Coal Company Limited	Joint Venture Company (49% interest in Equity is held by AMRL)
MP AMRL (Morga) Coal Company Limited	Joint Venture Company (49% interest in Equity is held by AMRL)

(B) Transactions with Holding Company ACC Limited.

Particulars	For the year ended December 31, 2014 (₹)	For the year ended December 31, 2013 (₹)
1 Opening Balance of Inter Corporate Deposit	34,48,34,000	10,49,17,000
2 Inter Corporate Deposits Received During the Year	75,25,00,000	23,99,17,000
3 Inter Corporate Deposits paid during the year	1,09,73,34,000	-
4 Inter Corporate Deposits as at the end of the year	-	34,48,34,000
5 Investment in equity shares received	1,17,00,00,000	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

(C) Transactions with Joint Venture Companies*

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
1 MP AMRL (Semaria) Coal Company Ltd.		
Opening Balance	1,82,93,973	17434970
Transactions during the year		
-Advance for Expenses Received	8,67,887	8,59,003
-Interest Charged on the above	11,60,075	-
Outstanding balance included in Long term Loans and advances	2,03,21,935	1,82,93,973
2 MP AMRL (Bicharpur) Coal Company Ltd.		
Opening Balance	14,54,14,690	2,04,73,453
Transactions during the year		
-Advance for Expenses Received	40,04,70,200	12,49,41,237
-Interest Charged on the above	2,17,15,486	-
Outstanding balance included in Long term Loans and advances	56,76,00,376	14,54,14,690
3 MP AMRL (Marki Barka) Coal Company Ltd.		
Opening Balance	5,85,58,515	2,30,69,125
Transactions during the year		
-Advance for Expenses Received	4,06,46,504	3,54,89,390
-Interest Charged on the above	48,83,187	-
Outstanding balance included in Long term Loans and advances	10,40,88,206	5,85,58,515
4 MP AMRL (Morga) Coal Company Ltd.		
Opening Balance	-	-
-Advance for Expenses Received	2,55,190	49,861
-Interest Charged on the above	19,843	-
-Advance for Expenses Repaid	-	49,861
Outstanding balance included in Long term Loans and advances	2,75,033	-

* Transaction with Joint Venture Companies have been disclosed at full value

NOTE 13: EARNINGS PER SHARE - [EPS]

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
Profit/(Loss) after taxation as per Statement of Profit and Loss	(5,84,98,375)	(22,55,004)
Weighted average number of Equity shares outstanding	13,15,479	4,95,000
Basic earnings per Share (Weighted Average) in Rupees (face value - ₹ 100 per share)	(44.47)	(4.56)

(There are no diluted equity shares and hence there is no working for diluted earnings per share)

ACC MINERAL RESOURCES LIMITED (AMRL)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 14: The aggregate amounts of assets, liabilities, income and expenses related to the Company's interest in the four joint ventures companies are as under:

a.	Assets	:	₹ 32,86,24,907
b.	Liabilities	:	₹ 19,27,522
c.	Income	:	₹ 48,159
d.	Expenses	:	₹ 2,30,88,439

NOTE 15: Non-current investment of ₹ 1,96,00,000 and Long term loans and advances of ₹ 69,22,85,549 are realisable/recoverable from four JV Companies. The Company considers these as fully realisable/recoverable from the respective JV Companies once the monies are received by the said JV Companies upon reallocation/re allotment of their coal blocks to the new allottee in terms of the Coal Mines (Special Provisions) Ordinance 2014 and the model draft tender document published in this regard by the Ministry of Coal, Govt. of India.

NOTE 16: MATERIAL DEMAND AND DISPUTE CONSIDERED AS "REMOTE" BY THE COMPANY

The Company had given mobilisation advances, in respect of three contracts namely Supply, Development Operation, to JMS Mining Services Private Limited (JMS), a contractor for carrying out the development activities for Bicharpur Coal Block. The unadjusted advance amount as at the Balance sheet date is ₹ 43,60,50,229. In view of the cancellation of the coal blocks by the Supreme Court of India, the work given to the contractor has been suspended by the Company to the bare minimum activities pertaining to security and safety of the coal block. This advance is considered as fully recoverable in view of the valid Bank Guarantees held by the Company.

Subsequent to the suspension of work by the Company, JMS has raised a claim of ₹ 2,55,65,18,388 (net of advances paid as above) in respect of these three contracts. The Company has been advised that due to the availability of Termination Clauses in each of the contracts with JMS for development, supply and operation, it will not be liable for any claim for damages arising out of termination of the contracts on account inter alia of withdrawal of the mining lease.

NOTE 17: There is no Micro, Small and Medium enterprises, as defined in the Micro, Small, Medium enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

NOTE 18: The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 1,51,53,00,000 (Previous year was ₹ 2,11,64,00,000).

NOTE 19: The Consolidated Financial statements of the company are prepared wherein are incorporated 49% shares in the financial statements of the 4 Joint Venture Companies (JVC). These JVCs were incorporated as a special purpose vehicle between M.P. State Mining Corporation Limited (MPSMCL) and ACC Mineral Resources Limited (AMRL) to develop and commercially exploit the respective coal blocks, the Mining rights of which were owned by MPSMCL. The supreme court of India vide judgment dated August 25, 2014 read with its order dated September 24, 2014 has canceled the allocation of the respective coal blocks to MPSMCL and accordingly MPSMCL ceases to hold coal mining rights in the respective coal blocks anymore. Investment in the 4 JVCs and all the net assets of the JVCs are considered as good and fully recoverable in view of the following.

Subsequent to the aforesaid cancellation, THE COAL MINES (SPECIAL PROVISIONS) ORDINANCE, 2014 was promulgated and accordingly, the said coal block will now be allocated afresh in future by the Ministry of Coal, Government of India and a model draft tender documents have also been published by Ministry of Coal in this regard.

In terms of the said Ordinance and the model draft tender documents published by the Ministry of Coal, the new successful allottee will have to pay to the prior allottee, a fixed amount for the value of Land and Mine infrastructure, cost of preparation of geological report borne by the prior allottee, cost of obtaining all statutory licenses, permits, permissions, approvals, clearances or consents relevant to mining operations borne by the prior allottee and the transaction expenses.

These 4 JV Companies being a Special Purpose Vehicle, created for the said specific purpose, all the expenses incurred by these Companies, whether of revenue or capital in nature were incurred for the said mine and infrastructure development only. In view of the above all the recorded assets in the Balance Sheet of the 4 JVCs are considered as fully recoverable at the value stated in the financial statements and even the claim for accumulated losses incurred till date will also be preferred for recovery. The 4 JV Companies have also communicated the same to Ministry of coal, Govt. of India.

In view of the above, till the auction and the reallocation of the blocks, and subsequent compensations, the 4 JVCs need to continue its operations of protection of its rights, maintenance of infrastructure, if any, basic accounting and administration and, therefore, the accounts of these 4 JVCs are continued to be prepared on a 'Going Concern' basis and no provision is considered necessary by these Companies at this stage with regard to recorded assets as at the Balance sheet date

NOTE 20: Previous year figures have been regrouped or rearranged wherever found necessary.

As per our report of even date

For K.S. AIYAR & CO.

Chartered Accountants

ICAI Firm Regn. No. 100186W

RAJESH S. JOSHI

Partner

Membership No. 038526

Mumbai, January 20, 2015

For and on behalf of the Board of ACC Mineral Resources Limited,

BURJOR D NARIMAN

Director

DIN: 00492269

DINESH KUMAR SONTHALIA

Company Secretary

SUNIL NAYAK

Director

DIN: 00081466

BOARD'S REPORT

TO THE MEMBERS OF
BULK CEMENT CORPORATION (INDIA) LIMITED

The Directors take pleasure in presenting the Twenty Third Annual Report, together with the audited financial statements for the year ended December 31, 2014.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2014 is as under:

PARTICULARS	2014	2013
	₹ Lakh	₹ Lakh
Revenue from operations (net) and Other Income	2,331.36	1,930.83
Profit Before Tax	629.21	342.14
Provision for Tax		
- Current Tax	212.04	81.86
- Deferred Tax	(15.82)	(10.66)
Profit after Tax	432.99	270.94
Balance brought forward from previous year	1,551.16	1,280.22
Balance carried forward to Balance Sheet	1,984.15	1,551.16

The Company proposes to retain ₹ 1,984.15 lakh in the Statement of Profit and Loss.

2. OPERATIONS

The total dispatches for the year ended December 31, 2014 were 10.30 Lakh MT compared to 9.60 Lakh MT in the previous year.

The specific power consumption for the year 2014 was 2.83 Units/MT as against 2.81 units/MT for the year 2013

Revenue from operations for the financial year 2014 at ₹ 2,331.36 Lakh was higher by 22% over last year.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2014.

4. INDUSTRIAL RELATIONS

During the year under review, industrial relations at the Company's unit continued to remain cordial and peaceful.

5. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

6. PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of The Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

7. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 134(3)(m) of the Companies Act, 2013, read with The Companies (Accounts) Rules, 2014, the particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are mentioned herein below:

The particulars with respect to Conservation of Energy, Power and Fuel Consumption are as under:

PARTICULARS	2014	2013
1. Electricity		
Units Purchased KWH	29,13,975	26,97,510
Total Amount (₹ Lakh)	208.05	213.07
Rate/Unit (₹ /KW)	7.14	7.89
b. Own Generation	-	-
2. Consumption / Unit of Production Electricity (Unit/MT)	2.83	2.81

Disclosure of particulars with respect to Foreign Exchange Earning and Outgo are as under:

PARTICULARS	2014	2013
Foreign Exchange earned	Nil	Nil
Foreign Exchange used	Nil	Nil

The Company has not entered into any technology transfer agreement.

8. MEETINGS OF THE BOARD

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars. In compliance with the Companies Act, 2013 and the Rules framed thereunder, where permitted, Directors are provided the facility to join the proceedings of the meeting through video conferencing.

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2014 four Board Meetings were held on January 27, 2014, April 17, 2014, July 18, 2014 and October 14, 2014. The intervening gap between the meetings was as prescribed under the Companies Act, 2013.

9. DIRECTORS

The Board of Directors has appointed Mr Harish Badami as an Additional Director of the Company with effect from October 14, 2014.

The Government of India, Ministry of Commerce & Industry, Department of Industrial Policy & Promotion has pursuant to its rights to appointment directors on the Board of Directors under Article 134(1) of the Company's Articles of Association, appointed the following persons on the Board of Directors of the Company:

Mr Shailendra Singh, Joint Secretary, Department of Industrial Policy and Promotion (DIPP), Government of India in place of Mr Talleen Kumar, Joint Secretary

Mr A P Singh, Senior Development Officer DIPP in place of Mr Alok Mukhopadhyay, Deputy Secretary

Mr J K Mehra, Director DIPP in place of Mr A P Singh, Senior Development Officer

Pursuant thereto the Board of Directors of the Company has appointed Mr Shailendra Singh and Mr J K Mehra as Additional Directors of the Company with effect from May 23, 2014 and June 02, 2014 respectively.

Mr Harish Badami, Mr Shailendra Singh and Mr J K Mehra hold office upto the date of the forthcoming Annual General Meeting. Accordingly, their candidatures for appointment as Directors of the Company has been included in the Notice convening the Annual General Meeting of the Company.

Mr A P Singh, who was appointed on the Board of Directors of the Company w.e.f. May 25, 2014 ceased to be a Director of the Company w.e.f. June 02, 2014.

Mr Talleen Kumar who was appointed as a Director of the Company w.e.f. July 19, 2010 ceased to be a Director of the Company w.e.f. May 23, 2014.

Mr Alok Mukhopadhyay who was appointed as a Director of the Company w.e.f. October 14, 2013

ceased to be a Director of the Company w.e.f. May 25, 2014.

Mr Kuldip Kaura who was appointed as a Director of the Company w.e.f. October 18, 2010 ceased to be a Director of the Company w.e.f. October 14, 2014.

Mr P N Iyer who was appointed as a Director of the Company w.e.f. October 12, 2012 ceased to be a Director of the Company w.e.f. July 14, 2014.

The Board has placed on record its appreciation of the valuable contribution made by Mr Talleen Kumar, Mr Alok Mukhopadhyay, Mr A P Singh, Mr Kuldip Kaura and Mr P N Iyer during their respective tenures as Directors of the Company.

In accordance with the provisions of the Companies Act, 2013, Mr M K Akhouri and Mr Burjor D Nariman retire by rotation and are eligible for re-appointment. Accordingly the respective appointments have been included in the Notice convening the Annual General Meeting of the Company.

The Company is in the process of identifying suitable Independent Directors.

10. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual financial statements for the year ended December 31, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in Note 2 of the Notes to the financial statements have been selected and applied consistently and judgements and estimates have been

made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31, 2014 and of the profit of the Company for the year ended on that date;

- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

11. AUDIT COMMITTEE

As on January 20, 2015 the Audit Committee comprises the following Members:

Mr J K Mehra (Chairman)
Mr Sunil Nayak
Mr Burjor D Nariman
Mr Joydeep Mukherjee

During the year ended December 31, 2014 four Audit Committee Meetings were held.

The Company being a subsidiary of ACC Limited has no separate vigil mechanism. ACC's vigil mechanism system is applicable to the Company.

12. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting. As required under the provision of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from Messrs. K S

Aiyar & Co that their appointment, if made, would be in conformity with the Companies Act, 2013. Your directors recommend the re-appointment of Messrs. K S Aiyar & Co, Chartered Accountants, as Auditors of the Company for the year 2015.

13. COST AUDITORS

In terms of The Companies (Cost Accounting Records) Rules, 2011, your Company was required to maintain cost accounting records and file Compliance Certificate with the Central Government. Messrs. N I Mehta & Co., Cost Auditors, have been appointed for Compliance Reporting for the financial year 2014.

Though the Company is not required to seek the ratification of the Members for the remuneration payable to the Cost Auditor for the year 2014, for the sake of good governance, the remuneration payable to the Cost Auditor is being placed before the Members for their approval. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor during the year 2015 in respect of the audit carried out by them for the financial year 2014 as set out in the Notice.

In accordance with the Companies (Cost Records and Audit) Amendments Rules, 2014 the Company is no longer required to maintain cost records.

14. NOMINATION AND REMUNERATION COMMITTEE

The Company is taking steps to constitute a Nomination and Remuneration Committee.

15. ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation of the efforts and dedicated service of all employees, which contributed to the continuous growth and consequent performance of the Company. Your Directors take this opportunity to express their grateful appreciation of the excellent assistance and co-operation received from the Department of Industrial Promotion & Policy, Ministry of Commerce & Industry, Ministry of Railways, ACC Limited and Company's Bankers.

For and on behalf of the Board

Jayanta DattaGupta
Director

Sunil K. Nayak
Director

Mumbai
January 20, 2015

Registered Office:
Plot No. W7,
KWC Kalamboli,
Dist. Raigad 410 218

AUDITORS' REPORT

TO THE MEMBERS OF BULK CEMENT CORPORATION (INDIA) LIMITED

Report On The Financial Statements

We have audited the accompanying financial statements of **BULK CEMENT CORPORATION (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at December 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs and other recognized accounting practices and policies. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal

control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs;
- e. on the basis of the written representations received from the directors, as on December

31, 2014, and taken on record by the Board of Directors, we report that none of the directors of the Company are disqualified as on December 31, 2014 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For K. S. AIYAR & CO.

Chartered Accountants

ICAI Firm Registration Number: 100186W

RAJESH S. JOSHI

Partner

Place: Mumbai
January 20, 2015

Membership Number: 38526

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report.

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. Most of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- c. Fixed assets that have been disposed off during the year were not material so as to affect the going concern status of the Company.
2. a. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company has maintained proper records of inventory. No discrepancies were noticed on verification between the physical stocks and the book stocks.
3. a. As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- b. As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. According to the information and explanations given to us, there are no transactions that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable.
6. The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
9. According to the records of the Company, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess and other material statutory dues, as applicable to the Company, with the appropriate authorities. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at December 31, 2014 for a period of more than six months from the date they became payable.

10. According to the records of the Company, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and Cess which have not been deposited on account of any dispute, are as follows:

Nature of dues	Period to which the amount relates	Amounts involved (dues to the extent not deposited)	Forum where the dispute is pending
Service Tax and Penalty	Financial years 2001-02 to 2005-06	₹ 27.71 Lakhs	CESTAT
Denial of Cenvat credit of Service tax availed on input services on account of cement cleared in bulk as such.	Financial years 2007-08 to 2012-13	₹ 97.66 Lakhs (Excl. interest and penalty)	SCN cum demand notice responded to the Excise Department.
Penalty imposed by Excise Department on availment of Cenvat credit at a rate higher than the rate at which inputs materials were cleared as such.	Financial Year 2008-09	₹ 9.40 Lakhs	Disputed matter to be referred to Commissioner Appeals
Cenvat availed on cement returned in bulkers.	Apr 07 to Nov 08	₹ 64.96 Lakhs	CESTAT

11. The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
12. There are no dues to banks or financial institutions or debenture holders.
13. Based on our examination of documents and records, we are of the opinion that the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.

16. According to the information and explanations given to us, the Company has not raised any loans during the period.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company we report that no funds raised on short-term basis have been used for long-term applications.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year under audit. Therefore the provisions of clause (xix) of the order are not applicable to the company.
20. The Company has not raised any money by way of public issue during the year. Therefore, the provision of clause (xx) of the order is not applicable to the Company.
21. Based upon the audit procedures performed and according to the information and explanations given and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For K. S. AIYAR & CO.

Chartered Accountants

ICAI Firm Registration Number: 100186W

RAJESH S. JOSHI

Partner

Place: Mumbai

January 20, 2015

Membership Number: 38526

BALANCE SHEET AS AT DECEMBER 31, 2014

Particulars	Note No.	2014 ` Lakhs	2013 ` Lakhs
EQUITY AND LIABILITIES :			
Shareholders Fund :			
Share Capital	3	3,364.21	3,364.21
Reserves & Surplus	4	1,984.15	1,551.16
Total		5,348.36	4,915.37
Non Current Liabilities			
Deferred Tax Liabilities (Net)	5	540.69	556.50
Current Liabilities			
Trade payables	6	452.51	479.49
Other Current Liabilities	7	507.29	763.70
TOTAL		959.80	1,243.19
TOTAL		6,848.85	6,715.06
ASSETS :			
Non Current Assets			
Fixed Assets :			
Tangible Assets	8 (A)	4,319.56	3,718.95
Intangible Assets	8(B)	11.07	8.62
Capital work in progress		0.59	347.42
Long Term Loans & Advances	9	104.71	129.57
		4,435.93	4,204.56
Current Assets :			
Current Investment	10	1,900.00	2,170.00
Inventories	11	43.01	47.32
Trade Receivable	12	259.94	226.77
Cash and Bank Balances	13	23.31	5.04
Short Term Loans and Advances	9	186.41	59.22
Assets held for Disposal		0.25	2.15
		2,412.92	2,510.50
TOTAL		6,848.85	6,715.06
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of Financial Statements

As per our Report of even date

For and on behalf of the Board of Directors of Bulk Cement Corporation (India) Limited,

FOR K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration number 100186 W

JAYANTA DATTA GUPTA
Director
DIN: 01571321

SUNIL K. NAYAK
Director
DIN: 00081466

RAJESH S. JOSHI
Partner
Membership number 38526

BINITA KHORY
Company Secretary

Mumbai, January 20, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2014

Particulars	Note No.	2014 ` Lakhs	2013 ` Lakhs
INCOME:			
Sale of Services & other operating Income	14	2,129.92	1,750.51
Other Income	15	201.44	180.32
Total Revenue		2,331.36	1,930.83
EXPENSE :			
Employee benefits expense	16	146.30	128.18
Operating and Other Expenses	17	1,145.86	1,066.89
Depreciation		409.99	393.62
Depreciation of earlier years written Back			
Total Expenses		1,702.15	1,588.69
Profit before tax		629.21	342.14
Tax Expenses :			
Current Tax		221.06	120.74
Less: MAT Set Off Availed		(9.02)	(38.88)
Net Current Tax		212.04	81.86
Deferred Tax		(15.82)	(10.66)
		196.22	71.20
Profit for the year		432.99	270.94
Earnings Per Equity Share (Face Value of ` 10 each)			
Basic and Diluted Earnings per Share (‘)	20	1.29	0.81
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of Financial Statements

As per our Report of even date

For and on behalf of the Board of Directors of Bulk Cement Corporation (India) Limited,

FOR K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration number 100186 W

JAYANTA DATTA GUPTA
Director
DIN: 01571321

SUNIL K. NAYAK
Director
DIN: 00081466

RAJESH S. JOSHI
Partner
Membership number 38526

BINITA KHORY
Company Secretary

Mumbai, January 20, 2015

BULK CEMENT CORPORATION (INDIA) LIMITED (BCCI)

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014

	2014 Lakhs	2013 Lakhs
A. Cash Flow from Operating Activities		
1 Net Profit before tax	629.21	342.14
Adjustments For:		
Depreciation	409.99	393.62
Interest Received	(2.75)	(0.97)
Provision written back	-	(8.66)
Loss/ (Profit) on sale of assets	0.94	8.19
Loss/ (Profit) on sale of Investment	(198.69)	(179.35)
Operating profit before working capital changes	838.70	554.97
2 Trade Receivables	(33.17)	219.55
3 Inventories	4.30	1.24
4 Other receivables	(116.13)	250.34
5 Trade payables and Other Current Liabilities	(282.03)	367.00
Cash generated from Operations	411.67	1393.10
6 Direct Taxes refund/ (paid)	(198.22)	(145.75)
Net Cash from Operating Activities	213.45	1247.35
B Cash Flow from Investing Activities		
7 Interest received	2.75	0.97
8 Purchase of Investments	(10,505.00)	(8,450.00)
9 Sale Proceeds From Investments	10,973.69	8,294.35
10 Purchase of Fixed Assets & Increase in Capital work in Progress & Capital Advance	(667.58)	(1,105.10)
11 Sales of Fixed Assets	0.96	0.68
Net Cash from Investing Activities	(195.18)	(1,259.10)
Net increase / (decrease) in cash & cash equivalents	18.27	(11.75)
Opening Balance	5.04	16.79
Closing Balance	23.31	5.04

Notes:

1. All figures in brackets are outflow
2. Figures for the previous year have been regrouped / restated wherever necessary to make them comparable.
3. Direct Taxes paid are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.
4. Cash and Cash Equivalent is Cash and Bank Balances as per Balance Sheet.

As per our Report of even date

For and on behalf of the Board of Directors of Bulk Cement Corporation (India) Limited,

FOR K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration number 100186 W

JAYANTA DATTA GUPTA
Director
DIN: 01571321

SUNIL K. NAYAK
Director
DIN: 00081466

RAJESH S. JOSHI
Partner
Membership number 38526

BINITA KHORY
Company Secretary

Mumbai, January 20, 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

1 CORPORATE INFORMATION

Bulk Cement Corporation (India) Limited is a limited Company domiciled in India and incorporated under the provision of Companies Act, 1956. The Company is engaged in the handling of Bulk Cement. The Company caters only to the needs of the domestic market of the parent Company i.e. M/s ACC Limited.

2 SIGNIFICANT ACCOUNTING POLICIES:

- A) (i) The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 08/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs

- (ii) The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

B) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods

C) Revenue Recognition

Revenue arising from charges for Bulk handling of cement is recognized based on tonnage handled and Rebate on freight granted by the Railways is recognized based on tonnage of bulk cement despatched from the supplier to the Company's terminal at Kalamboli.

Interest and Dividend Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the right to receive dividend is established by the Balance Sheet date.

D) Fixed Assets and Depreciation

- (i) Fixed assets are stated at cost of acquisition or construction, including attributable interest and financial cost till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.
- (ii) Depreciation is provided in the accounts on the Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956, on a pro-rata basis. However, in respect of the Plant & Machinery- Elevator Belt, the depreciation is provided at higher rate (20.19%) in line with its estimated useful life.

E) Investments

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments. Current investments are stated at cost or fair value whichever is lower.

F) Inventory

The Company does not carry any inventory of raw materials and there is no Stock of Traded Finished Goods at the end of the year. The stock of stores and spares is valued at cost -Weighted Average (Moving) and net realizable value whichever is less.

G) Employees Benefit

The Company operates through the employees on deputation from the parent company.

All the emoluments payable to these employees along with the related benefits are claimed by the parent company and are reimbursed. This is disclosed as Deputation Charges in the Statement of Profit & Loss.

H) Taxation

Tax expense comprises of Current, Deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income Taxes reflect the impact of current timing differences between taxable income & accounting income for the year & reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets are reviewed at each balance sheet date.

I) Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

J) Contingencies / Provisions

Provisions are recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

K) During the year the Company is engaged in only one business segment i.e. bulk handling of cement.

Hence other segmental information as per Accounting Standard 17 is not required to be disclosed.

BULK CEMENT CORPORATION (INDIA) LIMITED (BCCI)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE -3 : SHARE CAPITAL

	2014 ` Lakhs	2013 ` Lakhs
AUTHORISED		
3,40,00,000 (Previous Year-3,40,00,000) Equity Shares of ` 10 each	3,400.00	3,400.00
1,10,00,000 (Previous Year -1,10,00,000) Preference Shares Of ` 10 each	1,100.00	1,100.00
TOTAL	4,500.00	4,500.00
ISSUED SUBSCRIBED AND FULLY PAID UP		
3,36,42,070 Equity Shares of ` 10 each fully paid (Previous Year -3,36,42,070)	3,364.21	3,364.21
TOTAL	3,364.21	3,364.21

(a) Details of shareholders holding more than 5% of the shares of the Company and shares held by holding Company

	2014		2013	
	Number of Shares	% of Holding	Number of Shares	% of Holding
(Shares held by the President of India, Development Commissioner of Cement Industries)	18,00,020	5.35	18,00,020	5.35
Shares Held by M/s ACC Ltd -Holding Company	3,18,42,050	94.65	3,18,42,050	94.65

(b) Reconciliation of No of Equity shares

	2014		2013	
	Number of Shares	Amount ` Lakhs	Number of Shares	Amount ` Lakhs
Equity shares at the beginning of the year	3,36,42,070	3,364.21	3,36,42,070	3,364.21
Shares Issued during the year	-	-	-	-
Equity shares at the end of the year	3,36,42,070	3,364.21	3,36,42,070	3,364.21

(c) Rights and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ` 10 per share. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

NOTE-4 : RESERVES AND SURPLUS

	2014 ` Lakhs	2013 ` Lakhs
Surplus in the statement of profit and loss :		
Balance as per last Financial statements	1,551.16	1,280.22
Add: Profit of the year	432.99	270.94
TOTAL	1,984.15	1,551.16

NOTE -5 : DEFERRED TAX LIABILITIES (NET)

	2014 ` Lakhs	2013 ` Lakhs
Deferred Tax Liabilities arising on account of :		
Depreciation differences	540.69	556.50
TOTAL	540.69	556.50

NOTE 6 : TRADE PAYABLES

	2014 ` Lakhs	2013 ` Lakhs
Trade Payable Due to The Holding Company: ACC Limited ` 12.29 lakhs (Previous year ` 69.49 lakhs)	452.51	479.49
TOTAL	452.51	479.49

Note 6.1 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues.

This information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE 7 : OTHER CURRENT LIABILITIES

	2014 ` Lakhs	2013 ` Lakhs
Statutory Dues	12.57	9.91
Retention Deposit from Contractors/ Vendors	19.42	24.34
Liability For Capital Expenditure	230.52	505.06
Other Current Liabilities	244.78	224.39
TOTAL	507.29	763.70

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 8(a) : TANGIBLE ASSETS

` Lakhs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-01-2014	Additions/ Adjustments	Deletions	As at 31-12-2014	As at 01-01-2014	For the Year	Adjustments	As at 31-12-2014	As at 31-12-2014	As at 31-12-2013
Building	247.36	128.76	-	376.12	123.20	10.40	-	133.60	242.52	124.16
Bulding & Installation	0.68	-	-	0.68	0.16	0.07	-	0.23	0.45	0.52
Plant & Machinery	3,204.96	281.11	-	3,486.07	2,795.86	105.06	-	2,900.92	585.15	409.10
Roads, Bridges	173.56	378.93	-	552.49	42.18	8.90	-	51.08	501.41	131.38
Rails & Sidings	637.34	73.90	-	711.24	274.68	33.06	-	307.74	403.50	362.66
Wagon & Loco	4,605.84	79.17	-	4,685.01	2,111.95	218.46	-	2,330.41	2,354.60	2,493.89
Furniture & Fixtures	20.05	16.80	-	36.85	6.24	0.87	-	7.11	29.74	13.81
Office Equipments	11.90	-	-	11.90	3.99	0.52	-	4.51	7.39	7.91
Vehicles	7.62	-	-	7.62	1.76	0.72	-	2.48	5.14	5.86
Electrical Installation	572.05	47.80	-	619.85	402.39	27.80	-	430.19	189.66	169.66
TOTAL	9,481.36	1,006.47	-	10,487.83	5,762.41	405.86	-	6,168.27	4,319.56	3,718.95
<i>Previous Year</i>	<i>8,894.59</i>	<i>775.47</i>	<i>(188.70)</i>	<i>9,481.36</i>	<i>5,549.13</i>	<i>392.21</i>	<i>(178.93)</i>	<i>5,762.41</i>	<i>3,718.95</i>	<i>3,345.47</i>

Note: The terminal is on leasehold land of the Central Government in possession of the Company. It was sanctioned for the project by the Ministry of Industry, Government of India, vide letter No.DCCI/1-26/91-92 DT 27.09.93. Sublease granted by Central government to the company for 60 years on 12.12.2008 effective from 12.12.1991.

NOTE 8(b) : INTANGIBLE ASSETS

` Lakhs

PARTICULARS	GROSS BLOCK				AMORTISATION					NET BLOCK	
	As at 01-01-2014	Additions/ Adjustments	Deletions	As at 31-12-2014	As at 01-01-2014	For The Year	On Deletion/ Disposals	Adjustments 31-12-2014	As at 31-12-2014	As at 31-12-2014	As at 31-12-2013
Software	10.03	6.58	-	16.61	1.41	4.13	-	-	5.54	11.07	8.62
TOTAL	10.03	6.58	-	16.61	1.41	4.13	-	-	5.54	11.07	8.62
<i>Previous Year</i>	<i>-</i>	<i>10.03</i>	<i>-</i>	<i>10.03</i>	<i>-</i>	<i>1.41</i>	<i>-</i>	<i>-</i>	<i>1.41</i>	<i>8.62</i>	<i>-</i>

NOTE 9 : LOANS & ADVANCES

	2014		2013	
	Non Current ` Lakhs	Current ` Lakhs	Non Current ` Lakhs	Current ` Lakhs
(Unsecured Considered Good)				
(a) Capital Advances	-	-	5.00	-
(b) Other Deposits	18.17	1.40	18.17	-
(c) Advances recoverable in cash or in kind or for value to be received	-	5.64	3.96	5.21
(d) Freight Rebate Recoverable From Railways	-	153.22	-	27.30
(e) Advance Tax Paid {Net of provision for Taxation, Amt ` 484.54 Lakhs : (Previous year ` 272.5 Lakhs)}	84.88	-	98.67	-
(f) Advance Fringe Benefit Tax {Net of provision for Taxation, Amt ` 1.95 Lakhs : (Previous year ` 1.95 Lakhs)}	0.01	-	0.01	-
(g) Balance with Excise, Customs and Port Trust Authorities on Current accounts	-	7.97	-	6.32
(h) Prepaid Expenses	1.65	18.18	3.76	20.39
TOTAL	104.71	186.41	129.57	59.22

BULK CEMENT CORPORATION (INDIA) LIMITED (BCCI)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 10 : CURRENT INVESTMENTS (Valued at Lower of Cost and Fair Value)

	2014		2013	
	Amt ` Lakhs	Number of Units	Amt ` Lakhs	Number of Units
Investment in Mutual Funds - Fully paid-up (Unquoted)				
Unit of Face Value ` 1000 each	100	5,403.06	500	29,432.59
DSP Black rock Money Manager Fund-Regular Plan-(Growth Option)				
Unit of Face Value ` 1000 each	-	-	470	23,233.12
UTI Floating rate fund-STP-Regular plan-(Growth Option)				
Unit of Face Value ` 10 each	-	-	1,200	71,97,524.05
DWS Cash Opportunities Fund-Regular Plan-(Growth Option)				
Unit of Face Value ` 1000 each	300	20,269.96	-	-
Taurus Liquid Fund - Existing Plan - Super Institutional(Growth Option)				
Unit of Face Value ` 1000 each	1,500	68,798.25	-	-
Reliance Liquid Fund - Cash Plan-Growth Option				
TOTAL	1,900.00		2,170.00	
Aggregate amount of Unquoted Investments	1,900.00		2,170.00	

NOTE 11 : INVENTORIES

(At Cost or Net Realisable value whichever is lower)

	2014 ` Lakhs	2013 ` Lakhs
Stores and Spare Parts	43.01	47.32
TOTAL	43.01	47.32

NOTE 12 : TRADE RECEIVABLE

	2014 ` Lakhs	2013 ` Lakhs
(b) Others		
Unsecured Considered Good	259.94	226.77
Due from The Holding Company: ACC Limited ` 259.94 Lakhs; (Previous year ` 226.77 Lakhs), Maximum Outstanding Balance during the Period ` 525.02 Lakhs : (Previous year ` 522.44 Lakhs)		
TOTAL	259.94	226.77

NOTE 13 CASH & BANK BALANCES

	2014 ` Lakhs	2013 ` Lakhs
Cash and Cash Equivalent		
Cash on Hand	0.09	0.06
Balances with Scheduled Banks in Current Accounts	23.22	4.98
TOTAL	23.31	5.04

NOTE 14 : REVENUE FROM OPERATIONS

	2014 ` Lakhs	2013 ` Lakhs
SALE OF SERVICES		
Bulk Handling Charges	1,538.11	1310.06
Freight Rebate		
Recovered from ACC limited	459.89	393.24
Received From Railways	118.25	35.65
	2,116.25	1,738.95
OTHER OPERATING REVENUE		
Miscellaneous Income	13.67	2.90
Provision no longer required written back	-	8.66
	13.67	11.56
REVENUE FROM OPERATIONS (NET)	2,129.92	1750.51

NOTE 15 : OTHER INCOME

	2014 ` Lakhs	2013 ` Lakhs
Profit on sale of Current Investment	198.69	179.35
Interest on deposits	2.75	0.97
TOTAL	201.44	180.32

NOTE 16 : EMPLOYEE BENEFITS EXPENSES

	2014 ` Lakhs	2013 ` Lakhs
Staff Welfare	1.06	0.06
Deputation Charges	145.24	128.12
TOTAL	146.30	128.18

NOTE 17 : OPERATING AND OTHER EXPENSES

	2014 ` Lakhs	2013 ` Lakhs
Power & Fuel	264.69	225.35
Rates & Taxes	48.78	133.94
Insurance	20.79	21.17
Consumption of Stores and Spares	182.96	125.11
Repairs and Maintenance - Plant	368.11	371.44
Repairs and Maintenance - Buildings	103.44	37.70
Repairs and Maintenance - Others	28.45	10.67
Security Charges	67.88	57.36
Legal Services	17.77	22.97
Remuneration to Auditors		
Statutory Audit	2.50	2.25
Tax Audit	1.50	1.20
Other Services	3.00	2.50
Out-of-pocket expenses	0.48	0.31
Other Expenses	34.57	46.73
Loss on Fixed Assets scrapped/retired (Net)	0.94	8.19
TOTAL	1,145.86	1,066.89

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 18 : RELATED PARTY DISCLOSURES

(I) Particulars of Related Parties:

Name of the Related Party	Nature of Relationship
(i) ACC Ltd	Holding Company

(II) Key Management Personnel:

Name of the Related Party	Nature of Relationship
Mr Ram Manohar Sowbhagya	Head BCCI

(III) Transactions with Related Parties during the year:

	Holding Company ACC Limited.	
	2014 ` Lakhs	2013 ` Lakhs
a) Rendering of Services (inclusive of Service tax)	1,728.22	1,471.98
b) Deputation Charges Paid	163.46	142.80
c) Purchase Of Cement	3.14	23.79
d) Purchase of Concrete	69.86	-
e) Reimbursement of Freight Rebate	459.89	393.24
f) Outstanding balance included in Current assets	259.94	226.77
g) Outstanding balance included in Current liabilities	12.29	69.49
i) Reimbursement of expenses paid (Net of Reversal)		
Power Expenses	31.42	182.24
Others	1.97	2.92
j) Reimbursement of expenses received	2,985.16	2902.13

NOTE 19 : TAXATION

The Company has been recognizing in the financial statements the deferred tax assets/liabilities in accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Central Government under the Companies (Accounting Standard) Rules, 2006. During the year, the Company has credited to the Statement of Profit & Loss a reversal of Deferred Tax Liability of ` 15.82 Lakhs (*Previous Year` 10.66 Lakhs*).

NOTE 20 : EARNING PER SHARE

Particulars	2014 ` Lakhs	2013 ` Lakhs
Profit/(Loss) after taxation as per Statement of Profit and loss (` in Lakhs)	432.99	270.94
Weighted average number of Equity shares outstanding.	3,36,42,070	3,36,42,070
Basic earnings per Share (Weighted Average) in ` (Face value -` 10 per share)	1.29	0.81

(There are no potential equity shares and hence there is no working for diluted earning per share).

NOTE 21 : CONTINGENT LIABILITIES NOT PROVIDED FOR

Sr. No.	Particulars	2014 ` Lakhs	2013 ` Lakhs
	CLAIMS NOT ACKNOWLEDGED BY THE COMPANY		
1.	Railways	43.35	43.35
2.	Service Tax and Penalty	125.37	102.71
3	Central Excise	74.36	84.36

NOTE 22 : The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years in accordance with the provision of Section 115JAA has been accounted for the twelve months period ended on December 31, 2014.

NOTE 23 : Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) ` 134.21 Lakhs (*Previous Year` 82.12 Lakhs*).

NOTE 24 : Other additional information pursuant to the provisions of paragraph 5 (viii)(c) of Schedule VI to the Companies Act, 1956 is either Nil or not applicable to the Company.

NOTE 25 : In the opinion of the Board of directors, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business lower than at least equal to the amount at which they are stated.

NOTE 26 : Previous year's figures have been regrouped/ rearranged wherever necessary to make them comparable with the current year's figure.

FOR K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration number 100186 W

JAYANTA DATTA GUPTA
Director
DIN: 01571321

SUNIL K. NAYAK
Director
DIN: 00081466

RAJESH S. JOSHI
Partner
Membership number 38526

BINITA KHORY
Company Secretary

BOARD'S REPORT

TO THE MEMBERS OF
LUCKY MINMAT LIMITED

The Directors take pleasure in presenting the Thirty Ninth Annual Report, together with the audited financial statements for the year ended December 31, 2014.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2014 is as under:

PARTICULARS	2014	2013
Revenue from operations (net) and Other Income	12,99,452	11,65,884
Profit / (Loss) Before Tax	(78,55,388)	(41,93,499)
Provision for Taxation	-	-
Profit / (Loss) after Tax	(78,55,388)	(41,93,499)
Balance brought forward from previous year	(1,90,30,904)	(1,48,37,405)
Balance carried forward to Balance Sheet	(2,68,86,292)	(1,90,30,904)

2. OPERATIONS

There was no production and despatches during the year 2014. The mining activities were stopped since March 29, 2012. The Forest and Environment clearance is awaited from Rajasthan State Pollution Control Board, Jaipur.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2014.

4. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

No significant and material orders have been passed by any Regulators or Courts or Tribunals against the

Company. However, Members' attention is invited that in January 2014, the Department of Mines & Geology (DMG) cancelled the mining leases. The Company has filed a Writ Petition in the High Court, Rajasthan for a stay of cancellation order and the Court has directed the Company to represent its case before the Director DMG Udaipur which has been done. A hearing was held and further directions from the Government are awaited.

5. PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

6. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

7. MEETINGS OF THE BOARD

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars. In compliance with the Companies Act, 2013 and the Rules framed thereunder, where permitted, Directors are provided the facility to join the proceedings of the meeting through video conferencing.

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2014, four Board Meetings were held on January 30, 2014, April 16, 2014, July 17, 2014 and October 20, 2014. The intervening gap between the meetings was as prescribed statutorily under the Companies Act, 2013

8. DIRECTORS

The Board of Directors has appointed Mr S Viswanathan as an Additional Director of the Company with effect from October 20, 2014. Mr Viswanathan holds office upto the date of the forthcoming Annual General Meeting. His candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

Mr Burjor D Nariman who was appointed as a Director of the Company with effect from January 27, 2010, ceased to be a Director of the Company with effect from October 21, 2014. The Board has placed on record its appreciation for the valuable services rendered by Mr Burjor D Nariman during his tenure as Director of the Company.

Mr K M Gupta who was appointed as a Director of the Company with effect from April 20, 2009, ceased to be a Director of the Company with effect from October 20, 2014. The Board has placed on record its appreciation for the valuable services rendered by Mr K M Gupta during his tenure as Director of the Company.

In accordance with the provisions of the Companies Act, 2013, Mr Madhav G Damle and Mr Rajiv Prasad retire by rotation and are eligible for re-appointment. Accordingly the respective appointments have been included in the Notice convening the forthcoming Annual General Meeting of the Company.

9. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual financial statements for the year ended December 31, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31, 2014 and of the loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

10. AUDIT COMMITTEE

The Company is not required to constitute an Audit Committee since it does not fall within the class of companies prescribed under The Companies (Meetings of the Board and its Powers) Rules, 2014

11. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting. As required under the provision of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from Messrs. K S Aiyar & Co that their appointment, if made, would be in conformity with the Companies Act, 2013. Your Directors recommend the re-appointment of Messrs. K S Aiyar & Co., Chartered Accountants, as Auditors of the Company for the year 2015.

12. COST AUDITORS

The Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Amendments Rules, 2014.

13. NOMINATION AND REMUNERATION COMMITTEE

The Company is not required to constitute a Nomination and Remuneration Committee since it does not fall within the class of companies prescribed under The Companies (Meetings of the Board and its Powers) Rules, 2014.

14. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of the excellent co-operation received from the Government and Company's Bankers. Your Directors also acknowledge the unstinted assistance and support received from ACC Limited, the holding Company.

For and on behalf of the Board

Rajiv Prasad
Chairman

Mumbai
January 21, 2015

Registered Office:
G-9/C Kabir Marg,
Bani Park
Jaipur 302 016

INDEPENDENT AUDITORS' REPORT

To the Members of Lucky Minmat Limited Report on the Financial Statements

We have audited the accompanying financial statements of Lucky Minmat Limited ('the Company'), which comprise the Balance Sheet as at December 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs and other recognized accounting practices and policies. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal

control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs;
- e) on the basis of the written representations received from the directors, as on December 31, 2014, and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on December 31, 2014 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Place: Mumbai
January 21, 2015

SACHIN A. NEGANDHI
Partner
Membership No.: 112888

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on December 31, 2014, of Lucky Minmat Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) No fixed assets are disposed off during the year.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- (e) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) Based upon the audit procedures performed and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable.
- (vi) The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply.
- (vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The rules made by the Central Government for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- (ix) (a) According to the records of the Company, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it have been regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues in respect

of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, Service tax, Sales-tax, Customs duty, Excise duty, Cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and cess which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
The Rajasthan Finance Act, 2008 & Rajasthan Environment & Health Cess Rules, 2008	Environment and Health Cess on Limestone	10,63,120	December 2008 - onwards	Supreme Court

- (x) The Company has accumulated losses at the end of the financial year and has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not taken any money from financial institution, bank or debenture holders and hence clause 4(xi) is not applicable.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.

- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.

- (xv) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions.

- (xvi) The Company has not raised any term loans during the year.

- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

- (xix) According to the information and explanations given to us, no debentures were issued during the year.

- (xx) The Company has not raised any money by way of public issue during the year. Therefore, the provision of clause (xx) of the order is not applicable to the Company.

- (xxi) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

For K. S. AIYAR & CO.

Chartered Accountants

ICAI Firm Registration No: 100186W

SACHIN A. NEGANDHI

Partner

Place: Mumbai
January 21, 2015

Membership No.: 112888

BALANCE SHEET AS AT DECEMBER 31, 2014

Particulars	Note No.	As at December 31, 2014	As at December 31, 2013
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	3,25,00,000	3,25,00,000
Reserves and Surplus	4	(2,60,51,374)	(1,81,95,986)
		64,48,626	1,43,04,014
Non-Current liabilities			
Advances From Holding Co		13,47,251	1,34,181
Current liabilities			
Short Term Borrowing	5	1,18,11,744	1,00,00,000
Other current liabilities	6	38,39,361	14,06,715
Short-term provisions	7	-	-
		1,56,51,105	1,14,06,715
TOTAL		2,34,46,982	2,58,44,910
Assets			
Non-current assets			
Fixed Assets:			
Tangible assets	8	33,089	37,380
Non-current investments	9	20,850	20,850
Long-term loans and advances	10	30,40,741	29,10,736
		30,94,680	29,68,966
Current assets			
Trade receivables	11	-	-
Cash and bank balances	12	2,00,06,524	1,84,63,774
Short-term loans and advances	13	13,067	41,23,152
Other current assets	14	3,32,711	2,89,018
		2,03,52,302	2,28,75,944
TOTAL		2,34,46,982	2,58,44,910
Summary of significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date For and on behalf of the Board of Lucky Minmat Limited.

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No :-
100186W

RAJIV PRASAD
Chairman
DIN: 01524739

S.VISWANATHAN
Director
DIN: 02787215

UMESH PRATAP
Director
DIN: 05263268

M. G. DAMLE
Director
DIN: 06497787

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 21, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2014

Particulars	Note No.	For the year ended Dec 31, 2014	For the year ended Dec 31, 2013
Revenue from operations	15	-	-
Other Income	16	12,99,452	11,65,884
Total revenue		12,99,452	11,65,884
EXPENSES			
Depreciation and amortization expense	8	4,291	4,295
Other expenses	17	91,50,549	53,55,088
Total Expenses		91,54,840	53,59,383
Loss before Tax		(78,55,388)	(41,93,499)
Tax expenses		-	-
Loss for the year		(78,55,388)	(41,93,499)
Earnings per equity share (Face value of ` 100 each) (Previous year - ` 100) (Refer Note - 19)			
Basic & Diluted Before Prior Period Item	-	(14.34)	(12.90)
Basic & Diluted After Prior Period item	-	(24.17)	(12.90)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date For and on behalf of the Board of Lucky Minmat Limited.

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No :-
100186W

RAJIV PRASAD
Chairman
DIN: 01524739

S.VISWANATHAN
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SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 21, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014

	For the year ended Dec 31, 2014	For the year ended Dec 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
1. Net Profit/(Loss) before taxation	(78,55,388)	(41,93,499)
Adjustments for:		
Depreciation	4,291	4,295
Interest Received	(12,99,452)	(11,65,884)
Operating profit before working capital changes	(91,50,549)	(53,55,088)
Movement in Working Capital		
2. Decrease/(Increase) in Other Current Assets	52,79,462	(28,86,399)
3. Increase/(Decrease) in Other Liabilities & Provisions	24,32,646	(53,042)
Cash generated from operations	(14,38,441)	(82,94,529)
4. Direct Taxes paid - (Net of Refunds)-	(1,30,005)	(2,44,619)
NET CASH FROM OPERATING ACTIVITIES	(15,68,446)	(85,39,148)
B. CASH FLOW FROM INVESTING ACTIVITIES		
5. Interest Received	12,99,452	11,65,884
NET CASH FROM INVESTING ACTIVITIES	12,99,452	11,65,884
C. CASH FLOW FROM FINANCING ACTIVITIES		
6. Inter Corporate Deposits from Holding company	18,11,744	70,00,000
NET CASH USED IN FINANCING ACTIVITIES	18,11,744	70,00,000
Net increase / (decrease) in cash & cash equivalents	15,42,750	(3,73,264)
Cash & cash equivalents at the beginning of the year	1,69,09,979	1,72,83,243
Cash & cash equivalents at the end of the year	1,84,52,729	1,69,09,979
Refer Note no 12 for details of Cash & Cash equivalents.		

The accompanying notes are an integral part of financial statements

As per our report of even date

For and on behalf of the Board
of Lucky Minmat Limited.

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No :- 100186W

RAJIV PRASAD
Chairman
DIN: 01524739

S.VISWANATHAN
Director
DIN: 02787215

SACHIN A. NEGANDHI
Partner
Membership No. 112888

UMESH PRATAP
Director
DIN: 05263268

M. G. DAMLE
Director
DIN: 06497787

Mumbai, January 21, 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

1. CORPORATE INFORMATION

Lucky Minmat Limited is a wholly owned subsidiary of ACC Limited, Company domiciled in India and incorporated under the provision of Companies Act, 1956. The Company is engaged in the extraction of limestone.

2. SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of preparation

- i. The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 08/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs.
- ii. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(B) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(C) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Sale of goods

Revenue from sales is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which is generally on dispatch of products and is stated net of returns.

ii. Interest

Revenue is recognized on a time proportion basis taking into account the Amount outstanding and the rate applicable.

(D) Fixed assets

Fixed assets are stated at cost of acquisition or construction including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

(E) Depreciation

All assets are depreciated on the straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956, on a pro-rata basis.

(F) Impairment

The carrying amounts of assets are reviewed at each Balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

(G) Inventories

Inventories are valued after providing for obsolescence, as follows:

(i) Raw Materials, Stores & Spare Parts, Packing Material and Fuels

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

(ii) Work-in-progress and Finished goods

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(H) Investments

Current Investments are stated at lower of cost or fair value. Long term Investments are stated at cost. Provision for diminution in value is made only if decline is other than temporary.

(I) Income taxes

Tax expense comprises of current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)
(J) Contingencies / Provision

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

(K) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(L) Segment Reporting

The Company is operating only in one significant business segment i.e. Extraction and sale of lime stone; hence segment information as per Accounting Standard 17 is not required to be disclosed. The Company is catering mainly to the need of the domestic market; as such there is no reportable Geographical Segments.

(M) Current / Non Current

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities

3. SHARE CAPITAL

	As at December 31, 2014	As at December 31, 2013
AUTHORISED SHARES		
3,25,000 (Previous Year: 3,25,000) equity shares of ₹ 100 each	3,25,00,000	3,25,00,000
	3,25,00,000	3,25,00,000
ISSUED		
3,25,000 (Previous Year: 3,25,000) equity shares of ₹ 100 each	3,25,00,000	3,25,00,000
	3,25,00,000	3,25,00,000
SUBSCRIBED & PAID-UP		
3,25,000 (Previous Year: 3,25,000) equity shares of ₹ 100 each (All shares are held by ACC limited, the holding company & its Nominee)	3,25,00,000	3,25,00,000
TOTAL	3,25,00,000	3,25,00,000

Notes :

(a) Reconciliation of number of equity shares

	2014		2013	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
Number of shares outstanding at the beginning of the year	3,25,000	3,25,00,000	3,25,000	3,25,00,000
Movement during the reporting period	-	-	-	-
Closing balance at the end of the reporting Year	3,25,000	3,25,00,000	3,25,000	3,25,00,000

B. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 100/- each. All equity shares carry similar voting rights of 1:1 and similar dividend rights.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Equity shares held by holding company / ultimate holding and their subsidiaries

	2014		2013	
	Number of shares	Amount	Number of shares	Amount
Holding company				
ACC Limited	3,25,000	3,25,00,000	3,25,000	3,25,00,000
	3,25,000	3,25,00,000	3,25,000	3,25,00,000

D. Details of shareholders holding more than 5% shares

	2014		2013	
	Number of shares	% Holding	Number of shares	% Holding
Equity shares				
ACC Limited	3,25,000	100	3,25,000	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)

4. RESERVES AND SURPLUS

	As on Dec 31, 2014	As on Dec 31, 2013
General Reserves	8,34,918	8,34,918
Surplus in the statement of profit and loss		
Balance as per last Financial statements	(1,90,30,904)	(14,837,405)
Add: Profit /(Loss) for the year	(78,55,388)	(41,93,499)
	(2,68,86,292)	(1,90,30,904)
TOTAL	(2,60,51,374)	(1,81,95,986)

5. SHORT TERM BORROWING

	As at December 31, 2014	As at December 31, 2013
Inter corporate deposit from Holding Company	1,18,11,744	1,00,00,000
TOTAL	1,18,11,744	1,00,00,000

6. OTHER CURRENT LIABILITIES

	As at December 31, 2014	As at December 31, 2013
Statutory dues	-	-
Other Payables	64,113	65,050
Provision for Environmental Cess on Limestone	10,63,120	10,63,120
Provision for Expenses	27,12,128	2,78,545
TOTAL	38,39,361	14,06,715

7. SHORT TERM PROVISIONS

	As at December 31, 2014	As at December 31, 2013
Others		
TOTAL	-	-

Note - 8- FIXED ASSETS

Amt in (₹)

FIXED ASSETS	GROSS BLOCK AT COST		TOTAL DEPRECIATION / AMORTISATION			NET BLOCK	
	As at January 1, 2014	As at December 31, 2014	As at January 1, 2014	For the year	As at December 31, 2014	As at December 31, 2014	As at December 31, 2013
Tangible Assets :							
1. Buildings	3,88,076	3,88,076	3,88,076	-	3,88,076	-	-
2. Plant and Machinery	43,680	43,680	9,663	2,075	11,738	31,942	34,017
3. Office equipment	13,700	13,700	10,337	2,216	12,553	1,147	3,363
Total	4,45,456	4,45,456	4,08,076	4,291	4,12,367	33,089	37,380
Previous year	4,45,456	4,45,456	4,03,781	4,295	4,08,076	37,380	

9. NON-CURRENT INVESTMENTS

	As at December 31, 2014	As at December 31, 2013
Trade Investments (valued at cost)		
National Saving Certificate	20,850	20,850
TOTAL	20,850	20,850

10. LONG - TERM LOANS AND ADVANCES

Unsecured, considered Good, unless otherwise stated

	As at December 31, 2014	As at December 31, 2013
Other loans and advances		
Advances Payment against taxes -	30,40,741	29,10,736
TOTAL	30,40,741	29,10,736

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)
11. TRADE RECEIVABLES

	As at December 31, 2014	As at December 31, 2013
Unsecured, considered good unless stated otherwise		
Receivable from holding company:		
Over six months	-	-
Others	-	-
TOTAL	-	-

12. CASH AND BANK BALANCES

	As at December 31, 2014	As at December 31, 2013
Cash and cash equivalents		
Balances with banks:		
On current accounts	10,89,482	6,80,643
Deposits with original maturity of less than three months	1,73,63,247	1,62,29,336
	1,84,52,729	1,69,09,979
Other bank balances		
Fixed deposit (receipts are in the custody of mining department as security towards mines)	15,53,795	15,53,795
	15,53,795	15,53,795
TOTAL	2,00,06,524	1,84,63,774

13. SHORT - TERM LOANS AND ADVANCES

Unsecured, considered Good, unless otherwise stated

	As at December 31, 2014	As at December 31, 2013
Advances recoverable in cash or kind		
Unsecured considered good	4,062	38,136
	4,062	38,136
Other loans and advances		
Advances recoverable or value to be received	9,005	40,85,016
TOTAL	13,067	41,23,152

14. OTHER CURRENT ASSETS

Unsecured, considered good unless stated otherwise

	As at December 31, 2014	As at December 31, 2013
Accrued Interest	3,32,711	2,89,018
TOTAL	3,32,711	2,89,018

15. REVENUE FROM OPERATIONS

	As at December 31, 2014	As at December 31, 2013
Sale of Products :		
Finished goods- Sale of Limestone	-	-
Revenue from operations (gross)	-	-
Less: Excise duty	-	-
Revenue from operations (net)	-	-

16. OTHER INCOME

	As at December 31, 2014	As at December 31, 2013
Interest on Bank deposits	12,99,452	11,65,884
TOTAL	12,99,452	11,65,884

17. 1 OTHER EXPENSES

	As at December 31, 2014	As at December 31, 2013
Traveling Expenses	3,56,698	2,81,559
Power and fuel	8,104	11,402
Repairs to other Items	300	80,406
Stationary Expenses	14,231	8,913
Royalties/dead Rent	35,65,286	38,71,594
Loading, Transportation and other mining expenses	3,86,133	3,75,416
Prior Period Item-Demand For extraction	31,94,853	-
Legal Expenses	1,35,308	-
Professional Expenses	33,779	2,98,788
Miscellaneous expenses	52,784	1,32,010
Rates & Taxes	10,71,430	-
Total (A)	88,18,906	50,60,088

17. 2 PAYMENT TO STATUTORY AUDITORS (EXCLUDING SERVICE TAX)

	As at December 31, 2014	As at December 31, 2013
As auditors		
Audit fees	1,00,000	1,00,000
Audit fees for tax financial statements	70,000	70,000
Out of pocket expenses	36,643	-
For other services	1,25,000	1,25,000
Total (B)	3,31,643	2,95,000
Total (A+B)	91,50,549	53,55,088

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)

18. RELATED PARTY DISCLOSURE

(A) Particulars of Related Parties, which control or are under common control with the Company:

Name of Related Party	Nature of Relationship
ACC Limited	Holding Company

(B) Related Party Transactions

Transaction Company	with Holding	For the year ended Dec 31, 2014	For the Year ended Dec 31, 2013
(i)	Sales of Finished / Unfinished goods to ACC Limited(Net)	-	-
(ii)	Inter corporate deposit received	18,11,744	70,00,000
(iii)	TDS / VAT/ Service Tax / Royalty Paid on behalf of Lucky Minmat Limited By ACC Limited	12,13,070	1,52,559

(C) Closing Balances of Related Parties

Holding Co- ACC Limited	As at December 31, 2014	As at December 31, 2013
ICD Taken	1,18,11,744	1,00,00,000
Other Payables	13,47,251	1,34,181

(D) Bank Guarantee has been given by the holding company to Indian Bureau of Mines of ₹ 11,58,000.

20. TAXATION

No provision for current tax is made in view of the losses for the year. In view of carried forward losses, the company has deferred tax assets however, as a matter of prudence and in view of the absence of virtual certainty of future taxable income, the same has not been recognized in the financial statements.

21. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principle amount together with interest and accordingly no additional disclosures have been made. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

22. The Company has no employees on its payroll during the period.

23. With Regard to the application for renewal of consent to operate mining lease for production capacity 1,20,643 Tonnes per annum filed with the Rajasthan State Pollution control Board(RSPCB), a show cause notice was received from the RSPCB in December 2011 which was suitably replied. Thereafter, the company received notice for closure of the mines in February, 2012 pursuant to which the company has stopped all mining operations from March 2012. Mining Engineer Sikar has served order for possession of mines and which has taken on vide order dated 05.03.2014. Company has filed write petition in high court of Rajasthan for cancellation of order and High court has set aside the order.

24. Additional information pursuant to the provisions of paragraph 5(viii)(c) of Schedule VI of The Companies Act, 1956 is either Nil or not applicable.

25. Previous year figures are regrouped / restated wherever necessary to make them comparable with current year figures.

19. EARNINGS PER SHARE (EPS)

Particulars	For the Year ended Dec 31, 2014 After Prior period item	For the Year ended Dec 31, 2014 Before Prior Period Item	For the Year ended Dec 31, 2013
Profit /(Loss) after taxation as per Statement of Profit & Loss in ₹	(78,55,388)	(46,60,535)	(41,93,499)
Weighted average number of Equity Shares Outstanding	3,25,000	3,25,000	3,25,000
Basic earnings per share (weighted average) in Rupees (Face Value – ₹ 100 per share)	(24.17)	(14.34)	(12.90)

(Basic and Diluted EPS are same.)

As per our report of even date For and on behalf of the Board of Lucky Minmat Limited.

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No :- 100186W

RAJIV PRASAD
Chairman
DIN: 01524739

S.VISWANATHAN
Director
DIN: 02787215

UMESH PRATAP
Director
DIN: 05263268

M. G. DAMLE
Director
DIN: 06497787

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 21, 2015

BOARD'S REPORT

TO THE MEMBERS OF
NATIONAL LIMESTONE COMPANY PRIVATE LIMITED

The Directors take pleasure in presenting the Thirty Fourth Annual Report, together with the audited financial statements for the year ended December 31, 2014.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2014 is as under:

PARTICULARS	2014	2013
Revenue from operations (net) and Other Income	-	137
Profit / (Loss) Before Tax	(22,94,305)	(17,57,878)
Provision for Taxation	-	-
Profit / (Loss) after Tax	(22,94,305)	(17,57,878)
Balance brought forward from previous year	(53,95,195)	(36,37,317)
Balance carried forward to Balance Sheet	(76,89,500)	(53,95,195)

2. OPERATIONS

There was no production and despatches during the year 2014. The period for which the consent was given to operate the Company's mines has expired and the Company has applied for renewal of consent to operate the mines from the Rajasthan State Pollution Control Board.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2014.

4. SHARE CAPITAL

During the year under review the Authorized Share Capital of the Company was increased from

₹ 50,00,000 to ₹ 2,00,00,000 by the creation of 1,50,000 Equity shares of ₹ 100 each face value. Capital infusion was thereafter done by way of a Rights Issue of 1,91,350 Equity shares ₹ 100 each. Pursuant to the above, the Issued, Subscribed and Paid up Share Capital of the Company stands increased from ₹ 8,65,000 (Rupees Eight Lakhs Sixty Five Thousand) to ₹ 2,00,00,000 (Rupees Two Crore).

5. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

No significant and material orders have been passed by any Regulators or Courts or Tribunals against the Company. However, the Additional Director (Mining) Rajasthan has raised a demand of ₹ 99.25 lakhs towards payment of royalty for mineral extracted and a penalty of ₹ 19.87 Crore against which an appeal is pending before the competent authority.

6. PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

7. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

8. MEETINGS OF THE BOARD

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars. In compliance with the Companies Act, 2013 and the Rules framed thereunder, where permitted, Directors are provided the facility to join the proceedings of the meeting through video conferencing.

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2014, four Board Meetings were held on January 30, 2014, April 16, 2014, July 17, 2014 and October 20, 2014. The intervening gap between the meetings was as prescribed under the Companies Act, 2013.

9. DIRECTORS

The Board of Directors has appointed Mr S Viswanathan as an Additional Director of the Company with effect from October 20, 2014. Mr Viswanathan holds office upto the date of the forthcoming Annual General Meeting. His candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

Mr K M Gupta who was appointed as a Director of the Company with effect from April 20, 2009, ceased to be a Director of the Company with effect from October 20, 2014. The Board has placed on record its appreciation for the distinguished contribution rendered by Mr K M Gupta during his tenure as Director of the Company.

Mr Burjor D Nariman who was appointed as a Director of the Company with effect from January 27, 2010, ceased to be a Director of the Company with effect from October 21, 2014. The Board has placed on record its appreciation for the valuable services rendered by Mr Burjor D Nariman during his tenure as Director of the Company.

In accordance with the provisions of the Companies Act, 2013, Mr Madhav G Damle and Mr Rajiv Prasad retire by rotation and are eligible for re-appointment. Accordingly the respective appointments have been included in the Notice convening the forthcoming Annual General Meeting of the Company.

10. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual financial statements for the year ended December 31, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31, 2014 and of the loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

11. AUDIT COMMITTEE

The Company is not required to constitute an Audit Committee since it does not fall within the class of companies prescribed under The Companies (Meetings of the Board and its Powers) Rules, 2014.

12. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion of the ensuing annual general meeting. As required under the provision of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from Messrs. K S Aiyar & Co. that their appointment, if made, would be in conformity with the Companies Act, 2013. Your Directors recommend the re-appointment of Messrs. K S Aiyar & Co, Chartered Accountants, as Auditors of the Company for the year 2015.

13. COST AUDITORS

The Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Amendments Rules, 2014.

14. NOMINATION AND REMUNERATION COMMITTEE

The Company is not required to constitute a Nomination and Remuneration Committee since it does not fall within the class of companies prescribed under The Companies (Meetings of the Board and its Powers) Rules, 2014.

15. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of the excellent co-operation received from the Government and Company's Bankers. Your Directors also acknowledge the unstinted assistance and support received from ACC Limited, the holding Company.

For and on behalf of the Board

Rajiv Prasad
Chairman

Mumbai
January 21, 2015

Registered Office:
G-9/C Kabir Marg,
Bani Park
Jaipur 302 016

INDEPENDENT AUDITORS' REPORT

To the Members of National Limestone Company Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of National Limestone Company Private Limited ('the Company'), which comprise the Balance Sheet as at December 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs and other recognized accounting practices and policies. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. As required by section 227(3) of the Act, we report that:
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs;
 - e) on the basis of the written representations received from the directors, as on December 31, 2014, and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on December 31, 2014 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Place: Mumbai
January 21, 2015

SACHIN A. NEGANDHI
Partner
Membership No.: 112888

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on December 31, 2014, of National Limestone Company Private Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) No fixed assets are disposed off during the year.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- (e) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) Based upon the audit procedures performed and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable.
- (vi) The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply.
- (vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The rules made by the Central Government for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- (ix) (a) According to the records of the Company, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other

material statutory dues applicable to it have been regularly deposited during the year with the appropriate authorities.

According to the information and explanations given to us, there are no undisputed dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, Service tax, Sales-tax, Customs duty, Excise duty, Cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and Cess which have not been deposited on account of any dispute.
- (x) The Company has accumulated losses at the end of the financial year and has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not taken any money from financial institution, bank or debenture holders and hence clause 4(xi) is not applicable.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company has not raised any term loans during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) According to the information and explanations given to us, no debentures were issued during the year.

(xx) The Company has not raised any money by way of public issue during the year. Therefore, the provision of clause (xx) of the order is not applicable to the Company.

(xxi) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

For K. S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No: 100186W

Place: Mumbai
January 21, 2015

SACHIN A. NEGANDHI
Partner
Membership No.: 112888

BALANCE SHEET AS AT DECEMBER 31, 2014

Particulars	Note No.	As at December 31, 2014	As at December 31, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,00,00,000	8,65,000
Reserves and Surplus	4	(72,67,375)	(49,73,070)
		1,27,32,625	(41,08,070)
Non-current liabilities			
Advances From Holding Company		1,70,22,085	1,69,07,645
Current liabilities			
Short Term Borrowing	5	39,12,469	20,00,000
Other current liabilities	6	32,50,537	31,94,602
Short-term provisions	7	-	-
		71,63,006	51,94,602
TOTAL		3,69,17,716	1,79,94,177
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible assets	8	5,72,901	5,98,521
Long-term loans and advances	9	9,83,210	9,88,261
		15,56,111	15,86,782
Current assets			
Inventories	10	36,31,906	36,31,906
Trade receivables	11	6,90,713	6,90,713
Cash and bank balances	12	1,99,81,905	7,59,299
Short-term loans and advances	13	1,10,54,218	1,13,22,614
Other current assets	14	2,863	2,863
		3,53,61,605	1,64,07,395
TOTAL		3,69,17,716	1,79,94,177
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements
As per our report of even date For and on behalf of the Board of
National Limestone Company Private
Limited

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No :-
100186W

RAJIV PRASAD
Chairman
DIN: 01524739

S. VISWANATHAN
Director
DIN: 02787215

SACHIN A. NEGANDHI
Partner
Membership No. :112888

UMESH PRATAP
Director
DIN: 05263268

M. G. DAMLE
Director
DIN: 06497787

Mumbai, January 21, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2014

Particulars	Note No.	For the year ended December 31, 2014	For the year ended December 31, 2013
Revenue from operations	15	-	-
Other Income	16	-	137
Total revenue		-	137
EXPENSES			
Cost of material Consumed	17	-	-
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	18	-	-
Depreciation and amortization expense	8	25,620	25,620
Other expenses	19	22,68,685	17,32,395
Total Expenses		22,94,305	17,58,015
Loss before tax		(22,94,305)	(17,57,878)
Tax expenses		-	-
Loss after tax		(22,94,305)	(17,57,878)
Earnings per equity share {(Face value of ` 100 each (Previous year - ` 100)) (Refer to note- 21)}			
Basic	`	(100.61)	(203.22)
Diluted	`	(100.61)	(203.22)
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements
As per our report of even date For and on behalf of the Board of
National Limestone Company Private
Limited

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No :-
100186W

RAJIV PRASAD
Chairman
DIN: 01524739

S. VISWANATHAN
Director
DIN: 02787215

SACHIN A. NEGANDHI
Partner
Membership No. :112888

UMESH PRATAP
Director
DIN: 05263268

M. G. DAMLE
Director
DIN: 06497787

Mumbai, January 21, 2015

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014

Particulars	For the year ended December 31, 2014	For the year ended December 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
1. Net Profit/(Loss) before taxation	(22,94,305)	(17,57,878)
Adjustments for:		
Depreciation	25,620	25,620
Interest Received	-	(137)
Operating profit before working capital changes	(22,68,685)	(17,32,395)
Movement in Working Capital		
2. Decrease/(Increase) in Other Current assets	2,68,396	-
3. Decrease/(Increase) in Loans & Advances	5,051	(4,52,230)
4. Increase/(Decrease) in Other Liabilities & Provisions	1,70,375	4,41,139
Cash generated from operations	(18,24,863)	(17,43,486)
5. Direct Taxes paid - (Net of Refunds)	-	-
NET CASH FROM OPERATING ACTIVITIES	(18,24,863)	(17,43,486)
B. CASH FLOW FROM INVESTING ACTIVITIES		
6. Interest Received	-	137
NET CASH FROM INVESTING ACTIVITIES	-	137
C. CASH FLOW FROM FINANCING ACTIVITIES		
7. Inter Corporate Deposits from Holding Company	19,12,469	10,00,000
8. Proceeds from issue of equity shares	1,91,35,000	-
NET CASH FROM FINANCING ACTIVITIES	2,10,47,469	10,00,000
Net increase / (decrease) in cash & cash equivalents	1,92,22,607	(7,43,349)
Cash & cash equivalents at the beginning of the year	1,49,616	8,92,965
Cash & cash equivalents at the end of the year	1,93,72,222	1,49,616

Refer Note no 12 for details of Cash & Cash equivalents.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of National Limestone Company Private Limited

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No :- 100186W

RAJIV PRASAD
Chairman
DIN: 01524739

S. VISWANATHAN
Director
DIN: 02787215

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Partner
Membership No. :112888

UMESH PRATAP
Director
DIN: 05263268

M. G. DAMLE
Director
DIN: 06497787

Mumbai, January 21, 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES & INFORMATIONS

A Corporate Information

National Limestone Company Private Limited is wholly owned subsidiary of ACC Limited, Company domiciled in India and incorporated under the provision of Companies Act, 1956. The Company is engaged in the extraction of limestone.

2. SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of preparation

- (i) The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 08/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs.
- (ii) The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(B) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(C) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Sale of goods

Revenue from sales is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which is generally on dispatch of products and is stated net of returns.

(ii) Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(D) Fixed assets

Fixed assets are stated at cost of acquisition or construction including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

(E) Depreciation

All assets are depreciated on the straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956, on a pro-rata basis.

(F) Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their Present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

(G) Investments

Current Investments are stated at lower of cost or fair value. Long term Investments are stated at cost. Provision for diminution in value is made only if decline is other than temporary.

(H) Income taxes

Tax expense comprises of current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

(I) Contingencies / Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)

(J) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(K) Segment Reporting

The Company is operating only in one significant business segment i.e. Extraction and sale of limestone; hence segment information as per Accounting Standard 17 is not required to be disclosed. The company is catering mainly to the need of the domestic market; as such there is no reportable Geographical Segments.

(L) Inventories

Inventories are valued after providing for obsolescence, as follows:

(i) Raw Materials, Stores & Spare Parts, Packing Material and Fuels

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

(ii) Work-in-progress and Finished goods

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(M) Current /Non Current

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company ascertained its operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

3. SHARE CAPITAL

Particular	As at December 31, 2014	As at December 31, 2013
AUTHORISED SHARES		
2,00,000 (Previous Year: 50,000) equity shares of ₹ 100 each	2,00,00,000	50,00,000
ISSUED		
2,00,000 (Previous Year: 8,650) equity shares of ₹ 100 each	2,00,00,000	8,65,000
SUBSCRIBED & PAID-UP		
2,00,000 (Previous Year: 8,650) equity shares of ₹ 100 each (All shares are held by ACC limited, the holding company & its Nominee)	2,00,00,000	8,65,000
TOTAL	2,00,00,000	8,65,000

Notes :

(a) Reconciliation of number of equity shares

	2014		2013	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Equity Shares:				
Number of shares outstanding at the beginning of the year	8,650	8,65,000	8,650	8,65,000
Issued during the reporting period	1,91,350	1,91,35,000	-	-
Closing balance at the end of the reporting period	2,00,000	2,00,00,000	8,650	8,65,000

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs 100/- each. All equity shares carry similar voting rights of 1:1 and similar dividend rights.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Equity shares held by holding company / ultimate holding and their subsidiaries

	2014		2013	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Holding company ACC Limited	2,00,000	2,00,00,000	8,650	8,65,000
	2,00,000	2,00,00,000	8,650	8,65,000

(d) Details of shareholders holding more than 5% shares

	2014		2013	
	Number of shares	% Holding	Number of shares	% Holding
Equity shares				
ACC Limited	2,00,000	100	8,650	100
	2,00,000	100	8,650	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)

4. RESERVES AND SURPLUS

	As at December 31, 2014	As at December 31, 2013
General Reserves	4,22,125	4,22,125
Surplus in the statement of profit and loss		
Balance as per last Financial statements	(53,95,195)	(36,37,317)
Add: Profit / (Loss) for the year	(22,94,305)	(17,57,878)
	(76,89,500)	(53,95,195)
TOTAL	(72,67,375)	(49,73,070)

6. OTHER CURRENT LIABILITIES

Particular	As at December 31, 2014	As at December 31, 2013
Security deposits	8,62,689	8,62,690
Other Payables	11,76,206	12,01,523
Advance from customers	9,68,413	9,68,713
Provision for expenses	2,43,229	1,61,675
TOTAL	32,50,537	31,94,602

5. SHORT-TERM BORROWINGS

Particular	As at December 31, 2014	As at December 31, 2013
Inter corporate deposit from Holding Company	39,12,469	20,00,000
TOTAL	39,12,469	20,00,000

7. SHORT-TERM PROVISIONS

Particular	As at December 31, 2014	As at December 31, 2013
Provision for Expenses	-	-
TOTAL	-	-

8. FIXED ASSETS

	GROSS BLOCK AT COST		TOTAL DEPRECIATION / AMORTISATION			NET BLOCK	
	As at January 1, 2014	As at December 31, 2014	As at January 1, 2014	For the year	As at December 31, 2014	As at December 31, 2014	As at December 31, 2013
Tangible Assets :							
1 - Freehold Land	3,80,154	3,80,154	-	-	-	3,80,154	3,80,154
2 - Leasehold Land	47,977	47,977	-	-	-	47,977	47,977
3 - Factory Building	7,19,591	7,19,591	6,08,258	24,032	6,32,290	87,301	1,11,333
4 - Office Equipment	1,94,457	1,94,457	1,35,400	1,588	1,36,988	57,469	59,057
Total	13,42,179	13,42,179	7,43,658	25,620	7,69,278	5,72,901	5,98,521
Previous year	13,42,179	13,42,179	7,18,038	25,620	7,43,658	5,98,521	

9. LONG-TERM LOANS AND ADVANCES

Particular	As at December 31, 2014	As at December 31, 2013
Other loans and advances		
Advances Payment against taxes	9,83,210	9,88,261
TOTAL	9,83,210	9,88,261

10. INVENTORIES

(At cost or net realisable value whichever is lower)

Particular	As at December 31, 2014	As at December 31, 2013
Finished Goods :		
Limestone	11,377	11,377
Crushed Limestone	36,16,555	36,16,555
Explosives	3,974	3,974
TOTAL	36,31,906	36,31,906

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)

11. TRADE RECEIVABLES

Particular	As at December 31, 2014	As at December 31, 2013
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good More than 6 months	6,90,713	6,90,713
TOTAL	6,90,713	6,90,713

12. CASH AND BANK BALANCES

Particular	As at December 31, 2014	As at December 31, 2013
Cash and cash equivalents		
Balances with banks:		
On current accounts	2,37,222	1,49,616
Cheques in hand	1,91,35,000	-
	1,93,72,222	1,49,616
Other bank balances		
Fixed deposit (receipts are in the custody of mining department as security towards mines)	6,09,683	6,09,683
	6,09,683	6,09,683
TOTAL	1,99,81,905	7,59,299

13. SHORT-TERM LOAN AND ADVANCES

Unsecured, considered Good, unless otherwise stated

Particular	As at December 31, 2014	As at December 31, 2013
Security deposit		
Deposit with Mining department	1,04,25,437	1,04,25,437
Advances recoverable in cash or kind		
Unsecured considered good	4,10,802	8,97,177
Prepaid Expenses	2,17,979	-
TOTAL	1,10,54,218	1,13,22,614

14. OTHER CURRENT ASSETS

Unsecured, considered Good unless stated otherwise

Particular	As at December 31, 2014	As at December 31, 2013
Accrued Interest	2,863	2,863
TOTAL	2,863	2,863

15. REVENUE FROM OPERATIONS

Particular	As at December 31, 2014	As at December 31, 2013
Sale of Products :		
Finished goods- Sale of Crushed Limestone	-	-
Finished goods- Sale of Limestone	-	-
	-	-
Revenue from operations (gross)	-	-
Less: Excise duty	-	-
Revenue from operations (net)	-	-

16. OTHER INCOME

Particular	As at December 31, 2014	As at December 31, 2013
Interest on Bank deposits	-	137
TOTAL	-	137

17. COST OF MATERIAL CONSUMED

Particular	As at December 31, 2014	As at December 31, 2013
Purchase of crushed limestone	-	-
TOTAL	-	-

18. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Particular	As at December 31, 2014	As at December 31, 2013
Inventories at the end of the year		
Finished Goods	36,31,906	36,31,306
	36,31,906	36,31,306
Inventories at the beginning of the year		
Finished Goods	36,31,906	36,31,306
	36,31,906	36,31,306
(Increase)/ Decrease	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)

19.1 OTHER EXPENSE

Particular	As at December 31, 2014	As at December 31, 2013
Power & fuel	17,384	13,572
Royalties	11,40,723	8,71,931
Loading, transportation, Mines expenses & other charges	3,00,723	3,10,531
Traveling Expenses	3,340	24,354
Professional Charges	3,05,632	2,73,395
Legal Expenses	55,000	24,200
Share issue expenses	2,00,000	-
Miscellaneous expenses	85,643	83,412
TOTAL (A)	21,08,445	16,01,395

19.2 PAYMENT TO STATUTORY AUDITORS (excluding service tax)

Particular	As at December 31, 2014	As at December 31, 2013
As auditors		
Audit fees	50,000	50,000
Audit fees for tax financial statements	25,000	25,000
Out of pocket expenses	29,240	-
For other services	56,000	56,000
TOTAL (B)	1,60,240	1,31,000
TOTAL (A + B)	22,68,685	17,32,395

20. RELATED PARTY DISCLOSURE

Particulars of Related Parties, which control or are under common control with the Company:

Name of Related Party	Nature of Relationship
ACC Limited	Holding Company

(a) Transaction with Related Party

Particular	For the Year ended Dec 31, 2014	For the Year ended Dec 31, 2013
i. Sale to ACC Limited	-	-
ii. Dead Rent / Land tax / F.B.T Paid on behalf of National Limestone Company Private Limited By ACC Limited	1,14,440	1,03,606
iii. Inter Corporate Deposits Received	19,12,469	10,00,000
iv. Issue of equity shares	1,91,35,000	-

(b) Closing Balances of Related Parties

Particular	For the Year ended Dec 31, 2014	For the Year ended Dec 31, 2013
i. Holding Co- ACC Limited		
Other Payables	1,70,22,095	1,69,07,655
ICD taken	39,12,469	20,00,000

21. EARNINGS PER SHARE-[EPS]

Particular	For the Year ended Dec 31, 2014	For the Year ended Dec 31, 2013
Profit /(Loss) after taxation as per Statement in Profit & Loss in Rupees	(22,94,305)	(17,57,878)
Weighted average number of Equity Shares Outstanding	22,805	8,650
Basic earnings per share (weighted average) in Rupees (Face Value - ` 100 per share)	(100.61)	(203.22)

(Basic and diluted earning per share are the same)

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (Contd.)

22. TAXATION

No provision for current tax is made in view of the losses for the year. In view of carried forward losses, the company has deferred tax assets ; however, as a matter of prudence and in view of the absence of virtual certainty of future taxable income, the same has not been recognized in the financial statements.

23. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principle amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

24. The Company has no employees on its payroll during the year

25. CONTINGENT LIABILITY NOT PROVIDED FOR :

Demand for land tax.

	2014		2013	
	For the year	Cumulative	For the year	Cumulative
Amount (in `)	38,50,000	2,69,50,000	38,50,000	2,31,00,000

26. The Company has filed a petition against the Order / Notices of Mining Authorities towards a demand of ` 99,25,437/- (*Previous Year* ` 99,25,437/-) as additional Royalty on Limestone extracted in earlier years which in view of Company is legally unsustainable and the Company does not expect any liability in this matter.
27. In February 2012, the Company has received a Demand Notice of ` 19,87,00,000 from DMG Department, Kothputli, Rajasthan, for Limestone extracted in the period from 1962 to 1986 without payment of Royalty. In the opinion of the Management, this demand is not sustainable and the Company has filed an appeal with Additional Director of Mines, Department of Mines and Geology, Jaipur, Rajasthan, praying for cancellation of the same and hence no provision is made for the same.
28. Additional information pursuant to the provisions of paragraph 5(viii)(c) of schedule VI of The Companies Act, 1956 is either Nil or not applicable
29. Previous year figures are regrouped / restated wherever necessary to make them comparable with current year figures.

As per our report of even date

For and on behalf of the Board of National Limestone Company Private Limited

For K.S. AIYAR & CO.
Chartered Accountants
ICAI Firm Registration No :- 100186W

RAJIV PRASAD
Chairman
DIN: 01524739

S. VISWANATHAN
Director
DIN: 02787215

SACHIN A. NEGANDHI
Partner
Membership No. :112888

UMESH PRATAP
Director
DIN: 05263268

M. G. DAMLE
Director
DIN: 06497787

Mumbai, January 21, 2015

BOARD'S REPORT

TO THE MEMBERS OF
SINGHANIA MINERALS PRIVATE LIMITED

The Directors take pleasure in presenting the Twentieth Annual Report, together with the audited financial statements for the year ended December 31, 2014.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2014 is as under:

PARTICULARS	2014	2013
Revenue from operations (net) and Other Income	-	-
Profit / (Loss) Before Tax	(2,07,767)	(2,63,328)
Provision for Taxation	-	-
Profit / (Loss) after Tax	(2,07,767)	(2,63,328)
Balance brought forward from previous year	(5,53,864)	(2,90,536)
Balance carried forward to Balance Sheet	(7,61,631)	(5,53,864)

2. OPERATIONS

The Company had no operations for the year ended December 31, 2014. The loss for the period pertains to fees for statutory and tax account audits and Limited Reviews together with legal, payments for filing statutory returns and dead rent.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2014.

4. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

5. PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

6. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013, read with The Companies (Accounts) Rules, 2014, is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

7. MEETINGS OF THE BOARD

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars. In compliance with the Companies Act, 2013 and the Rules framed thereunder, where permitted, Directors are provided the facility to join the proceedings of the meeting through video conferencing.

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2014 five Board Meetings were held on January 30, 2014, April 16, 2014, July 14, 2014, July 17, 2014 and October 20, 2014. The intervening gap between the meetings was as prescribed under the Companies Act, 2013.

8. DIRECTORS

The Board of Directors has appointed Mr P N Iyer as an Additional Director of the Company with effect from July 14, 2014. Mr Iyer holds office upto the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

The Board of Directors has appointed Mr Rajendra Singh Rathore as an Additional Director of the Company with effect from July 14, 2014. Mr Rathore holds office upto the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

The Board of Directors has appointed Mr S Viswanathan as an Additional Director of the Company with effect from October 20, 2014. Mr Viswanathan holds office upto the date of the forthcoming Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

Mr Vivek Chawla who was appointed as a Director of the Company with effect from August 06, 2012, ceased to be a Director of the Company with effect from June 24, 2014. The Board has placed on record its appreciation for the distinguished contribution

rendered by Mr Vivek Chawla during his tenure as Chairman of the Company.

Mr Sunil Nayak who was appointed as a Director of the Company with effect from August 06, 2012, ceased to be a Director of the Company with effect from October 21, 2014. The Board has placed on record its appreciation for the distinguished contribution rendered by Mr Sunil Nayak during his tenure as Director of the Company.

Mr Burjor D Nariman who was appointed as a Director of the Company with effect from August 06, 2012, ceased to be a Director of the Company with effect from October 21, 2014. The Board has placed on record its appreciation for the valuable services rendered by Mr Burjor D Nariman during his tenure as Director of the Company.

9. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual financial statements for the year ended December 31, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in Note 2 of the Notes to the financial statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31, 2014 and of the loss of the Company for the year ended on that date;

- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

10. AUDIT COMMITTEE

The Company is not required to constitute an Audit Committee since it does not fall within the class of companies prescribed under The Companies (Meetings of the Board and its Powers) Rules, 2014.

11. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting. As required under the provision of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from Messrs. K S Aiyar & Co. that their appointment, if made, would be in conformity with the Companies Act, 2013. Your Directors recommend the re-appointment of Messrs. K S Aiyar & Co, Chartered Accountants, as Auditors of the Company for the year 2015.

12. COST AUDITORS

The Company is not required to maintain cost records as per The Companies (Cost Records and Audit) Amendments Rules, 2014.

13. NOMINATION AND REMUNERATION COMMITTEE

The Company is not required to constitute a Nomination and Remuneration Committee since it does not fall within the class of companies prescribed under The Companies (Meetings of the Board and its Powers) Rules, 2014.

14. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of the excellent co-operation received from the Government and Company's Bankers. Your Directors also acknowledge the unstinted assistance and support received from ACC Limited, the holding Company.

For and on behalf of the Board

P N Iyer
Chairman

Mumbai
January 21, 2015

Registered Office:
Paryavas Bhavan, 2nd Floor,
Block No.1, Jain Road, Arera Hills
Bhopal 462 011 (MP)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SINGHANIA MINERALS PRIVATE LIMITED

Report on The Financial Statements

We have audited the accompanying financial statements of Singhania Minerals Private Limited ('the Company'), which comprise the Balance Sheet as at December 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs and other recognized accounting practices and policies. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2014;
- ii. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 16 in the financial statements. The Company has incurred a loss of ₹ 2,07,767 for the year ended December 31, 2014 and, as of that date, the Company's non-current and current liabilities exceeded its total assets by ₹ 5,61,631. These indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs;
 - e) on the basis of the written representations received from the directors, as on December 31, 2014, and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on December 31, 2014 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

For K. S. AIYAR & CO.

Chartered Accountants

ICAI Firm Registration No: 100186W

SACHIN A. NEGANDHI

Partner

Place: Mumbai
Date: January 21, 2015

Membership No.: 112888

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on December 31, 2014, of Singhania Minerals Private Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

explanations given to us, there are no contracts or arrangements that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable.
- (b) The fixed assets are physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) No fixed assets are disposed off during the year.
- (ii) Since the Company has not started any commercial operations and in absence of any inventories clause 4 (ii) is not applicable for the year
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- (e) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) Based upon the audit procedures performed and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable.
- (vi) The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply.
- (vii) The Company does not have paid-up capital and reserves exceeding ` 50 lakhs as at the commencement of the financial year, and also does not have an average annual turnover exceeding ` 5 Crores for a period of three consecutive years immediately preceding the current financial year; the directions in respect of internal audit are not applicable to the Company.
- (viii) The rules made by the Central Government for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- (ix) (a) During the year there were no employees in the employment of the Company. Accordingly the directions relating to Provident Fund and Employee's State Insurance are not applicable to the Company. Further, based on our examination of the records maintained during the year, the Company is not liable to make any payments towards Investor Education Protection Fund, Wealth tax, Customs duty, Excise duty and Cess and Sales Tax.

The Company is generally regular in depositing the Income Tax and Service Tax dues along with the cess thereon with appropriate authorities. According to the information and explanations given to us, there are no undisputed dues in respect of Provident Fund, Investor Education

and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, Service tax, Sales-tax, Customs duty, Excise duty, Cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and Cess which have not been deposited on account of any dispute.
- (x) The Company has accumulated losses at the end of the financial year and has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not taken any money from financial institution, bank or debenture holders and hence clause 4(xi) is not applicable.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company has not raised any term loans during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis aggregating to ₹ 78,899/- have been partially utilised for financing the cash losses and partially for long-term investment in fixed assets / long term loans and advances.

(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) According to the information and explanations given to us, no debentures were issued during the year.

(xx) The Company has not raised any money by way of public issue during the year. Therefore, the provision of clause (xx) of the order is not applicable to the Company.

(xxi) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

For K. S. AIYAR & CO.

Chartered Accountants

ICAI Firm Registration No: 100186W

SACHIN A. NEGANDHI

Partner

Place: Mumbai

Date: January 21, 2015

Membership No.: 112888

SINGHANIA MINERALS PRIVATE LIMITED (SMPL)

BALANCE SHEET AS AT DECEMBER 31, 2014

Particulars	Note No.	As at December 31, 2014	As at December 31, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,00,000	2,00,000
Reserves and surplus	4	(7,61,631)	(5,53,864)
		(5,61,631)	(3,53,864)
Non-current liabilities			
Long-term borrowings	5	7,44,222	5,27,031
Current liabilities			
Other current liabilities	6	-	14,720
Short-term provisions	7	1,05,618	78,652
		1,05,618	93,372
TOTAL		2,88,209	2,66,539
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible assets	8	2,41,490	2,41,490
Long-term loans and advances	9	20,000	20,000
		2,61,490	2,61,490
Current assets			
Cash and bank balances	10	26,719	5,049
		26,719	5,049
TOTAL		2,88,209	2,66,539
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date For and on behalf of the Board of Singhania Minerals Private Limited

For K.S. AIYAR & CO.
Chartered Accountants
Firm Registration No. 100186W

P. N. IYER
Chairman
DIN: 03601621

S. VISWANATHAN
Director
DIN: 02787215

SACHIN A. NEGANDHI
Partner
Membership No. :112888

R S RATHORE
Director
DIN: 03167301

Mumbai, January 21, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2014

Particulars	Note No.	For the year ended December 31, 2014	For the year ended December 31, 2013
Revenue from operations		-	-
Other Income		-	-
Total Revenue		-	-
EXPENSES			
Depreciation and amortization expense	8		
Other expenses	11	2,07,767	2,63,328
Total Expenses		2,07,767	2,63,328
Loss before tax		(2,07,767)	(2,63,328)
Tax expenses		-	-
Loss after tax		(2,07,767)	(2,63,328)
Earnings per equity share			
{{(Face value of ` 10 each (Previous year - ` 10)) (Refer to note- 13)}}			
Basic	`	(10.39)	(13.17)
Diluted	`	(10.39)	(13.17)
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date For and on behalf of the Board of Singhania Minerals Private Limited

For K.S. AIYAR & CO.
Chartered Accountants
Firm Registration No. 100186W

P. N. IYER
Chairman
DIN: 03601621

S. VISWANATHAN
Director
DIN: 02787215

SACHIN A. NEGANDHI
Partner
Membership No. :112888

R S RATHORE
Director
DIN: 03167301

Mumbai, January 21, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014

Particulars	For the year ended December 31, 2014	For the period ended December 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
1. Net Profit/(Loss) before taxation	(2,07,767)	(2,63,328)
Operating profit before working capital changes	(2,07,767)	(2,63,328)
Movement in Working Capital		
2. Increase/(Decrease) in Other Liabilities & Provisions	12,246	1,237
NET CASH FROM OPERATING ACTIVITIES	(1,95,521)	(2,62,091)
B. CASH FLOW FROM INVESTING ACTIVITIES		
NET CASH FROM INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
3. Increase in long term borrowings	2,17,191	2,57,031
NET CASH FROM FINANCING ACTIVITIES	2,17,191	2,57,031
Net increase / (decrease) in cash & cash equivalents	21,670	(5,060)
Cash & cash equivalents at the beginning of the year	5,049	10,109
Cash & cash equivalents at the end of the year	26,719	5,049

As per our report of even date

For and on behalf of the Board of Singhania Minerals Private Limited

For K.S. AIYAR & CO.
Chartered Accountants
Firm Registration No. 100186W

P. N. IYER
Chairman
DIN: 03601621

S. VISWANATHAN
Director
DIN: 02787215

SACHIN A. NEGANDHI
Partner
Membership No. :112888

R S RATHORE
Director
DIN: 03167301

Mumbai, January 21, 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES & INFORMATIONS

A Corporate Information

Singhania Minerals Private Limited (the Company) is a private limited Company domiciled in India and incorporated under the provision of Companies Act, 1956. The Company is engaged in the extraction of limestone. The Company has not yet started its operations.

B Basis of preparation

- a) The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 08/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs.
- b) The Financial statements have been prepared as per the revised schedule VI of the Companies Act, 1956 and under the historical cost convention on an accrual basis, except where impairment is made.
- c) The Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

C Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Fixed assets

Tangible fixed assets are stated at the cost of acquisition less depreciation and amortisation. The Mining lease has been recognised as tangible assets.

(ii) Depreciation and Amortisation

Depreciation on tangible assets is charged at the prescribed rate under Schedule XIV of the Companies Act, 1956 on straight line method on prorata basis. The cost of mining lease included in leasehold land is to be amortised on the basis of extraction of limestone in proportion to the available reserves of limestone.

(iii) Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value

using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

(iv) Investments

Current investments are carried at the lower of cost or fair value. Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

(v) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Products and Services

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are disclosed net of sales tax / VAT, discounts and returns, as applicable. Excise duties deducted from turnover (gross) are the amounts that are included in the amount of turnover (gross) and not the entire amount of liability that arose during the year. Excise duties in respect of finished goods are shown separately as an item of Manufacturing Expenses and included in the valuation of finished goods.

(vi) Income taxes

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax provisions that may become necessary due to certain developments or reviews during the relevant period. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(vii) Contingencies / Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

(viii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(ix) Current / Non Current

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

(x) Segment Reporting

The Company has only one business segment 'limestone extraction' as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard 17 - 'Segmental Information' of the Companies (Accounting Standards) Rules, 2006.

The Company has only one Geographical Segment. The Company caters mainly to the needs of the domestic market.

3. SHARE CAPITAL

	As at December 31, 2014	As at December 31, 2013
Authorised Shares		
20,000 (Previous Year - 20,000) Equity Shares of ₹ 10 each	2,00,000	2,00,000
Issued		
20,000 (Previous Year - 20,000) Equity Shares of ₹ 10 each	2,00,000	2,00,000
Subscribed & Paid-up		
20,000 (Previous Year - 20,000) Equity Shares of ₹ 10 each fully paid	2,00,000	2,00,000
(All the shares are held by ACC Limited, the Holding Company and its nominees)		
TOTAL	2,00,000	2,00,000

i) Reconciliation of number of equity shares outstanding

	As at December 31, 2014		As at December 31, 2013	
	No. of shares	Amount ₹	No. of shares	Amount ₹
Equity Shares at the beginning of the year	20,000	2,00,000	20,000	2,00,000
Movement during the year	-	-	-	-
Equity Shares at the end of the year	20,000	2,00,000	20,000	2,00,000

ii) Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

iii) Equity shares held by holding company / ultimate holding and their subsidiaries

	As at December 31, 2014	As at December 31, 2013
ACC Limited (Holding Company)	20,000	20,000

iv) Details of shareholders holding more than 5% shares in the Company

	As at December 31, 2014		As at December 31, 2013	
	No. of shares	% holding	No. of shares	% holding
ACC Limited (Holding Company)	20,000	100	20,000	100

4. RESERVES AND SURPLUS

	As at December 31, 2014	As at December 31, 2013
Surplus in Statement of Profit and Loss		
Balance as per last Financial statements	(5,53,864)	(2,90,536)
Add: Loss for the year	(2,07,767)	(2,63,328)
TOTAL	(7,61,631)	(5,53,864)

5. LONG-TERM BORROWINGS

	As at December 31, 2014	As at December 31, 2013
Unsecured		
From Holding Company (Payable on demand)	7,44,222	5,27,031
Total	7,44,222	5,27,031

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

6. OTHER CURRENT LIABILITIES

	As at December 31, 2014	As at December 31, 2013
TDS Payable	-	14,720
TOTAL	-	14,720

7. SHORT-TERM PROVISIONS

	As at December 31, 2014	As at December 31, 2013
Provision for Expenses	1,05,618	78,652
TOTAL	1,05,618	78,652

8. FIXED ASSETS

Particulars	GROSS BLOCK AT COST		NET BLOCK	
	As at 01-01-2014	As at 31-12-2014	As at 31-12-2014	As at 31-12-2013
Tangible Assets :				
Lease hold Land	2,41,490	2,41,490	2,41,490	2,41,490
TOTAL	2,41,490	2,41,490	2,41,490	2,41,490
Previous Year	2,41,490	2,41,490	2,41,490	2,41,490

9. LONG-TERM LOANS AND ADVANCES

	As at December 31, 2014	As at December 31, 2013
Unsecured, Considered Good, unless otherwise stated		
Security deposits (Deposits with Mining Department)	20,000	20,000
TOTAL	20,000	20,000

10. CASH AND BANK BALANCES

	As at December 31, 2014	As at December 31, 2013
Cash and cash equivalents		
Balances with banks:		
On current accounts	26,719	5,049
TOTAL	26,719	5,049

11. OTHER EXPENSES

	For the year ended December 31, 2014	For the year ended December 31, 2013
Bank Charges	1,787	1,668
Dead Rent	26,700	26,700
Office General expenses	383	310
Secretarial & Legal Expenses	29,780	63,330
Traveling Expenses	-	23,340
Other Expenses	18,117	16,980
(a) TOTAL	76,767	1,32,328

11.1 PAYMENT TO STATUTORY AUDITORS (EXCLUDING SERVICE TAX)

	For the year ended December 31, 2014	For the year ended December 31, 2013
As auditors		
Statutory Audit fees	50,000	50,000
Audit fees for tax financial statements	25,000	25,000
For other services	56,000	56,000
(b) TOTAL	1,31,000	1,31,000
TOTAL (a+b)	2,07,767	2,63,328

12. RELATED PARTY DISCLOSURE

Particulars of related parties where control exists.

Name of the Related Party	Nature of Relationship
ACC Limited	Holding Company
(i) Opening balances of the Related Party	
Name of the Related Party	Opening Balance as at January 1, 2014
ACC Limited	5,27,031
(ii) Related Party Transaction	
Transaction with Related Party	During the year ended December 31, 2014
Loan received from ACC Limited	2,17,191
(iii) Closing Balance of Related Party	
Name of the Related Party	Closing Balance as at December 31, 2014
ACC Limited	7,44,222

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

13. EARNINGS PER SHARE - [EPS]

	For the year ended December 31, 2014	For the year ended December 31, 2013
Net Loss as per Statement of Profit and Loss	(2,07,767)	(2,63,328)
Weighted average number of equity shares for Earnings Per Share computation	20,000	20,000
Shares for Basic Earnings Per Share	20,000	20,000
Number of Shares for Diluted Earnings Per Share	20,000	20,000
Earnings Per Share		
Face value per Share	10.00	10.00
Basic	(10.39)	(13.17)
Diluted	(10.39)	(13.17)

14. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues.
This information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
15. Additional information pursuant to provisions of paragraph 5 (viii) (c) of schedule VI of Companies Act, 2013 is either nil or not applicable.
16. The company has accumulated losses as at December 31, 2014 and net worth is negative. The company has obtained support from ACC Limited 'Holding Company' ACC Limited assuring continuous support to finance the operations of the company. Hence accounts have been prepared on going concern basis.
17. Previous period figures are regrouped/re-stated wherever necessary.

For K.S. AIYAR & CO.
Chartered Accountants
Firm Registration No. 100186W

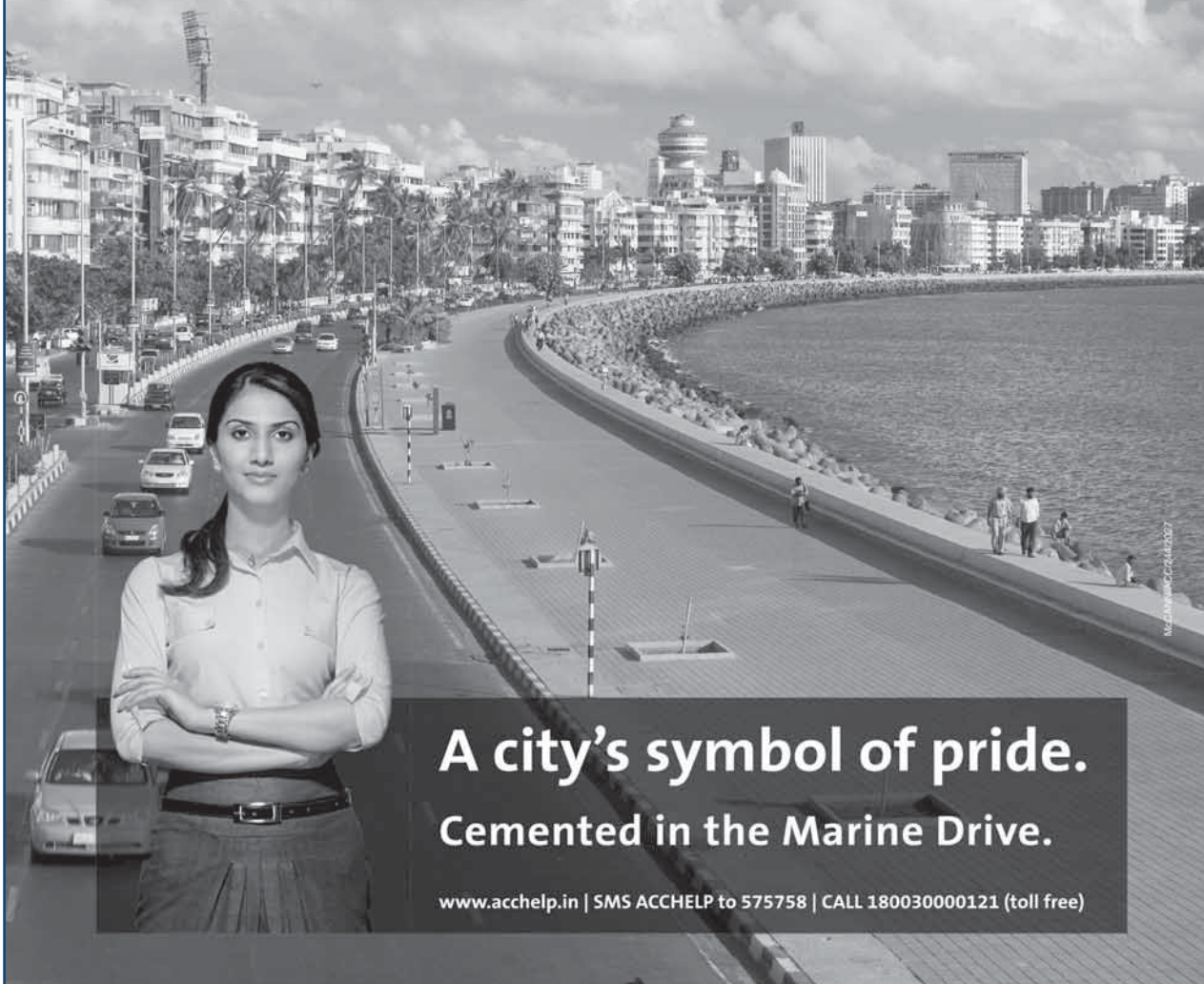
P. N. IYER
Chairman
DIN: 03601621

S. VISWANATHAN
Director
DIN: 02787215

SACHIN A. NEGANDHI
Partner
Membership No. :112888

R S RATHORE
Director
DIN: 03167301

Mumbai, January 21, 2015



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
We've been a part of India's progress. For over 75 years.

Whether it's helping with the building of roads or bridges or hospitals or schools, we've been with this great nation every step of the way. And will continue to do so for generations to come.

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Cementing Relationships

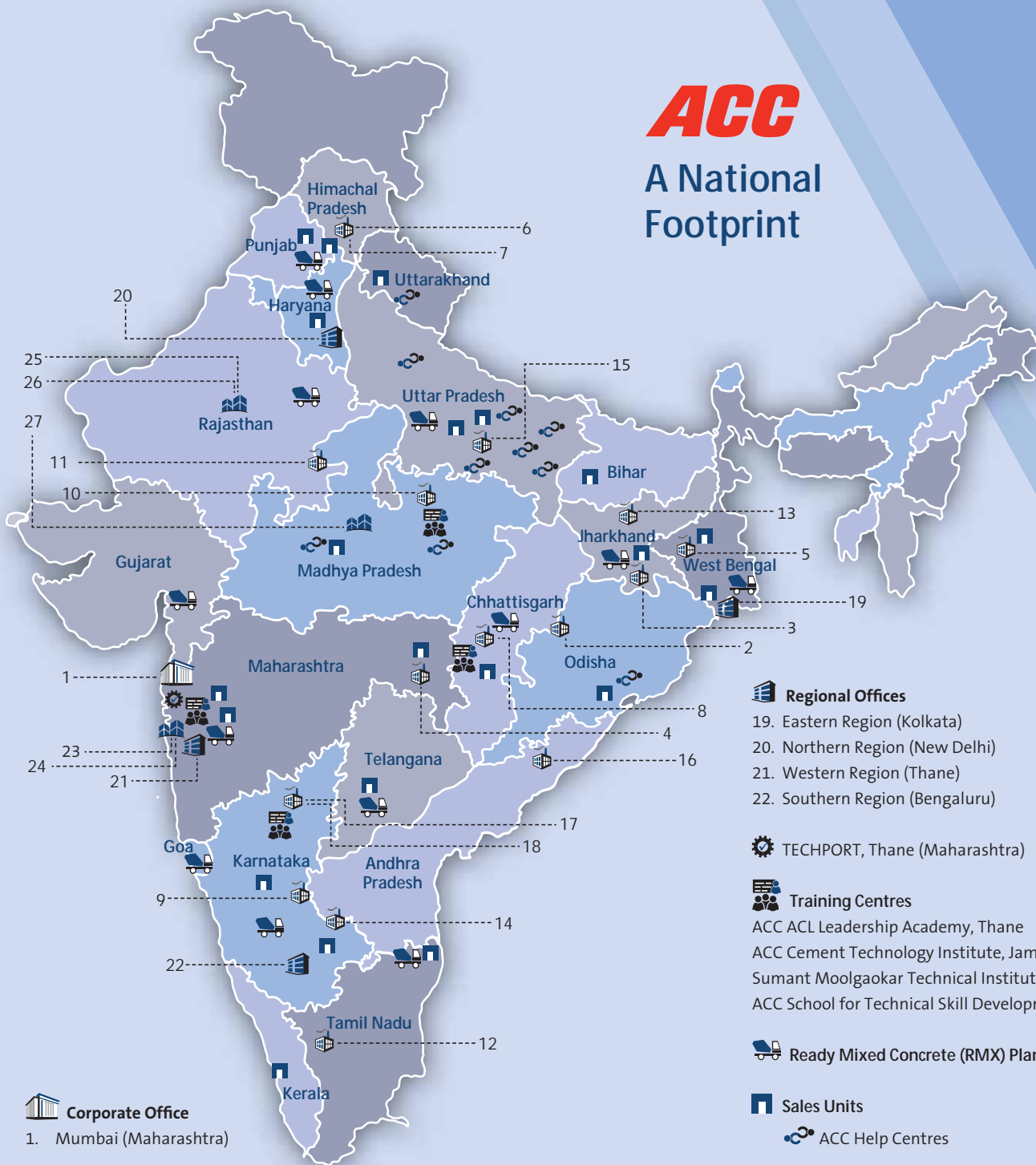
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ACC

A National Footprint



Corporate Office
1. Mumbai (Maharashtra)

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

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

TECHPORT, Thane (Maharashtra)

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

Ready Mixed Concrete (RMX) Plants

Sales Units
ACC Help Centres

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



ACC Limited
Registered Office
Cement House
121, Maharshi Karve Road
Mumbai 400 020, India.
www.acclimited.com

