

## BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

TO THE MEMBERS OF  
ACC LIMITED

The Directors take pleasure in presenting the Eightieth Annual Report together with the audited accounts for the year ended December 31, 2015. The Management Discussion and Analysis has also been incorporated into this report.

### 1. FINANCIAL RESULTS

	Consolidated		Standalone	
	₹ Crore		₹ Crore	
	2015	2014	2015	2014
Revenue from Operations (Net) and other income	11,916.94	11,995.42	11,916.18	12,006.49
Profit Before Tax (PBT)	765.53	1,119.54	783.97	1,135.20
Provision for Tax	189.98	(31.13)	192.40	(33.09)
<b>Profit After Tax (PAT)</b>	<b>587.60</b>	<b>1,161.82</b>	<b>591.57</b>	<b>1,168.29</b>
Balance brought forward from previous year	4,433.04	4,158.74	4,456.64	4,175.87
Profit available for Appropriations	5,020.64	5,320.56	5,048.21	5,344.16
<b>Appropriations:</b>				
Interim Equity Dividend	206.52	281.62	206.52	281.62
Proposed Final Equity Dividend	112.65	356.72	112.65	356.72
Tax on Equity Dividends	64.97	119.18	64.97	119.18
Transfer to General Reserve	30.00	130.00	30.00	130.00
Surplus carried to the next year's account	4,606.50	4,433.04	4,634.07	4,456.64

### 2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

#### Consolidated Income

Consolidated income, comprising Revenue from Operations (Net) and other income for the year was ₹ 11,916.94 crore, 1% lower as compared to ₹ 11,995.42 crore in 2014.

Total consolidated Revenue from Operations (Net) increased to ₹ 11,797.16 crore from ₹ 11,738.79 crore in 2014.

#### Other Operating Revenue

Other operating revenue for the year ended December 31, 2015 includes ₹ 139.74 crore being accrual of sales tax incentives at Chaibasa Plant, in the State of Jharkhand pertaining to the period August 2005 to March 2015.

#### Other Income

Other income reduced due to lower cash and cash equivalent on account of utilization of funds

for various capex projects as compared to the previous year. Average rate of return on investment was also lower as compared to the previous year.

#### Finance Costs

Finance costs decreased mainly due to reduction in interest on income tax by ₹ 12.87 crore.

#### Depreciation and Exceptional Items

Pursuant to the provisions of Schedule II of the Companies Act, 2013 (hereinafter referred to as "the Act") becoming applicable to the Company w.e.f. January 1, 2015, the Company has reviewed and where necessary, revised estimates of the useful life of fixed assets. Accordingly, an additional charge of ₹ 164.45 crore, being the carrying amount as of January 1, 2015 of the fixed assets with no remaining useful life (as revised) as of that date, is recognized in the year ended December 31, 2015 and has been disclosed as an exceptional item.