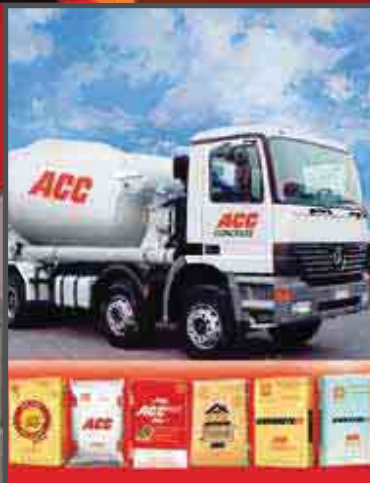




A Trusted Brand

ACC LIMITED
80th Annual Report 2015





A Trusted Brand

Eight decades after coming into being out of an unparalleled merger with a vision to serve customers, stakeholders and the nation with dedication, the product of that amalgamation is respected as an organization that embodies fair business practices. Today, the name ACC represents not just a trademark for cement and concrete but a brand name that reposes on several promises:

- as a dependable supplier of high quality building materials;
- as a great place to work;
- as a reliable business associate; and
- as a good corporate citizen.

It is an organization that is counted among India's most sustainable companies.

It is commended by the Institute of Chartered Accountants of India for excellence in financial reporting.

Its scrip is felicitated by National Stock Exchange of India for being part of the original Nifty 50 Index.

It is an organization that imbibes global best practices from its strong alliance with LafargeHolcim, world leader in building materials.

It is a Superbrand, counted among India's most admired companies, ready to contribute in building the nation's future.

ANNUAL GENERAL MEETING

On Wednesday, April 13, 2016 at 3:00 pm
at Birla Matushri Sabhagar
19, Sir Vithaldas Thackersey Marg
Mumbai 400 020

Members are requested to kindly bring their copy of the Annual Report to the Meeting

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- Cement & Concrete



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Customer Excellence



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Innovative &
Future Ready



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Leadership &
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A Brand that Cares



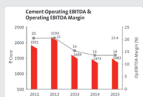
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People
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Subsidiary Companies

234 ACC Mineral Resources Limited

258 Bulk Cement Corporation (India)
Limited

282 Lucky Minmat Limited

301 National Limestone Company Private
Limited

320 Singhania Minerals Private Limited

Board of Directors

(as on February 10, 2016)

Mr N S Sekhsaria
Chairman

Mr Bernard Terver
Deputy Chairman

Mr Harish Badami
*Chief Executive Officer &
Managing Director*

Mr Eric Olsen
Mr Shailesh Haribhakti
Mr Sushil Kumar Roongta
Mr Ashwin Dani
Mr Farrokh K Kavarana
Mr Vijay Kumar Sharma
Mr Arunkumar R Gandhi
Mrs Falguni Nayar
Mr Christof Hassig

AUDIT COMMITTEE

Mr Arunkumar R 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 & REMUNERATION COMMITTEE

Mr Ashwin Dani
Chairman
Mr N S Sekhsaria
Mr Bernard Terver
Mr Shailesh Haribhakti
Mr Farrokh K Kavarana
Mr Eric Olsen

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr Shailesh Haribhakti
Chairman
Mrs Falguni Nayar
Mr Farrokh K Kavarana
Mr Bernard Terver
Mr Harish Badami

RISK MANAGEMENT COMMITTEE

Mr Shailesh Haribhakti
Chairman
Mrs Falguni Nayar
Mr Bernard Terver
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 Sushil Kumar Roongta
Mr Shailesh Haribhakti
Mr Harish Badami

EXECUTIVE COMMITTEE

Mr Harish Badami
*CEO & Managing Director
(Chairman of Executive
Committee)*
Mr Sunil K Nayak
Chief Financial Officer
Mr Naveen Chadha
*Chief Manufacturing
Officer*
Mr Jayanta Datta Gupta
Chief Marketing Officer
Mr Behram Sherdiwala
Chief People Officer
**Mr Pierre-Alexandre de
Lavallaz**
Chief Procurement Officer

COMPANY SECRETARY & HEAD COMPLIANCE

Mr Burjor D Nariman

AUDITOR

S R B C & CO LLP

COST AUDITOR

N I Mehta & Co.

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

ACC



Hallmark of Quality - Cement & Concrete

ACC Cement

ACC has been a trendsetter in India's building materials industry, recalled as the first name in Cement and Ready Mixed Concrete. ACC has been the brand of choice in building homes for the masses of India in its cities and villages as well as enduring structures for infrastructure and industry. Our range of cements is marketed by a vast countrywide distribution network of over 9,000 dealers and 50,000 retailers.

Product Development

ACC manufactures various kinds of Ordinary Portland Cement and Blended Cements for general construction and special applications – supplied in bags and in bulk for large construction sites. We have an assortment of premium cements for special applications and climes. Product Development is a vital building block in our endeavour for customer excellence, enabled by a focus on applied research and innovation that drives quality, process improvement and application.

Quality

ACC demonstrates a tradition of providing trustworthy and consistent quality through the application of modern technology to meet the needs and preferences of a nationwide customer base and construction industry. All ACC factories have state-of-the-art process control instrumentation, quality control systems and testing laboratories manned by qualified personnel. As a result of this unwavering focus on quality, ACC cement specifications exceed statutory standards by a wide margin.



Endurance



National
Presence



80th year



ACC Concrete

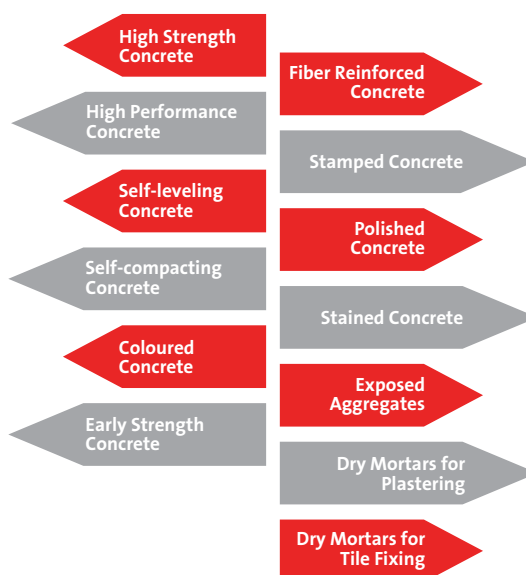
ACC's pioneering efforts in introducing Ready Mixed Concrete (RMX) in India in 1993 coupled with the promotion of Bulk cement handling facilities have been responsible for redefining the pace and quality of construction activity in metropolitan cities and in mega infrastructure projects. Today, ACC RMX is one of the largest manufacturers of concrete in India with over 50 modern plants in major cities.



Numerous landmark structures in India's metro cities have been built using ACC Concrete - mega housing projects, townships, commercial complexes, factories, bridges, flyovers, roads and railways. ACC Concrete also reaches out to small builders and individual home builders with the same sophistication.

ACC RMX is manufactured under computer-controlled operations, transported and placed at site using sophisticated equipment and methods. The use of RMX is an environment-friendly practice that is sophisticated, ensures high levels of quality assurance and value addition and causes minimal disturbance to its surroundings. This makes its utility more significant in crowded cities and localities.

ACC RMX is supplied in a variety of grades and compositions to meet specific demands of customized applications - from simple requirements for small homes to High Performance Concrete to meet the complex needs of mega projects.



Awards & Accolades

India Green Manufacturing Challenge 2014 award in Gold category to ACC Chanda by International Research Institute for Manufacturing

Customer Excellence

We do our utmost to create a unique experience for our customers. We do what it takes to see that the customer experiences value in everything we do – in our products, in our service, in our communication, in every transaction and in every interface involving the customer. This customer-centric approach demands that we offer Superior products, Superior logistics and Superior service.

A young and dynamic sales force manages the frontline engagement with customers. They work with a large contingent of dedicated channel partners who are in turn complemented by an extensive network of retailer outlets that makes it easy to reach the masses of India who make up our main customers.



Customer Service teams offer a range of Technical Services from providing basic product knowledge to retail buyers to customized and fee-based services for the large buyer such as concrete mix design, cement and concrete testing, good construction practices and site supervision. A variety of other technical seminars and training programmes conducted by our Customer Service teams allow useful engagements with construction engineers and contractors.



Besides our standard offering, we promote an assortment of Premium products that incorporates enhanced technical features appropriate for different local conditions. Premium products come packed in tamper-proof packaging.

A selection of routine studies and dipstick surveys ensures that we always have the pulse of our valued clientele. Frontline sales personnel spend time in retail outlets to gather insights into the buying process from In-store Consumer Behavior. Tools like Net Promoter Score (NPS) and the E3 Model (Economic, Emotional & Ego) helps gauge dealer satisfaction and understand their needs.





Awards & Accolades

Reader's Digest
Trusted Brand
2015 - Gold
award in Cement
category



The Company's vast network of channel partners plays a vital role in customer servicing and brand building.



Indian Merchants'
Chamber IT
Award 2015 for
excellence in the
use of Information
Technology in the
Manufacturing
sector for Logistics



Innovative & Future Ready

In its 80-year journey, ACC has crafted a unique track record of innovative research and development, justly earning for itself the sobriquet of pioneer and trendsetter. The company's accomplishments have added value to the building materials industry – notably with the establishment of the country's first wholly indigenous cement plant at Chaibasa, the introduction of Bulk Cement distribution, Ready Mixed Concrete, environment-friendly blended cements and commissioning of the world's largest plant at Wadi.

Regular insights from our marketing and R&D teams help us discover new ways to address the urban and large customers' changing needs through enhancements in service delivery and product development. Our recent advancements including the adoption of technologies like Radio Frequency Identification Device (RFID) and Global Positioning Systems (GPS) have strengthened logistics.

We are mindful of the needs of other customer segments as well, such as enabling the setting up of Green Building Centres to address the demand for affordable housing in the smaller towns and villages.

Our technical teams are engrossed in pursuing continuous improvements in manufacturing operations and energy efficiency. We prepare ourselves to participate in the country's ambitious growth plans with the expansion of our capacity. The Jamul project in eastern India is helping us in sharpening project management skills to a high order.

These and other such efforts seek to shape for the company a future as noteworthy as its past – rendering it innovative and future ready in building sustainable solutions and enabling the people who can help make it happen.

The new Jamul Project



80th
year

Smart Cities

Infrastructure

Housing

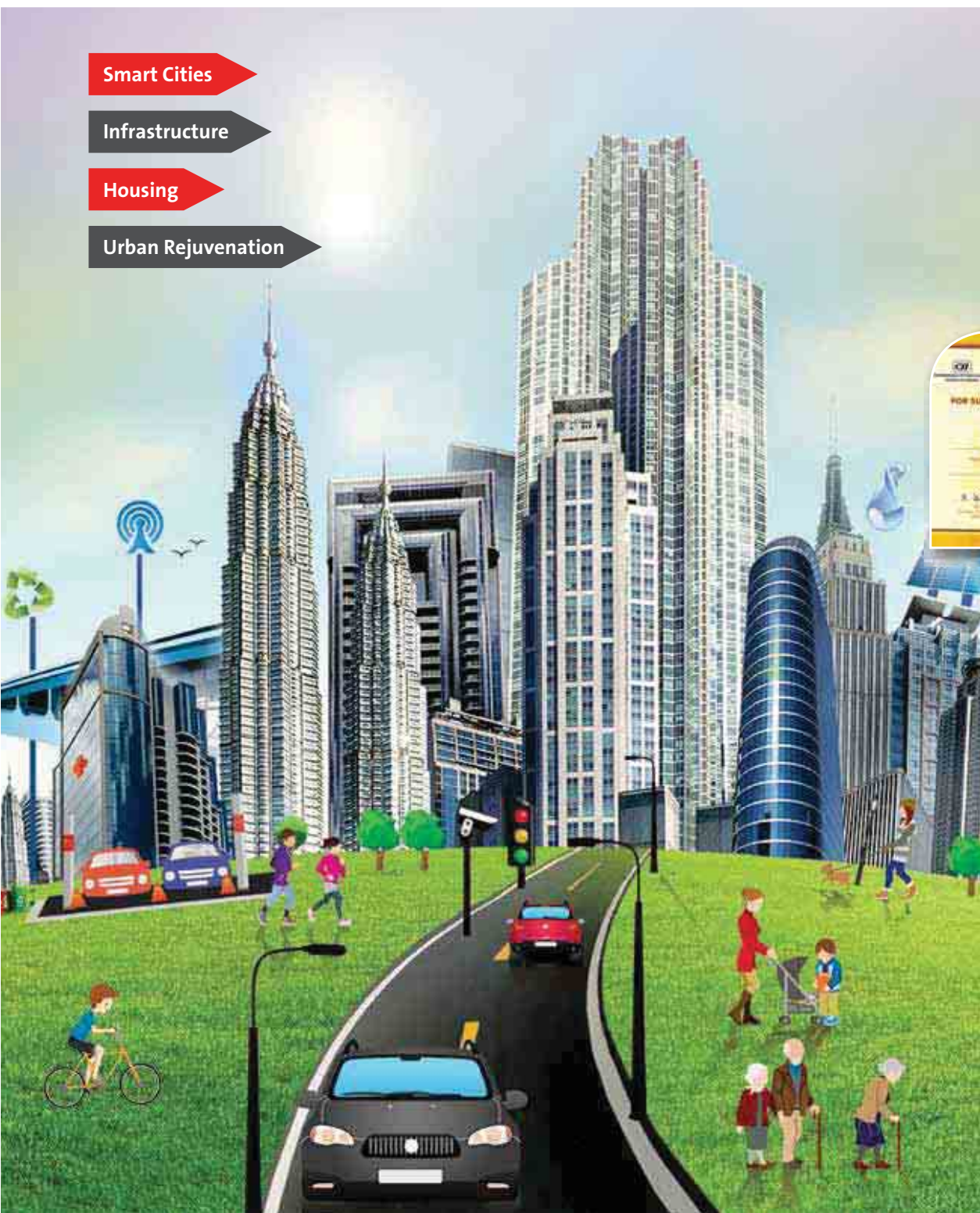
Urban Rejuvenation



Awards &
Accolades



CII Supply Chain
& Logistics
Excellence Award
(SCALE) 2015 in
Excellent category



Leadership & Governance



Board of Directors*



Seated (Left to Right)

1. Mr Eric Olsen
2. Mr N S Sekhsaria, *Chairman*
3. Mr Harish Badami, *CEO&MD*
4. Mrs Falguni Nayar

Standing (Left to Right)

5. Mr Vijay Kumar Sharma
6. Mr Christof Hassig
7. Mr Ashwin Dani
8. Mr Farrokh K Kavarana
9. Mr Bernard Terver, *Deputy Chairman*
10. Mr Arunkumar Ramanlal Gandhi
11. Mr Shailesh Haribhakti
12. Mr Sushil Kumar Roongta

ACC is a professionally managed company with its core values based on ethics and good corporate citizenship. The Board of Directors comprises eminent professionals of unquestionable integrity, a majority of who are Independent Directors. The Board endeavours to maintain the company's tradition of upholding the highest standards of Corporate Governance. The Chief Executive Officer and Managing Director oversees day-to-day working and operations of the Company. He is assisted by the Executive Committee (ExCo) which includes the functional heads of Finance, Manufacturing, Marketing, Human Resources and Procurement. The ExCo is responsible and accountable for overall business deliverables.

80th
year

Seated (Left to Right)

1. Mr Sunil K Nayak
2. Mr Harish Badami
3. Mr Jayanta DattaGupta



Standing (Left to Right)

4. Mr Naveen Chadha
5. Mr Pierre-Alexandre de Lavallaz
6. Mr Behram Sherdiwala

Executive Committee*



Awards & Accolades

- “Silver Shield” for “Excellence in Financial Reporting” for Annual Report 2014 by Institute of Chartered Accountants of India
- ACC scrip commended by National Stock Exchange of India for being part of Nifty 50 Index from inception 20 years ago

A Brand that Cares

Sustainable Business

We rejoice in greening the environs around us. A deep concern for conservation of the earth's precious resources is integrated into all activities of our value chain from mining to sales. We continuously explore ways to make our business more planet-friendly; from deploying clean mining techniques to transforming used mines into lush forests or useful water bodies. We minimize the use of limestone by promoting blended cements that gainfully utilize industrial wastes like slag and flyash. In pursuit of Alternative Fuel and Resources, we offer viable solutions for efficient disposal of hazardous and other wastes through co-processing in cement kilns. A large efficient captive power capacity together with three wind energy farms and a waste heat power generation system make up our energy efficiency and energy conservation portfolio.



All this helps cut our carbon footprint down to a level that is best-in-class. In receiving the CII-ITC Sustainability Award 2015, we have been singled out as being among India's most sustainable companies and adjudged as a benchmark in conducting sustainable business.

A water conservation project



80th
year

A Caring Company

We partner with the rural community living around our operations to improve the quality of their lives. In their well-being lies our license to operate. Through our meaningful interventions in Livelihood, Education, Water, Health and Sanitation, we strive to strengthen their subsistence. In 2015, the Company's countrywide community development efforts reached out to 4 lakh people in 156 villages. Education initiatives addressed 35,000 students with scholarships and modern methods of learning. Women's empowerment efforts saw 200 new women's Self Help Groups being set up while the "ACC ki Ladli" programme provided education to 1,500 girl children. In other schemes, 58,000 people received health and nutrition assistance, about 8,000 children were nurtured in 156 anganwadi centres, we supported, while our Anti Retroviral Treatment (ART) Centres gave a renewed lease of life to 5,400 patients of HIV/AIDS.

ACC's CSR engagement was ranked first in the Cement Sector and 12th among the top 100 listed companies in a survey by Economic Times and Institute of Management, Udaipur.



Awards & Accolades



CII-ITC Sustainability Award 2015 for Corporate Excellence in the category "Outstanding Accomplishment"

A Women's Self Help Group



Awarded CII's Sustainable Plus Platinum label, the world's first Corporate Sustainability rating

People - Architects of Success



ACC is proud to retain its position as the Best Employer to work for in the cement sector. The company's Human Resource function incorporates effective engagements with all levels of employees with a view to ensure that the workforce is close-knit, motivated and ready to excel in the marketplace.

The "India Manufacturing Transformation (IMT)" programme, initiated in 2015, aims to re-engineer the work culture in our manufacturing units such that they can become more responsive to address the

changing requirements of the industry. Our Shop Floor Associates endorsed this initiative as part of a remarkable common long-term accord signed by trade unions with the company.

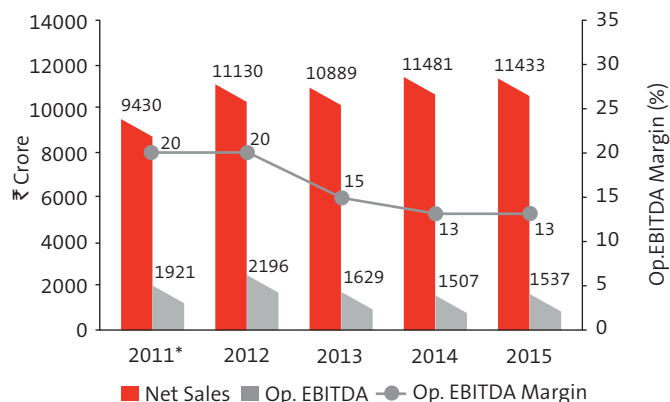
Efforts continued to make sure that training and leadership development processes are designed to enhance technical and functional capabilities, with special focus on nurturing young talent. This will help us meet emerging challenges and keep the organization's talent pool effervescent and future ready.



Performance Highlights

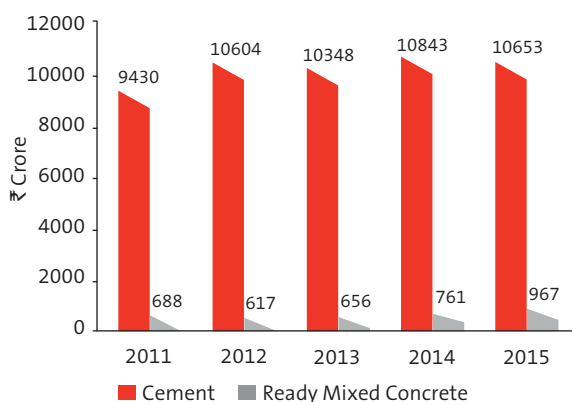
(Standalone Financial)

NET SALES, OPERATING EBITDA & OPERATING EBITDA MARGIN



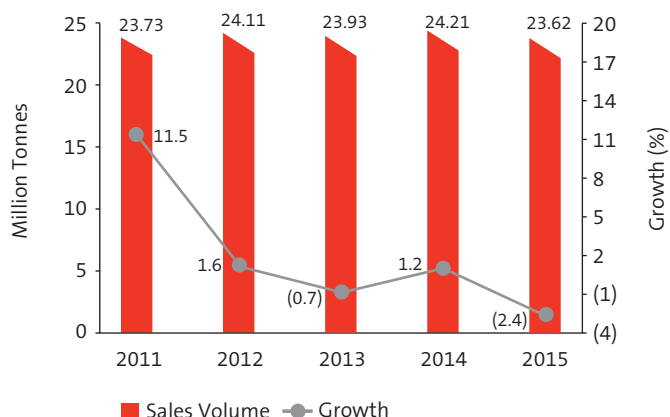
* Excluding ACC Concrete which merged in 2012

SEGMENT-WISE NET SALES*

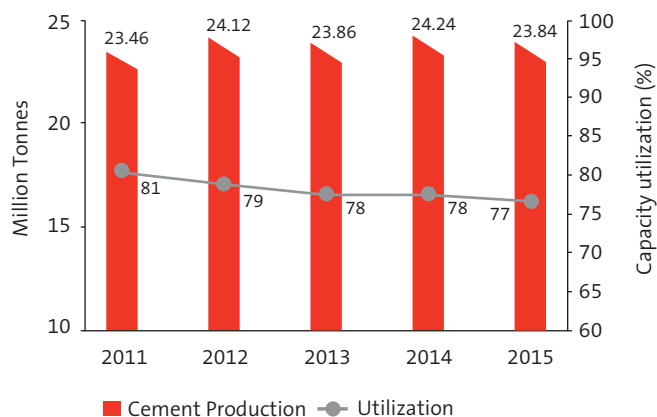


* Cement Sales include Inter-segment sales

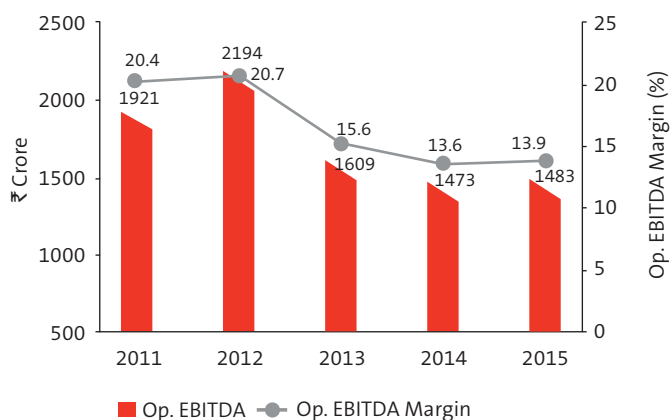
CEMENT SALES VOLUME & GROWTH



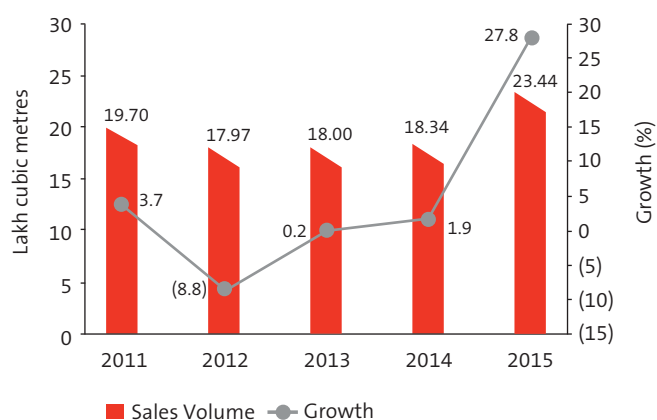
CEMENT PRODUCTION & CAPACITY UTILIZATION



CEMENT OPERATING EBITDA & OPERATING EBITDA MARGIN



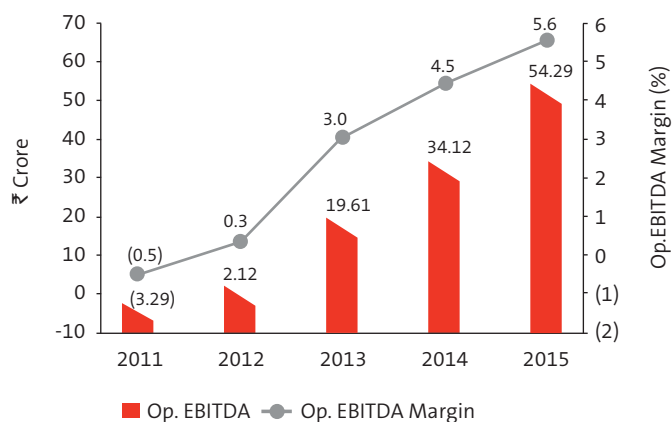
READY MIXED CONCRETE SALES VOLUME & GROWTH



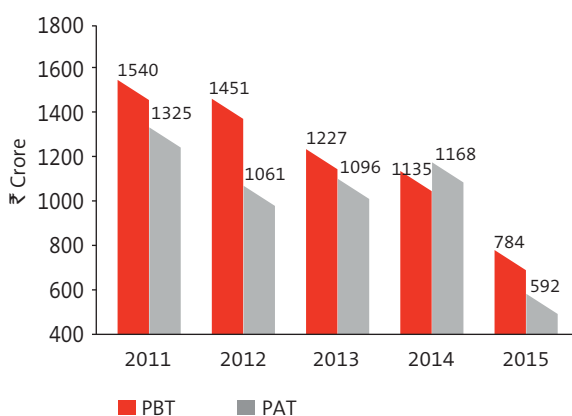
Performance Highlights

(Standalone Financial)

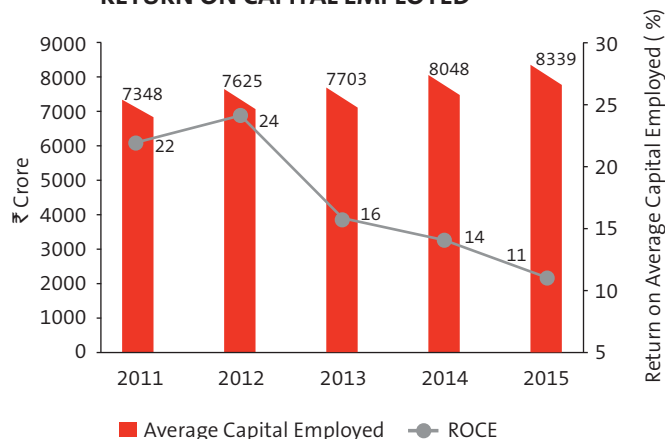
READY MIXED CONCRETE OPERATING EBITDA & OPERATING EBITDA MARGIN



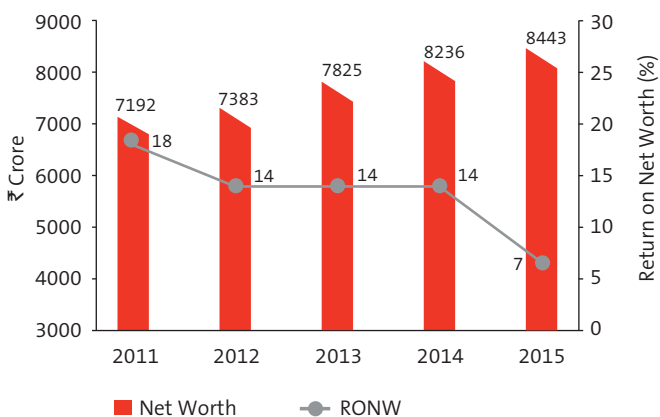
PROFIT BEFORE TAX & PROFIT AFTER TAX



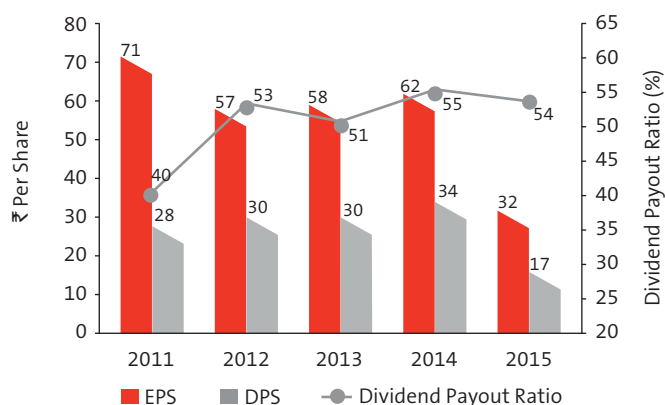
AVERAGE CAPITAL EMPLOYED & RETURN ON CAPITAL EMPLOYED



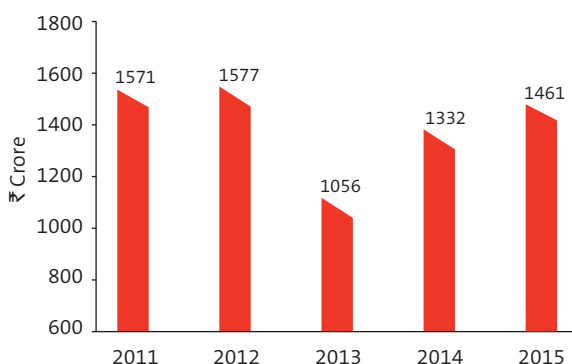
NET WORTH & RETURN ON NET WORTH



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

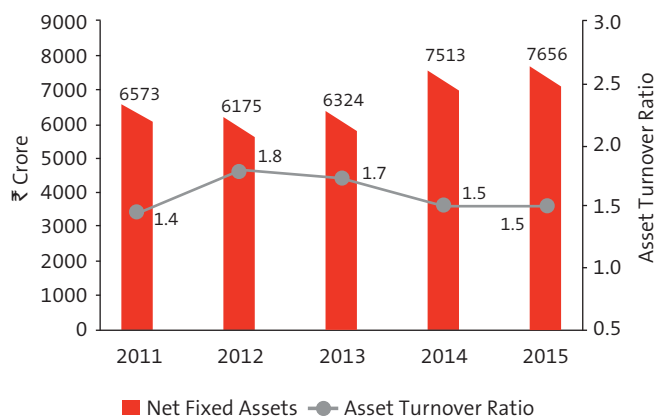


NET CASH GENERATED FROM OPERATIONS

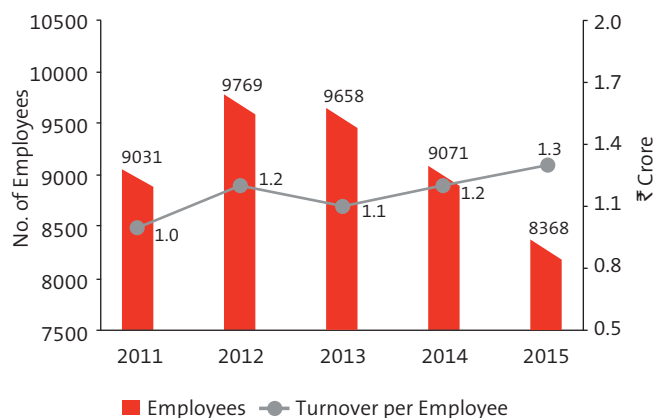


* Dividend payout ratio is calculated without considering dividend distribution tax

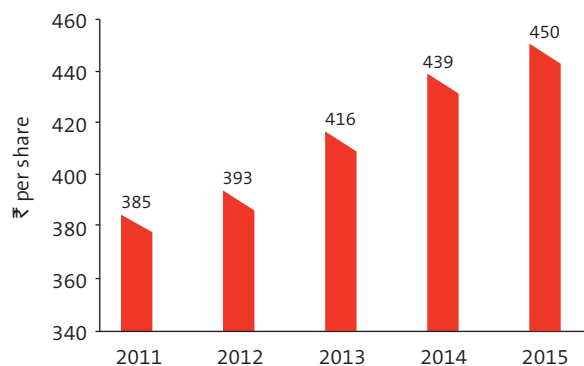
NET FIXED ASSETS & ASSET TURNOVER RATIO



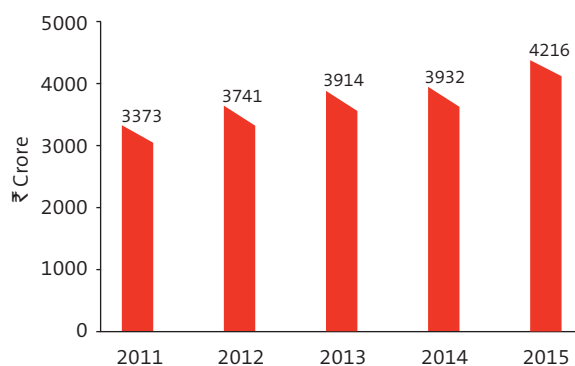
EMPLOYEES AT THE YEAR END & AVERAGE SALES PER EMPLOYEE



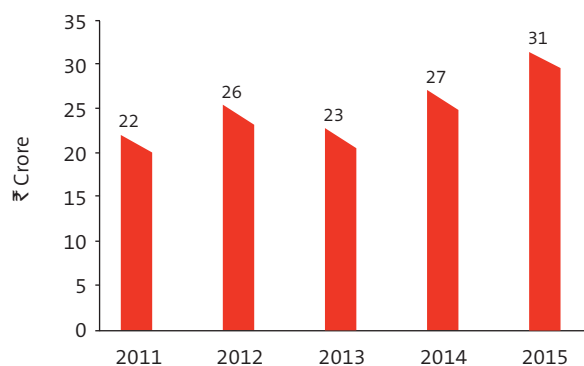
BOOK VALUE PER SHARE



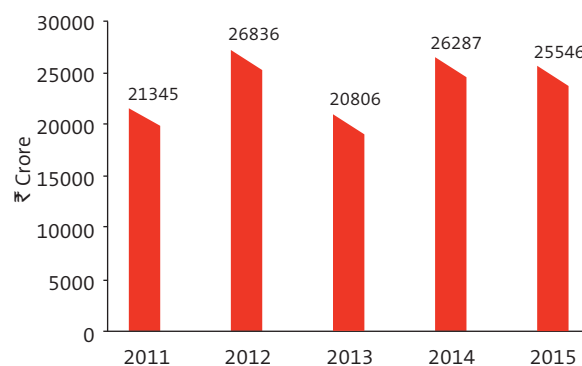
CONTRIBUTION TO EXCHEQUER



CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

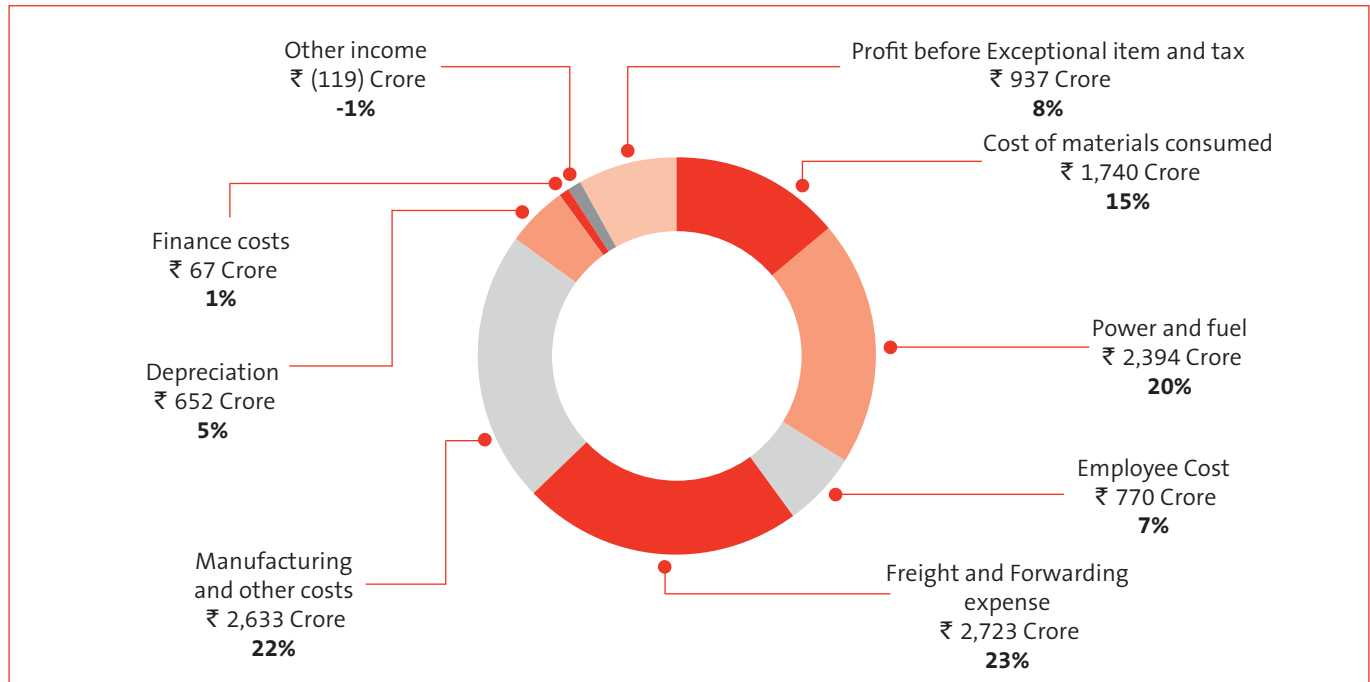


MARKET CAPITALIZATION AT YEAR END

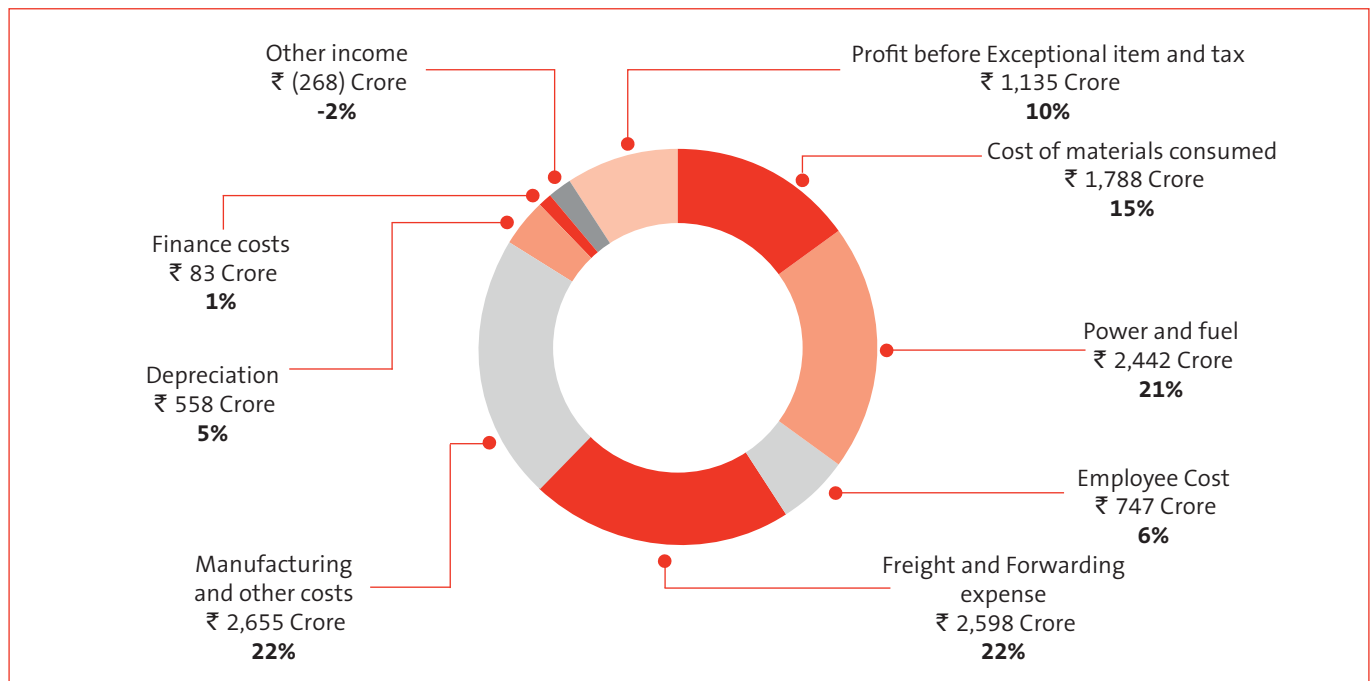


Cost & Profit as a Percentage of Revenue from operations

2015



2014



STANDALONE FINANCIAL HIGHLIGHTS

₹ Crore

Particulars	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Cement Production (Million Tonnes)	23.84	24.24	23.86	24.12	23.46	21.14	21.37	20.84	19.92	18.70
Cement Sales (Million Tonnes)	23.62	24.21	23.93	24.11	23.73	21.29	21.50	21.01	19.97	18.86
Capacity utilisation	77%	78%	78%	79%	81%	77%	91%	93%	91%	90%
INCOME STATEMENT										
Net Sales	11,433	11,481	10,889	11,130	9,430	7,710	7,967	7,126	6,905	5,803
Operating EBITDA	1,537	1,507	1,629	2,196	1,921	1,812	2,644	1,899	1,993	1,717
Profit before exceptional item and tax	937	1,135	1,227	1,787	1,540	1,461	2,294	1,688	1,717	1,459
Profit before Tax	784	1,135	1,227	1,451	1,540	1,461	2,294	1,737	1,930	1,620
Profit after Tax	592	1,168	1,096	1,061	1,325	1,120	1,607	1,213	1,439	1,232
BALANCE SHEET										
Net Worth	8,443	8,236	7,825	7,383	7,192	6,469	6,016	4,928	4,153	3,142
Long-term borrowings	-	-	35	163	511	524	567	482	306	771
Net Fixed Assets (Including CWIP)	7,656	7,513	6,324	6,175	6,573	6,548	6,113	4,717	3,741	3,396
Cash and cash equivalents	1,389	1,686	2,621	3,137	2,932	2,388	1,876	1,438	1,489	1,080
Current Assets	3,609	3,485	3,476	3,098	3,691	2,751	2,458	3,116	2,426	2,006
Current Liabilities	3,893	3,900	3,726	3,863	3,768	3,746	3,114	2,766	2,221	1,672
Capital Employed	8,443	8,236	7,860	7,546	7,703	6,993	6,583	5,410	4,459	3,913
SIGNIFICANT RATIOS										
Operating EBITDA margin	13%	13%	15%	20%	20%	24%	33%	27%	29%	30%
Average Return on Capital Employed	11%	14%	16%	24%	22%	22%	39%	35%	42%	42%
Return on Net Worth	7%	14%	14%	14%	18%	17%	27%	25%	35%	39%
Current Ratio	0.93	0.89	0.93	0.80	0.98	0.73	0.72	1.00	0.99	1.15
Debts Equity Ratio	-	-	0.004	0.02	0.07	0.08	0.09	0.10	0.07	0.25
Price Earning Ratio	43.07	22.56	18.91	25.15	16.29	18.04	10.23	7.39	13.74	16.44
Net worth per Share (₹)	450	439	416	393	385	345	320	263	221	168
Dividend per share (₹)	17.00	34.00	30.00	30.00	28.00	30.50	23.00	20.00	20.00	15.00
Basic Earnings per Share (₹)	31.51	62.23	58.36	56.52	70.59	59.66	85.60	64.63	76.75	66.02
Cash Earnings per Share (₹)	74.40	91.93	88.93	104.15	95.90	80.57	103.83	80.31	93.03	79.64
CASH FLOWS										
Net cash provided by / (used in)										
Operating activities	1,461	1,332	1,056	1,577	1,571	1,935	2,397	1,708	2,023	1,422
Investing activities	(948)	(1,437)	(858)	(311)	(258)	(812)	(1,505)	(1,170)	(824)	(483)
Financing activities	(681)	(837)	(834)	(1,066)	(768)	(621)	(455)	(297)	(1,075)	(423)

ACC Limited

Notes:

1. Cash and cash equivalents includes Cash and bank balances, investment in short term deposits and mutual funds
2. Current maturities of Long-Term Borrowings have been included in Borrowings and excluding same from current liabilities.
3. Operating EBITDA: Profit from operations before other income, finance costs and Depreciation and amortization expense
4. Average Return on Capital Employed: EBIT/ Average Capital Employed
(Capital Employed: Net worth + Long-term borrowings + Current maturities of Long-Term borrowings)
(EBIT: Profit before exceptional item and tax + Interest on Long-term borrowings)
5. Return on Net worth: Profit after Tax / Net worth
6. Debts Equity Ratio: (Long-term borrowings + Current maturities of Long-Term borrowings) / Shareholders' funds
7. P/E Ratio: Market Price per share / Basic Earnings per share
8. Net worth per share: Net Worth / Number of Equity Shares
9. Current Assets : Total assets - Fixed assets - Investments
10. Current Liability: Current liability excluding Short-term borrowings + Long-term provisions

VALUE ADDED STATEMENT

	(₹ in Crore)				
	2015	2014	2013	2012	2011
Equity	8,443	8,236	7,825	7,383	7,192
Long-term Debts	-	-	35	163	511
Capital employed	8,443	8,236	7,860	7,546	7,703
Average Capital Employed	8,339	8,048	7,703	7,625	7,348
Value added					
Net operating profit after taxes *	692	1,168	1,096	1,288	1,325
Add: interest on Long-term borrowings, after tax	-	1	4	31	32
Net operating profit after taxes (NOPAT)	692	1,169	1,100	1,319	1,357
Cost of Capital	1,074	1,038	1,017	919	897
Value added	(382)	131	83	400	460
NOPAT / Average Capital employed (%)	8.30	14.53	14.28	17.30	18.47
Weighted Average Cost of Capital (%)	12.88	12.90	13.20	12.05	12.20
Value added / Average Capital Employed (%)	(4.58)	1.63	1.08	5.25	6.27
Enterprise Value					
Market Capitalisation (As at December, 31)	25,546	26,287	20,806	26,836	21,345
Add: Debts	-	-	35	163	511
Less: Cash and Cash Equivalents	1,389	1,686	2,621	3,137	2,932
EV (Enterprise Value)	24,157	24,601	18,220	23,862	18,924
EV / Yr. End Capital Employed (Times)	2.86	2.99	2.32	3.16	2.46

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

NOTICE

NOTICE IS HEREBY GIVEN THAT THE EIGHTIETH ANNUAL GENERAL MEETING OF ACC LIMITED (CIN:L26940MH1936PLC002515) will be held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020 on **Wednesday, April 13, 2016** at **3.00 p.m.** to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:
 - (i) the Audited Standalone Financial Statements of the Company for the financial year ended December 31, 2015 and the Reports of the Board of Directors and the Auditors' thereon.
 - (ii) the Audited Consolidated Financial Statements of the Company for the financial year ended December 31, 2015 and the Reports of the Board of Directors and the Auditors' thereon.
2. To declare final dividend on Equity Shares.
3. To appoint a Director in place of Mr Vijay Kumar Sharma, a Non-Executive / Non-Independent Director having Director Identification Number 02449088, who retires by rotation and being eligible offers himself for re-appointment.

4. **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 the provisions of Section 141 of the Act and the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Financial Year 2016, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the

Company to be held in 2017 on such remuneration plus service tax, out-of-pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors."

SPECIAL BUSINESS

5. **Appointment of Mr Eric Olsen as Non-Executive / Non-Independent Director**

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 152 and other applicable provisions of the Companies Act, 2013 (the Act) read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr Eric Olsen having Director Identification Number 07238383 who was appointed by the Board of Directors, as an Additional Director of the Company with effect from July 17, 2015, pursuant to Section 161 of the Act and the Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Mr Olsen for the office of Director, be and is hereby appointed as a Director of the Company in the category of a Non-Executive / Non-Independent Director."

6. **Appointment of Mr Christof Hassig as Non-Executive / Non-Independent Director**

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 152 and other applicable provisions of the Companies Act, 2013 (the Act) read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr Christof Hassig having Director Identification Number 01680305

who was appointed by the Board of Directors as an Additional Director of the Company with effect from December 9, 2015, pursuant to Section 161 of the Act and the Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Mr Hassig for the office of Director, be and is hereby appointed as a Director of the Company in the category of a Non-Executive / Non-Independent Director.”

7. Appointment of Mr Martin Kriegner as a Non-Executive / Non-Independent Director

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 152 and other applicable provisions of the Companies Act, 2013 (the Act) read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr Martin Kriegner having Director Identification Number 00077715 who was appointed by the Board of Directors, as an Additional Director of the Company with effect from February 11, 2016, pursuant to Section 161 of the Act and the Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Mr Kriegner for the office of Director, be and is hereby appointed as a Director of the Company in the category of a Non-Executive / Non-Independent Director.”

8. 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 to Messrs N I Mehta & Co., Cost Accountants, having Firm Registration No. 000023, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2016, being ₹ 11.00 lakh (Rupees Eleven lakh) as also the payment of service tax as applicable and re-imbursement of out-of-pocket expenses etc. incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

9. Adoption of the new Articles of Association

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

“RESOLVED THAT pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Incorporation) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to the approval and registration by the Registrar of Companies and other authorities as may be applicable, and subject to such terms and conditions, amendments or modifications as may be prescribed by any such appropriate authority, which amendments or modifications, the Board of Directors hereinafter referred to as “the Board” (which includes a duly constituted committee thereof), is authorized to accept the consent of the Company be and is hereby granted to amend the Articles of Association of the Company as per the draft placed before the Meeting, duly initialed by a Director of the Company for the purpose of identification, be and is hereby adopted as the new set of Articles of Association in substitution of the existing set of Articles of Association,

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps and actions and give such directions, as may be in its absolute discretion deemed necessary, to settle any question that may arise in this regard and do all such acts, things, deeds and matters which are incidental and ancillary thereto (including the delegation of this authority) for the purpose of giving effect to this Resolution,

RESOLVED FURTHER THAT any Director of the Company or the Company Secretary & Head Compliance or the Chief Financial Officer be and are hereby severally authorized to sign and file the prescribed forms, returns, documents, applications and deeds with all authorities including the Registrar of Companies, Maharashtra, along with the requisite fees in respect of the adoption of the new Articles of Association,

RESOLVED FURTHER THAT a certified true copy of this resolution be submitted to the prescribed authorities.”

Notes:

- a. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 5 to 9 of the accompanying Notice are annexed hereto.
- b. In respect of Resolutions at Item Nos. 3, 5 to 7, a statement giving additional information on the Directors seeking appointment / re-appointment is annexed herewith as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations).
- c. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

IN ORDER THAT THE APPOINTMENT OF A PROXY IS EFFECTIVE, THE INSTRUMENT APPOINTING A PROXY MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING i.e. BY 3.00 P.M. ON MONDAY, APRIL 11, 2016.

- 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 Member.

- e. Corporate Members intending to send their authorized representatives to attend the Annual General 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 the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
- f. Members, Proxies and Authorized representatives are requested to bring to the Meeting, the attendance slips enclosed herewith 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, the 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 will be closed from **Wednesday, February 24, 2016 to Monday, February 29, 2016**, both days inclusive, for payment of final dividend, if declared / approved, at the Annual General Meeting.
- j. If a dividend as proposed is declared at the Annual General Meeting, the payment of such dividend will be made to those Members of the Company whose names stand on the Register of Members of the Company on February 29, 2016. 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 February 23, 2016, as per the list provided by the Depositories for this purpose. **The dividend will be payable on and from April 20, 2016.**
- k. SEBI Regulations has mandated companies to credit the dividends electronically to the Members' bank account. Members who hold shares in dematerialized form should inform their Depository Participant/s (DP) as well as to the Company and such Members holding shares in physical form should inform the

Company, their Bank details viz. Bank Account Number, Name of the Bank and Branch details and MICR Code. Those Members who have earlier provided the above information should update the details if required.

- l. 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 dematerialized form should inform their DP and Members holding shares in physical form should inform the Company their PAN details along with proof thereof.
- m. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (which are in force), the Company has transferred on due dates, the unpaid / unclaimed final dividend for the financial year ended December 31, 2007 and interim dividend for the financial year ended December 31, 2008, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

As per the provisions of Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012, the Company has placed on its website www.acclimited.com, the information on dividends which remain with the Company unclaimed as on March 20, 2015 i.e. the date of the last Annual General Meeting. The information is also available on the website of the Ministry of Corporate Affairs www.mca.gov.in
- n. Members holding shares in their single name are advised to make a nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.acclimited.com. Members holding shares in physical form should file their nomination with the Company whilst those Members holding shares in dematerialized mode should file their nomination with their DP.
- o. A Route map showing directions to reach the venue of the 80th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meeting".

Process and manner for voting through electronic means

General Information:

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and sub clause (1) & (2) of Clause 44 of SEBI Regulations, the Company is pleased to offer e-voting facilities to its Members in respect of the business to be transacted at the 80th Annual General Meeting. The Company has engaged the services of National Securities Depository Limited (NSDL) as authorized agency to provide e-voting facility. It is clarified that it is not mandatory for a Member to vote using remote e-voting facility. In order to facilitate those Members, who do not wish to use the e-voting facility, the Company is enclosing a Ballot Form. Resolutions passed by Members through e-voting or ballot forms are deemed to have been passed as if they have been passed at the Annual General Meeting (AGM).
- ii. The facility for e-voting shall also be made available at the AGM for those Members who have not cast their votes earlier.
- iii. The Members who have cast their votes by remote e-voting or by Ballot Form prior to the AGM may also attend the Meeting but they shall not be entitled to cast their vote again.
- iv. Members can opt for only one mode of voting i.e. either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
- v. In case a Member is desirous of obtaining a duplicate Ballot Form, he / she may send an e-mail to sujata.chitre@acclimited.com by mentioning their Folio No. / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer, Mr Khushroo K Driver, C/o ACC Limited, Share Department, Cement House, 121 Maharshi Karve Road, Mumbai 400 020, not later than Friday, April 8, 2016 (5.00 p.m.). Ballot Forms received after this date will be treated as invalid.

- vi. **The remote e-voting period will commence on Saturday, April 9, 2016 (9.00 a.m.) and will end on Tuesday, April 12, 2016 (5.00 p.m.).** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Wednesday, April 6, 2016**, may cast their vote by remote e-voting. The remote e-voting module will be disabled by NSDL for voting thereafter.

The voting rights of Members shall be in proportion of the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, April 6, 2016.

Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote. If a person was a Member on the date of the Book Closure as aforesaid but has ceased to be a Member on the cut-off date, he / she shall not be entitled to vote. Such person should treat this Notice for information purpose only.

- vii. The Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility or by a Ballot earlier will be allowed to vote electronically at the Meeting with the assistance of the representatives of NSDL.

Mr Khushroo K Driver of K & K Corporate Solutions Private Limited (Membership No. A 7964) has been appointed as the Scrutinizer for overseeing the voting and remote e-voting process in a fair and transparent manner.

- viii. The Scrutinizer shall submit his report to the Chairman. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.acclimited.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in this behalf. The results shall also be uploaded on the BSE Listing Portal and on the NSE NEAPS Portal.
- ix. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. Wednesday, April 13, 2016.

Process and manner for remote e-voting

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

- i. Those Members, whose valid e-mail IDs are registered with the Company / Depository Participant(s) will receive an e-mail from NSDL.
- ii. Open the e-mail and thereafter open the attached PDF file viz.: "ACC remote e-voting. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
- iii. Browse the following URL: <https://www.evoting.nsdl.com/>
- iv. Click on Shareholder-Login
- v. Insert user ID and password as initial password / PIN as noted in step (ii) above. Click Login.
- vi. Password change menu will appear. Change the password / PIN with new password of your choice having minimum 8 digits / characters or combination thereof. Please keep a note of your new password.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vii. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- viii. Select "EVEN" of "ACC Limited" which is 103831.
- ix. Now you are ready for remote e-voting as "Cast Vote" page opens.
- x. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- xi. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xii. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xiii. Institutional Members (i.e. other than individuals, HUF, NRI etc.) who wish to cast their votes through remote e-voting are required to send a scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority Letter etc.

together with attested specimen signature(s) of the duly authorized signatory(ies) who is / are authorized to vote, to the Scrutinizer through an e-mail to kkd.scrutinizer@acclimited.com with a copy marked to evoting@nsdl.co.in.

B. 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 their vote in physical form, by filling in the Ballot Form and posting it to the address mentioned in the enclosed prepaid Business Reply Envelope.

Additional Information:

- i. In case Members have any queries relating to remote e-voting, they are requested to refer to the “Frequently Asked Questions (FAQs) for Members” and “Remote e-voting User Manual for Members” available at the downloads section at www.evoting.nsdl.com or call on toll free No.: 1800-222-990.

Members may also send their queries relating to e-voting to Mr Rajiv Ranjan, Asst. Manager, NSDL, at:

E-mail id: rajivr@nsdl.co.in / evoting@nsdl.co.in
Toll free No.: 1800-222-990
Tel. No.: 022 2499 4738

- ii. If a Member is already registered with NSDL for remote e-voting then he / she can use his /her existing user ID and password / PIN for casting their votes.
- iii. The Members are requested to update their mobile numbers and e-mail ID's in the user profile details of the folio, which may be used by the Company for sending future communication(s) to them.
- iv. Any person, who acquires shares of the Company and becomes a Member of the Company after despatch of the Notice and holding shares as of the cut-off date i.e. Wednesday, April 6, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using “Forgot User Details / Password” option available on www.evoting.nsdl.com or contact NSDL at the toll free No.: 1800-222-990.

By Order of the Board of Directors,
For ACC Limited

Burjor D Nariman
Company Secretary & Head Compliance

Mumbai,
February 10, 2016

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

Registration / Updating of Email IDs and Bank Details

Members are requested to support the “Green Initiative” by registering their Email address with the Company, if not already done.

Those members who have changed their Email ID are requested to register their new Email ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to maintain Bank details of its Members for the purpose of Payment of Dividends etc. **Members are requested to register / update their bank details with the Company in case shares are held in physical form and with their Depository Participants as well as the Company where shares are held in dematerialized mode, to enable expeditious credit of the dividend to their bank accounts electronically through ACH / NECS.**

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 at Item Nos. 5 to 9 of the accompanying Notice dated February 10, 2016.

Item No. 5: The Board of Directors on the recommendation of the Nomination & Remuneration Committee appointed Mr Eric Olsen as an Additional Director of the Company with effect from July 17, 2015 in the category of a Non-Executive / Non-Independent Director. In accordance with Section 161(1) of the Companies Act, 2013, Mr Olsen holds office upto the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director of the Company in the category of Non-Executive / Non-Independent Director. The Company has received a notice under Section 160 of the Companies Act, 2013 from a Member along with the requisite deposit signifying his intention to propose the candidature of Mr Eric Olsen as a Director of the Company. The notice is available for inspection by the Members of the Company at the Registered Office during business hours on any working day upto the date of the Annual General Meeting.

Mr Olsen, 51 years old, American and French citizen, is the Chief Executive Officer of LafargeHolcim Ltd., the ultimate Holding Company of ACC Limited.

Prior to the global merger of Lafarge Ltd. and Holcim Ltd., he served as Executive Vice President Operations of Lafarge and a member of its Executive Committee.

He joined the Lafarge Group in 1999, first as Senior Vice President for Strategy and Development of Lafarge North America. Since 2001, he served as President, North-East Cement Region and Senior Vice President, Purchasing. Since 2004, he served as Chief Financial Officer and Senior Vice President for Lafarge North America, a NYSE listed Company.

From 2007 to 2012, he served as Executive Vice President, Organization and Human Resources of Lafarge Group.

Prior to Lafarge, Mr Olsen started his career in the field of M&A at Deloitte & Touche, Banque Paribas and was a partner of Trinity Associates.

He is a business graduate from the University of Colorado, Certified Public Accountant (Chicago USA), and holds a Master of Business Administration from HEC International Business School in Paris.

The Board of Directors commend the Ordinary Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel and their relatives except Mr Eric Olsen, are in any way concerned or interested in the Resolution.

Item No. 6: The Board of Directors on the recommendation of the Nomination & Remuneration Committee appointed Mr Christof Hassig as an Additional Director of the Company with effect from December 9, 2015 in the category of a Non-Executive / Non-Independent Director. In accordance with Section 161(1) of the Companies Act, 2013, Mr Hassig holds office upto the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director of the Company in the category of Non-Executive / Non-Independent Director. The Company has received a notice under Section 160 of the Companies Act, 2013 from a Member along with the requisite deposit proposing the candidature of Mr Hassig as a Director of the Company. The notice is available for inspection by the Members of the Company at the Registered Office during business hours on any working day upto the date of the Annual General Meeting.

Mr Christof Hassig heads the Corporate Strategy and Mergers & Acquisitions function in LafargeHolcim reporting to the Chief Executive Officer.

Within former Holcim, he was reporting to the Chief Financial Officer with many direct links to all other Executive Directors including the Chief Executive Officer. For the past fifteen years, he built and led the Corporate Financing and Treasury Department. The function spans across all the geographic regions and includes a matrix organization with the finance department of the operating companies in various countries.

In December 2012, he took over additional responsibilities as head of the newly created Mergers & Acquisitions function on Group level. In March 2013, the Group Insurance department was moved and integrated into the Corporate Finance & Treasury Department.

Prior to 1999, Mr Christof Hassig worked for twenty five years at UBS in many different functions, including Global Relationship Manager and Investment Banker for multinational corporates in Switzerland and abroad.

He started his career with a three year apprenticeship in Banking followed by a Masters Degree in Banking and the

Advanced Management Programme at Harvard Business School in 2006.

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

None of the Directors or Key Managerial Personnel and their relatives except Mr Hassig are in any way concerned or interested in the Resolution.

Item No. 7: The Board of Directors on the recommendation of the Nomination & Remuneration Committee has appointed Mr Martin Kriegner as an Additional Director of the Company with effect from February 11, 2016 in the category of a Non-Executive / Non-Independent Director. In accordance with Section 161(1) of the Companies Act, 2013, Mr Kriegner shall hold office upto the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director of the Company in the category of Non-Executive / Non-Independent Director. The Company has received a notice under Section 160 of the Companies Act, 2013 from a Member along with the requisite deposit proposing the candidature of Mr Kriegner as a Director of the Company. The notice is available for inspection by the Members of the Company at the Registered Office during business hours on any working day upto the date of the Annual General Meeting.

Mr Martin Kriegner, who was hitherto the Area Manager of Central Europe for LafargeHolcim Group will be taking over as Area Manager for India in the Group with effect from March 1, 2016.

He joined Lafarge Limited in 1990 in which Company he held senior leadership positions, including as CEO of Lafarge India Private Ltd. and President for Asia Region looking after that Company's Cement activity.

Mr Kriegner graduated from Vienna University with a Doctorate in Law and obtained an MBA at the University of Economics in Vienna. Mr Kriegner is an Austrian National.

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

None of the Directors or Key Managerial Personnel and their relatives except Mr Martin Kriegner, are in any way concerned or interested in the Resolution.

Item No. 8: The Company is required to have its costs records audited by a Cost Accountant in practice. Accordingly, 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 2016 on a remuneration of ₹ 11.00 lakh and payment of service tax as applicable and re-imbursement of out-of-pocket expenses incurred by the Cost Auditors in connection with the said audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to pass an Ordinary Resolution as set out at Item No 8 of the Notice for ratification of the payment of remuneration to the Cost Auditor for the financial year 2016.

The Board of Directors commend the Ordinary Resolution set out at Item No. 8 of the accompanying Notice for approval by the Members.

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

Item No. 9: The Articles of Association (AoA) of the Company currently in force were originally adopted when the Company was incorporated under the Companies Act, 1913 and were thereafter amended from time to time in accordance with the provisions of the Companies Act, 1956.

It is now proposed to have a new set of Articles of Association, the provisions of which are consistent with the Companies Act, 2013 and The Companies (Amendment) Act, 2015 and Rules framed thereunder. The change is necessitated as many provisions of the Companies Act, 1956 have been repealed and some new concepts have been introduced under the Companies Act, 2013.

The new AoA is to be substituted in place of the existing AoA and Members attention is invited to certain salient provisions in the new AoA of the Company viz.:

- i. Various existing Articles have been aligned to the Act.
- ii. Provisions relating to the use of electronic medium by the Members and the Directors have been incorporated.
- iii. Provisions relating to the appointment of Independent and Women Directors have been added.
- iv. Provisions relating to the appointment of Key Managerial Personnel have been added.
- v. Provisions relating to the disclosures to be made by Directors at the Meeting of the Board and vacation of office by Directors have been amended in accordance with the Act.

A copy of the proposed set of new Articles of Association of the Company is available for inspection by the Members of the Company at the Registered Office during business hours, on any working day of the Company, upto the

date of the Annual General Meeting. The proposed draft Articles of Association is also available on the Company's website www.acclimited.com for perusal by the Members.

The Board of Directors commend the Special Resolution set out at Item No. 9 of the accompanying Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel and their relatives, are in any way concerned or interested in this Resolution.

By Order of the Board of Directors,
For ACC Limited

Burjor D Nariman
Company Secretary & Head Compliance

Mumbai,
February 10, 2016

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

ANNEXURE TO ITEMS 3, 5, 6 AND 7 OF THE NOTICE

Details of Directors seeking re-appointment / appointment at the forthcoming Annual General Meeting

[in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Mr Vijay Kumar Sharma	Mr Eric Olsen	Mr Christof Hassig	Mr Martin Kriegner
Director Identification Number (DIN)	02449088	07238383	01680305	00077715
Date of Birth	19.12.1958	08.03.1964	25.04.1958	06.09.1961
Nationality	Indian	American & French	Swiss	Austrian
Date of Appointment on Board	06.02.2014	17.07.2015	09.12.2015	11.02.2016
Qualification	M.Sc.	Certified Public Accountant from Chicago (USA) & an MBA from the HEC International Business School, Paris	Masters in Banking, Advanced Management Programme from Harvard Business School	Doctorate of Law & MBA from Austrian University
Expertise in specific functional area	Business Strategy, Product Development & Branding, Risk Mitigation & Compliance	Operations, Strategy & Development and Finance	Corporate Finance & Treasury; Mergers & Acquisitions	Operations, Finance and General Management
Shareholding in ACC	NIL	NIL	NIL	NIL
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Life Insurance Corporation of India; Infrastructure Leasing & Financial Services Limited; LIC Pension Fund Limited; ICICI Bank Limited	Ambuja Cements Limited	Ambuja Cements Limited	Ambuja Cements Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public companies including ACC Limited	NIL	NIL	NIL	NIL

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

MAP SHOWING LOCATION OF THE VENUE OF 80TH ANNUAL GENERAL MEETING OF ACC LIMITED

VENUE:
Birla Matushri Sabhagar
19, Sir Vithaldas Thackersey Marg,
Mumbai 400 020



Source: Google maps

Landmark: Next to Bombay Hospital
Distance from Churchgate Station: 1 Km
Distance from Chhatrapati Shivaji Terminus: 1.2 Kms

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)
Profit After Tax (PAT)	587.60	1,161.82	591.57	1,168.29
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
Appropriations:				
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.

With this change the current year's depreciation is also higher by ₹ 111.81 crore.

Consolidated Profit Before Tax

Consolidated profit before tax for the year was ₹ 765.53 crore as compared to ₹ 1,119.54 crore in 2014.

Consolidated Profit After Tax

Consolidated Profit after Tax for the year was ₹ 587.60 crore as compared to ₹ 1,161.82 crore in 2014.

In the previous year, on completion of assessments and review of certain tax positions, an amount of ₹ 309 crore had to be written back, whereas no such write backs were necessary in 2015.

In the year under review, as stated above, an additional depreciation charge of ₹ 181 crore (net of tax) was made on account of change in useful life of fixed assets in accordance with the provisions of Schedule II of the Act.

There are no material changes or commitments affecting the financial position of the Company, which have occurred between the end of the calendar year and the date of this Report.

3. DIVIDEND

Your Directors are pleased to recommend a final dividend of ₹ 6/- per equity share of ₹ 10 each. The Company had distributed an interim dividend of ₹ 11/- per equity share of ₹ 10 each in July 2015. The total dividend for the year ended December 31, 2015 would accordingly be ₹ 17/- per equity share of ₹ 10 each as compared to ₹ 34/- per equity share of ₹ 10 each. The total outgo for the current year amounts to ₹ 384.14 crore, including dividend distribution tax of ₹ 64.97 crore as against ₹ 757.52 crore including dividend distribution tax of ₹ 119.18 crore in the previous year.

A general slowdown in the cement industry impacted the performance of the Company. This, coupled with a provision for higher depreciation, as explained in the previous paragraph, led to lower profits and reduced Earnings Per Share. Consequently, dividend for the year is recommended at a lower rate as compared to the previous year. However, the dividend payout ratio has been maintained at previous year's level at 65% of the Profit After Tax (PAT) for the year 2015.

During the year, the unclaimed dividend pertaining to the 70th Final Dividend for the year ended December 31, 2007 and the 71st Interim Dividend for the year ended December 31, 2008 aggregating ₹2.16 crore were transferred to the Investor Education & Protection Fund after sending due reminders to the shareholders.

4. TRANSFER TO RESERVES

The Company proposes to transfer an amount of ₹ 30 crore to the General Reserves. An amount of ₹ 4,606.50 crore is proposed to be retained in the Consolidated Statement of Profit and Loss.

5. SHARE CAPITAL

The paid up Equity Share Capital as on December 31, 2015 was ₹ 187.95 crore. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme. As on December 31, 2015, none of the Directors of the Company hold shares or convertible instruments of the Company.

No disclosure is required under Section 67(3)(c) of the Act, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable

6. FINANCIAL LIQUIDITY

The Company's cash and cash equivalent as at December 31, 2015 was ₹ 1,389 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.

7. CREDIT RATING

CRISIL, a reputed Rating Agency, has reaffirmed the highest credit rating of CRISIL AAA/ STABLE for long term and CRISIL A1+ for short term financial instruments of the Company.

8. DEPOSITS

The Company had discontinued its fixed deposit scheme in the financial year 2001-2002. Despite sustained efforts to identify and repay unclaimed deposits, the total amount of fixed deposits matured and remaining unclaimed with the Company as on

December 31, 2015 was ₹ 0.02 crore. The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Act, and the Rules framed thereunder.

9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

10. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the calendar year 2015 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the SEBI Regulations'). The consolidated financial statements have been prepared on the basis of the audited financial statements of the Company, its subsidiaries, joint venture and associate companies, as approved by their respective Boards of Directors.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and the Auditors' Report thereon form part of this Annual Report. The Financial Statements as stated above are also available on the website of the Company and can be accessed at the weblink http://www.acclimited.com/newsite/finance/annual_report_2015.pdf

11. CONTINUANCE OF THE EXISTING FINANCIAL YEAR

Pursuant to a favourable Order from the Company Law Board, the Company will continue to have the calendar year (1st January - 31st December) as its financial year, in respect of itself as well as its subsidiaries.

12. ECONOMIC SCENARIO AND OUTLOOK

As compared to many other countries, India enjoyed relative macro economic stability in 2015.

Last year, Government realigned its methodology for compiling the country's GDP using value added data that makes it closer to accepted international practice. Based on this, India's economic growth in

the calendar year 2015 is estimated to have risen to 7.5% as compared to the previous year 2014, making it among the world's fastest growing economies.

The rate of inflation, as per the wholesale price index, maintained its year-long negative trend and showed a declined of (-)2.8% as compared to the previous year's rate of inflation of 3.9%. This was on account of a high base rate effect and other factors such as the sharp fall in global oil and commodity prices, sluggish domestic demand conditions and some softening of food prices.

Notwithstanding some slackening in the last quarter, manufacturing growth in 2015 was strong at ~7.5% as compared to ~6% growth in 2014, although there was some loss of steam in certain sectors. This spurt in manufacturing resulted in higher industrial production and revival in urban consumer demand. However, the spurt in manufacturing activity did not translate into growth in the construction sector which was lower by ~3.7% as compared to 2014. In turn, the cement sector also experienced dampened growth in cement production of ~2% in 2015 as compared to the preceding year, the slowest in the last decade.

With a second consecutive year of a weak monsoon and unseasonal rains, agricultural growth and rural demand remained muted in 2015.

Official estimates for GDP growth expected in the fiscal year 2015-2016 is of the order of 7.6%. Disregarding some sectoral imbalances, the outlook for India's national economy in calendar year 2016 and beyond shows a strong emerging potential. It is expected that GDP growth in 2016 would be more positive, amid expectations of higher investments in infrastructure and industry. This would drive overall growth, generate incomes and lower inflation rate.

13. CEMENT INDUSTRY - OUTLOOK AND OPPORTUNITIES

The Indian Cement Industry has an installed capacity of ~372 million tonnes per annum while domestic consumption of cement in 2015 was ~271 million tonnes. As already indicated, cement consumption grew at the rate of ~2% in the calendar year 2015, the slowest rate of growth in a decade. As a result, the cement market in the country remained very competitive.

Consistent with the positive outlook for the Indian economy, we foresee a similar revival in demand for cement and concrete. Signs of increased construction activity have been witnessed in industrial and commercial segments as well as from mass housing and mid-income housing schemes across the country. Besides this, there are healthy indicators of an uptrend in demand for cement and concrete from projects such as concrete roads, flyovers & bridges, power plants, irrigation schemes, ports, railways and metro rail projects.

Overall cement demand in the calendar year 2016 is estimated to grow at a rate faster than the preceding year, if supported by a faster pace of infrastructure development, housing and industrial growth. Consumption could pick up well beyond 6% if investments in infrastructure development and ambitious projects such as “Make in India”, Smart Cities Mission, Atal Mission for Rejuvenation & Urban Transformation (AMRUT), and Housing For All (including low cost housing) are accelerated. Demand in the housing sector may be stimulated with a gradual reduction in interest rates, wider supply of affordable housing, tax benefits and an increase in disposable incomes and household savings.

14. CEMENT BUSINESS - PERFORMANCE

	2015	2014	Change %
Production - million tonnes	23.84	24.24	-1.7
Sales Volume - million tonnes	23.62	24.21	-2.4
Net Sale Value (₹crore)	10,652.60	10,842.82	-1.8
Operating EBITDA (₹ crore)	1,482.88	1,473.13	0.7
Operating EBITDA Margin (%)	13.92	13.59	

14.1 Sales Volume & Pricing

Cement sales volume in 2015 was 23.62 million tonnes as compared to 24.21 million tonnes in 2014, a decrease of 2.4%. Sales volume was impacted mainly in the Eastern region where production at Chaibasa and Bargarh was constrained on account of temporary suspension of mining operations during the earlier part of the year on account of regulatory changes.

During the year, the sales volume of the Company's premium products increased to 2.3 million tonnes in 2015 as compared to 2.1 million tonnes in 2014.

Selling prices of cement improved by ~1% in 2015 over 2014.

Your Company's main focus areas included managing costs of distribution and logistics, promoting the sale of its premium products, enhancing customer service levels and various other customer excellence initiatives.

While Individual House Builders remained the major customer segment catered by an extensive dealer and retailer network, the ICI (Infrastructure, Commercial and Industrial) team of the Company's sales division has also been actively servicing the growing requirements from infrastructure, industrial and commercial projects. With increasing urbanization, demand from these sectors is also expected to accelerate.

14.2 Costs – Cement Business

During the year 2015, the Company maintained a close focus on effective cost management through various initiatives.

a) Cost of Materials consumed

Cost of materials consumed was reduced by 7% in 2015 over 2014, despite an additional cost burden of ₹ 23 crore towards purchase of clinker due to temporary suspension of limestone mining operations at Chaibasa and Bargarh mines during the earlier part of the year. Thus, the cost of materials consumed as share of total income from operations came down to 12.7% from 13.5% in 2014.

The landed cost of gypsum rose by 5% on account of an increase in the price of imported gypsum and also due to a shortage of wagons at Paradip port that necessitated costlier road transportation to some plants. To mitigate such cost increases, the Company is taking steps to optimize its gypsum mix by reducing its reliance on imported gypsum and instead increasing the consumption of phosphor-gypsum, chemical gypsum, activated gypsum and also the more cost effective variety of high purity domestic mineral gypsum.

The landed cost of flyash increased by 4% as it had to be procured over longer leads, following a drop in availability from sources close to our plants. Efforts were made to achieve cost reductions by entering into long term contracts with slag and flyash suppliers. Slag prices were negotiated to achieve a reduction of 27%.

b) Power & Fuel

Power & Fuel costs were reduced by 2% in 2015 as compared to 2014. The Power & Fuel spend in 2015 was ₹ 2,377.85 crore, as compared to ₹ 2,427.45 crore spent in 2014. This constituted 22% of the total income from operations, the same as in the previous year.

The Company continues to focus on reducing the overall cost of fuel as well as shifting its dependence on linkage and imported coal by optimizing the fuel mix to enhance the use of alternative fuels and petcoke. The supply of petcoke became attractive following a general decline in global oil prices. Taking advantage, the Company put plans in place to enable increased consumption of petcoke. During the year, this enabled petcoke consumption to rise from average consumption of 16% in 2014 to 27% during the last quarter of 2015.

As a result of various initiatives taken with respect to power & fuel, kiln thermal efficiency was maintained at 3050 MJ/per tonne of clinker, the same level as in the last year.

The generation cost per KW of our Captive Power Plants (CPP) in 2015 rose by 2% to ₹ 4.67 per unit against ₹ 4.59 per unit in 2014, mainly due to increase in rail freight on coal and electricity duty on generation of power.

Power generated by the Company's waste heat recovery plant of 7.5 MW at Galgal Plant delivered saving of ₹ 22 crore during the year, thus also helping reduce overall power and fuel costs.

c) Freight & Forwarding expenses

A general hike in rail tariffs impacted the cost of inward and outbound transportation in 2015, particularly because 44% of total cement despatches during the year were moved by rail.

Freight and forwarding expenses during the year were ₹ 2,640.76 crore as compared to ₹ 2,530.30 crore in 2014, an increase of 4%. Freight and forwarding expenses constituted a significant share of 24% of the Company's total income from operations, up marginally from a share of 23% in the previous year.

Freight on clinker transfers, effected mainly by rail, increased by about 8% due to the rail tariff hikes and the movement of clinker over longer leads to Chaibasa and Bargarh occasioned by the curtailment of clinker production at these plants for reasons explained heretofore. Freight on cement despatches also rose by about 6% on account of the increase in rail tariffs.

Taking advantage of the decline in diesel prices, proactive efforts were made to bring down the cost of road transportation which accounts for about 56% of total despatches. Average road freight rates were cut by 6%. The Company is taking further steps to rationalize freight and C&F rates and pursue improvements in other operational levers such as lead distances and the share of direct despatches.

d) Employee Costs

Employee costs during the year were brought down by 2.7% on a like-for-like basis. Overall employee costs, as a share of total income from operations, declined to 6.5% in 2015 from 6.8% in 2014. In the forthcoming year, certain initiatives taken as part of the India Manufacturing Transformation programme, as explained later, are expected to reflect further improvement in employee costs.

e) Other Expenditure

Other expenditure constitutes ~23% of total income from operations of the Company (as compared to 22% in 2014). This includes (i) provision for additional royalty on limestone of ₹ 52 crore necessitated by the Mines and Minerals (Development and Regulation) Amendment Act, 2015 for contributions to be made to the District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET) in the districts where mining takes place,

(ii) increase in royalty rate from ₹ 63 to ₹ 80 per tonne of limestone mined effective September 2014 impacting an additional cost incidence of ₹ 24 crore and (iii) severance cost of ₹ 13 crore on account of rationalization of third party manpower. Despite these increases, the overall escalation in “Other Expenditure” was restricted to 1.4% in 2015 over 2014.

Packing material cost reduced by ₹ 79 crore on account of a fall in the prices of polypropylene granules and other initiatives like standardization of bags across plants.

15. READY MIXED CONCRETE (RMX)

	2015	2014	Change %
RMX Production - Lakh Cubic Metres	22.15	17.61	25.8
RMX Sales Volume - Lakh Cubic Metres	23.44	18.34	27.8
Net Sale Value - (₹ crore)	967.50	760.77	27.2
Operating EBITDA - (₹ crore)	54.29	34.12	59.1
Operating EBITDA Margin (%)	5.61	4.48	

The Ready Mixed Concrete Business of the Company performed well. Concrete Sales Volume increased by 28% and Operating EBITDA grew at a much higher rate on account of volume growth and new value added products and solutions. EBITDA from RMX business for the year rose to ₹ 54 crore as compared to ₹ 34 crore in 2014, an increase of 59%. Your Company has a wide spread of RMX plants in the country; the number of RMX plants rose to 50 by the close of 2015 as compared to 48 plants in 2014.

A large share of the Company’s concrete business comes from Infrastructure and Industrial projects in addition to mass housing schemes. In the last two years, this business has implemented a programme of widening its customer base, broadening its portfolio with a range of value-added products and customized solutions while simultaneously keeping a close focus on costs. This programme has yielded increased sales volumes and margins, despite an intensely competitive environment.

As part of its endeavour to enrich customer service levels, the Company’s concrete business introduced

an on-line Customer Feedback system which has resulted in improved customer satisfaction and better customer retention, especially of large customers with good financial credentials.

While there was some uptake in a few markets, the concrete industry at large continues to face issues of tight liquidity and increased participation by unorganized local players.

The construction sector is expected to grow at a steady pace in 2016. Consistent growth is foreseen in housing, Infrastructure, commercial and Industrial projects in addition to the rapid urbanization taking place in the country. Accordingly, the Company’s Concrete Business plans to extend its reach to address segments where the markets are promising.

16. CAPEX

The ongoing integrated Jamul Project in Chhattisgarh, which partly comprises a new clinkering line of capacity 2.79 million tonnes per annum at Jamul and grinding facilities of capacity 1.10 million tonnes at Jamul and 1.35 million tonnes at Sindri, is nearing completion and expected to be commissioned during the second quarter of 2016.

17. COAL BLOCKS

Pursuant to Orders of the Supreme Court passed in August 2014 and September 2014, the allocations of four coal blocks to Madhya Pradesh State Mining Corporation Limited (MPSMC) were cancelled. The Company had entered into through its wholly owned subsidiary company ACC Mineral Resources Limited (AMRL), a Joint Venture Agreement with MPSMC, for development of these four coal blocks viz. Bicharpur, Marki Barka, Semaria Piparia and Morga IV (all in the State of Madhya Pradesh) all of which stood cancelled.

The Ministry of Coal, Government of India completed the auction of Bicharpur Coal Block in February 2015 and the block was allotted to the successful bidder. The reimbursement of expenses incurred on development of coal blocks is awaited. The auction/allocation process of other three Coal Blocks viz. Marki Barka, Morga IV and Semaria Piparia are yet to be carried out by the Ministry of Coal, Government of India.

18. SUSTAINABLE DEVELOPMENT

The Company's Sustainable Development programme is comprehensive and robust. Your Company was felicitated with the prestigious CII-ITC Sustainability Award 2015 for "Outstanding Accomplishment" in recognition of its continuous effort and commitment to the cause of Sustainable Development and its improvement in all sustainability parameters. This is one of the Country's most coveted awards in the field of corporate sustainable development.

During the year, the Company released its 8th Sustainable Development Report - 2014 adhering to GRI G4 principles in accordance with comprehensive reporting. The Report is available on the Company's website www.acclimited.com. Significant advancements were made against targets set in its sustainable development roadmap for 2014-2017.

The brand "ACC" was one of those prominently displayed in the India Pavilion at the COP 21 (Conference of Parties) meet held in Paris in December 2015, organised by the United Nations Conference on Climate Change.

18.1 CO₂ Emissions:

Your Company is committed to cut its carbon footprint in line with the Low Carbon Technology Roadmap for the Indian Cement Industry of the Cement Sustainability Initiative (CSI).

The Company maintained its best-in-class position in terms of its carbon footprint with specific CO₂ emissions per tonne of cement at 533 kg CO₂/tonne in 2015. However, there was a small increase of 1% in these emissions as compared to the previous year, which was due to some change in the pattern of cement production caused by the suspension of limestone mining at Chaibasa and Bargarh for part of the year.

The Company has been identified as one of the leading business houses in India, for the quality of climate change related information, which it has disclosed through the Carbon Disclosure Project (CDP), a non-profit global initiative, that shares information to help drive carbon reduction strategies for sustainable economies.

The reported data was independently assessed against CDP's scoring methodology and your Company is one of the few organizations that received a high score of 98 points out of 100 in respect of its disclosure.

18.2 Clinker Factor

Reducing the clinker factor in cement is an important pillar of the Low Carbon Technology Roadmap for the Indian Cement Industry. Your Company strives to achieve this through the promotion of blended cements using slag and flyash and plays a lead role in the Industry in this respect. Some shortfall in the availability of flyash from regular sources nearer the plants did have a small impact in the supply of flyash and hence on the clinker factor which showed a minor change of 1%. Despite this and the increasing demand for Ordinary Portland Cement (OPC), the share of Blended Cements in the total product portfolio was maintained at 84.5%.

18.3 Alternative Fuels and Resources (AFR):

Your Company takes pride in being one of the few in the forefront of the national effort to promote co-processing of both hazardous and non-hazardous industrial and municipal wastes in cement kilns in order to reduce dependence on fossil fuel.

The Company has two state-of-the-art pre-processing facilities at Wadi and at Kymore to enable safe handling of varied types and volumes of waste streams. These facilities added momentum to co-processing of hazardous wastes in a safer and more efficient manner. With the stabilization of these pre-processing facilities, we expect to enhance both the quality and quantity of waste feed processed in cement kilns and thus increase the thermal substitution rate in the forthcoming year.

18.4 Green Energy

(a) Wind Energy:

The Company has 19 MW capacity from wind farms in three states viz. 9 MW in Tamil Nadu, 7.5 MW in Rajasthan and 2.5 MW in Maharashtra. These wind farms helped the Company meet its non-solar renewable purchase obligations for Madukkarai,

Lakheri, Thane Campus and the Kalamboli Bulk Cement Terminal Plant. 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. During the year 2015, 29.2 million kilowatt hours (Kwh) of renewable energy was produced as compared to 32.5 million Kwh in 2014.

(b) Waste Heat Power generation from process waste heat

During the year 2015, the Waste Heat Recovery System (WHRS) at Gagal Cement Plant produced 51.8 million Kwh of electrical energy as compared to 46.6 million Kwh in 2014.

18.5 Controlling Emissions

Various measures were implemented across all operations of the Company to control fugitive emissions by installing dust extraction and dust suppression systems.

Kiln stack dust emissions data and ambient air quality data are uploaded on Central Pollution Control Board (CPCB) website and those of the respective State Pollution Control Boards wherever available. The installation of dust monitors as per the statutory requirement was completed at various plants. The Company also installed Continuous Ambient Air Quality Monitoring stations (CAAQMS) at Wadi and Chanda plants.

18.6 Water Performance:

With an objective to continuously improve water performance and to achieve a water positive status, the Company has focused its efforts on two approaches:

- (i) Reduction of fresh water intake by lowering water demand in process and non-process areas and waste water recycling after treatment. Water metering and monitoring systems were installed at various plants.
- (ii) Conservation of water by rain water harvesting in plants, mines, colonies,

community areas and sustained water harvesting measures undertaken over the years has helped Kymore and Jamul Plants become self-reliant without being dependent on natural water sources like rivers and bore wells.

These two approaches have helped your Company reduce its specific water consumption per tonne of cement by 7.6% with respect to the previous year.

18.7 Biodiversity

Your Company is committed to the conservation of biodiversity and mine rehabilitation. Efforts on biodiversity conservation are focused on following areas:

- (i) To study and assess the biodiversity around the limestone mines operated by the Company. During the year, biodiversity assessment studies were conducted by an independent third party at five mines.
- (ii) On-ground implementation of activities which conserves biodiversity:
- (iii) Afforestation activities in and around our plant premises with native species of trees at all our plants.
- (iv) Water harvesting in mined out pits. This is a regular practice at the plants.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

Total CSR expenditure incurred by your Company during the year was ₹ 31.16 crore which was higher than the statutory requirement of 2% of the average profit of the last three years.

The CSR Projects of the Company mainly focus on Livelihood, Education, Water, Health and Sanitation. These projects fall under Schedule VII of the Act.

The Company's community development efforts reached out to more than 4 lakh people residing in ~156 villages across the country.

Education initiatives in the vicinity of plants addressed 35,000 students during the year. Scholarships were awarded to ~400 meritorious students belonging to weaker sections of society. Modern methods of

learning such as smart classes and interactive kiosks benefitted students in ~27 rural schools. Efforts were made to provide education to ~1,500 girl children as part of the “ACC ki Ladli” Project. We continued to support seven government-run Industrial Training Institutes as part of the Public Private Partnership Scheme with Ministry of Labour and Employment, Government of India.

About 1,800 unemployed youth attended skill development training programmes and received job placements in various manufacturing and service sector enterprises. Support was provided for the establishment of ~200 new Self Help Groups (SHGs) while existing SHGs were assisted in obtaining registration and formation of a “Farmers’ Producer Companies”.

Our health and nutrition initiatives benefitted to ~58,000 people. About 8,000 children received access to better health and nutrition through support provided to 156 anganwadi centres. Our existing Anti Retroviral Treatment (ART) Centres provided valuable support to nearly 5,400 persons through counseling, testing and treatment for HIV/AIDS.

Your Company’s CSR Footprint has been duly audited by a team of social auditors chaired by Executive Director, Global Compact Network of India. Your Company’s CSR effort has been ranked twelfth among the top 100 listed companies and first among the Cement Sector companies therein as per the annual CSR ranking initiative by Economic Times and Indian Institute of Management, Udaipur.

The Company’s CSR Policy has been re-stated making it more comprehensive and in alignment with the requirements of the Act, and United Nation’s Sustainable Development Goals (SDGs). The CSR Policy Statement and Report on the activities undertaken during the year is annexed to the Board’s Report in Annexure ‘A’.

20. HEALTH & SAFETY (H&S)

20.1 H&S Policy and Rules

Health and Safety (H&S) of employees and all stakeholders is an overarching value of your Company. During the year, the Company’s H&S Policy and H&S Rules were restated to be in alignment with the new Group global vision on H&S. The revised policy reiterates the pledge to conduct the Company’s business in

a manner that helps create a healthy and safe environment for all stakeholders (employees, contractors, communities and customers) based on the adoption of a true safety culture. It further directs that H&S be embedded in everything the Company does when it comes to its people, its processes, its customers, in delivering results and in leading sustainability. The H&S rules redefine essential behaviour necessary to ensure safety. Identifying H&S not as a separate activity but as a critical success factor for operational performance, the policy places personal responsibility on every individual employee at all levels for ensuring safe working conditions in their respective work areas coupled with a fair and transparent consequence management process, in the event of negligence or wilful disregard for safety rules. The policy and rules were widely communicated across the organization to employees and contractor workmen.

20.2 H&S Initiatives

The thrust on “Surakhsha Samvad” and Zone Improvement initiatives that were launched in the preceding year in the plants was maintained.

A new strategy was adopted to provide impetus to implementation of Fatality Prevention Elements (FPE) and requirements of Contractor Safety Management (CSM) directives, thereby creating an environment which strives to ensure “Zero harm to people”. Nine facilitators were nominated from Corporate and Regional H&S teams to support plants in implementing the directive requirements with each facilitator assigned to work in these areas with two Cement Plants and the nearest RMX plant/s and thus help raise the implementation level of CSM and FPE requirements. The progress was closely monitored by top management with the facilitator team to review activities, sharing of learning and resolving bottlenecks.

H&S business processes and information systems across the Company were further strengthened with the launch of an online H&S application called “Click2Safety”. This application helps streamline reporting in a manner that gives

access to all employees, is standardized, is faster and enriches the H&S database.

As part of the UN Global Road Safety Week in May 2015, your Company extended wholehearted support to the “SaveKidsLives” campaign to demonstrate a serious commitment to road safety for children and to enhance general road safety awareness. The campaign was planned and implemented as a high-involvement campaign across the organization. In the course of this campaign, all units engaged with their key stakeholders comprising children of employees and the community, parents, schools, teachers, guardians, drivers and the general public. This campaign engaged over 32,000 people around our units, making it among the largest Employee Volunteering programmes.

Considering road safety to be an essential part of the Company’s logistics excellence objective, your Company also decided to extend this to make it an ongoing three-year commitment to road safety to be implemented as a CSR project.

20.3 Logistics Safety

Logistics safety is one of the major focus areas for your Company. Ongoing initiatives undertaken in this regard included provisions of various plant and parking level protocols, creation of certain hygiene factors for truck drivers and their crew such as amenities at truck parking yards, improving tarpaulin tying practices, improving Personal Protective Equipment usage, renewal of logistics contracts to include safety parameters and issue of “passports” for drivers as well as vehicles which are informal internal databases that provide details of individual identity, registration, roadworthiness and safety preparedness.

Your Company focused on six projects pertaining to the Indian logistics scenario which consisted of Driver Management Centre (DMC), Community road safety education with the help of CSR, use of technology (GPS & RFID) in logistics safety, engagement of drivers and transporters and reduced dependence on market trucks.

Another focus area was inclusion of safety awareness in warehouses. This involved display

of standardized safety posters and observation of safety day/month at each warehouse with a fixed safety topic being discussed.

20.4 Health Initiatives

In the area of health, your Company worked to raise EMR (Emergency Medical Response) capabilities in mines and in Captive Power Plants (CPP) during the year. Each Cement Manufacturing Unit is now equipped with basic life-saving equipment in the health centre, well-equipped first aid room in mines and CPP. Each site has an Advanced Life Support (ALS) ambulance with stretchers and AEDs (Automated External Defibrillator). Your Company has trained all the shift supervisors at each plant in basic life support techniques, thus creating a companywide pool of 3,500 trained shift supervisors.

To reduce health risk factors among employees and their families a well-structured approach has been started which involves all stakeholders. The strategy includes use of Company’s internal electronic portal for health sensitization programme and nomination of “Health Peers” from among Shop Floor Associates (SFA) cadre to spread health awareness among their colleagues, other employees and their families. This structured approach is yielding results and we estimate it to have helped reduce the health risk factor among employees by 2%.

During the year, your Company tied up with Air ambulance services, to expedite evacuation in the event of medical emergencies at remote plant locations. This will go a long way in ensuring timely medical care to the employees when needed.

21. HUMAN RESOURCES

The Company adopted a new functional organization structure with effect from April 1, 2015, replacing the earlier regional-based structure in a smooth swift transition. The new structure is intended to enable the organization to be more collaborative, agile and streamlined in implementing strategy, harnessing internal functional expertise to the fullest and in enhancing stakeholder value.

Employee Relations

A new HR policy was introduced from January 1, 2015 which described employee compensation, perquisites, allowances and other benefits. It was intended as a part of the Company's continuous efforts to offer one of the "Best Places to Work" in the cement industry. The new policy was designed to attract new talent and motivate existing employees to contribute to their peak performance levels.

In 2015, the Company participated in a Global Employee Engagement Survey conducted by the Group. Designed by Aon Hewitt, this was felt to be more insightful than the "Engaging For Results" (EFR) Survey of employee feedback that was conducted annually since 2007. Maintaining the trend seen in the EFR exercise, this survey also saw participation of a very high order at 96%; more meaningfully the results showed an employee satisfaction of 86%. The high satisfaction score suggests that a predominant share of employees were satisfied with various work related initiatives, people processes, training and learning opportunities.

The Company's HR function is recognized in the sector for its engagement and leadership development processes in nurturing talent necessary to keep the organization's talent pool future ready. The Company continued with efforts to ensure that its pool of human resources is "future ready" through its robust processes of learning & development, capability building and its development programmes for shop floor associates. Efforts continued to be taken to develop leadership lines as well as to enhance technical and functional capabilities with special focus on nurturing young talent, in order to meet future challenges. The Company's Learning Academy at Thane received the Golden Peacock National Training Award of the Institute of Directors.

India Manufacturing Transformation (IMT)

The IMT programme aims to make the work-culture in the core areas of production and maintenance in the cement plants more contemporary. This envisages a lean manufacturing organization design with multitasking, standardization and simplification of manufacturing processes, improved productivity standards, introduction of a centralized maintenance design with better planning and benchmarking with the best-in-class. These initiatives will enable

the cement plants operate more efficiently in a competitive environment and render them compatible with global manufacturing standards.

The IMT initiative has brought about visible signs of improvement in on-site safety performance and work culture, whilst at the same time resulted in a reduction of 12.5% in the deployment of human resources in all categories and enhancement of 11.6% in productivity.

Recognizing the need to rehabilitate those employees (permanent as well as on contract) who are affected by the IMT programme, your Company has established vocational guidance centres manned by full-time trainers to provide skill training useful in securing alternative re-employment and in setting-up micro enterprises and cottage industries. A detailed need assessment was conducted to understand the potential employment opportunity in nearby areas alongside a demographic survey of 1500 employees' family members to understand their learning and employability potential.

Industrial Relations

Employee Relations at all the Units remained cordial. This has helped to build a healthy relationship and resolve issues through mutual dialogue. A major achievement in this area was the successful conclusion of a common long term wage settlement between the Company and trade unions at all plants that takes effect retrospectively from April 2014 and will be in force till March 2018. This accord incorporates novel elements such as a productivity enhancement scheme, a new incentive scheme to encourage clinker despatches, improvement in housekeeping, elimination of waste and effective utilization of time. The settlement is expected to contribute towards enhancing productivity at the plants besides enjoining employees and shop-floor associates at plants to adapt to a richer work culture.

Sexual Harassment of Women at Workplace

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)

Act, 2013 and Rules framed thereunder, the Company has implemented a policy on prevention, prohibition and redressal of sexual harassment at the workplace, which has been uploaded on the Company's intranet portal. All women, permanent, temporary or contractual including those of service providers are covered under the policy. An Internal Complaints Committee comprising five management staff has been set up which includes three women to redress complaints relating to sexual harassment. Besides, in each of the units there is one nodal person to receive and forward complaints to the "first instance person (FIP) who is a woman" or directly to the Committee.

During the year, the Company received one complaint on sexual harassment. The complaint has been investigated and appropriate action has been taken. There were no complaints pending for more than 90 days.

Awareness programmes were conducted across the Company to sensitize the employees to uphold the dignity of their colleagues at workplace, particularly with respect to prevention of sexual harassment. Some employees were sent to attend training programmes conducted by an external agency.

22. BUSINESS RISKS & OPPORTUNITIES

The Business Risk Management Committee, chaired by an Independent Director, is functioning as required under SEBI Regulations. The Committee met twice during the year. Details of this Committee, its terms of reference and functioning are set out in the Corporate Governance Report.

The Company has implemented a Business Risk Management Policy which lays down the framework to identify business risks at both Corporate level and at Business Segment level.

The Company's approach to addressing business risks is comprehensive and enables timely anticipation of risks and identification of opportunities enabling appropriate responses, thereby enhancing the Company's competitive advantage. Separate approaches are defined for each of the main business segments of cement and RMX and forms an integral part of the Company's Mid-Term Planning cycle.

The Company is faced with various risks at an operational level which very often have the potential to offer business opportunities. Some of the main risks are discussed herein:

Raw Materials Risks

Limestone is the principal raw material for Portland Cement. Under the new Mines and Minerals (Development and Regulation) Amendment Act, 2015, leases granted before the commencement of the Act, for captive use, are extended up to a period ending on March 31, 2030, or till the completion of their renewal period whichever is later. Most of the Company's limestone leases thereby get an extension up to 2030 by virtue of this Act. For new leases, the period of lease will be fifty years from the date of grant.

In future, all Mining leases will be granted by a process of auction/bidding. However, under the MMDR the existing lease holder whose term of lease has expired will get the right of first refusal at the time of auction of the said mining lease, in cases where the mineral is used for captive purposes. This will give the incumbent lease holder an opportunity to obtain the same lease at the highest bid, which is likely to be at an increased cost.

To mitigate this risk, the Company is increasing the consumption of petcoke and additives which enables it to use low grade limestone and thus achieve mineral conservation while increasing the life of the plant.

Competition Risks

The country's Cement Industry is presently facing intense competition with the entry of new players and some existing manufacturers growing inorganically. We expect this situation to continue. To mitigate this risk, the Company is leveraging on its expertise, experience and the additional capacities at Jamul and Sindri which are expected to be commissioned in Q2 2016. This will enable the Company to maintain its market share particularly in the Eastern Region. Simultaneously, the Company is implementing measures to enhance its brand equity, visibility and comparative advantage, broaden its product portfolio and service offerings while leveraging on its ICI (Infrastructure, Commercial and Institutional) Sales team to offer value to large customers. The Company is also closely monitoring its costs so as to be more competitive in the marketplace.

Proactive Safety Culture

Your Company has identified Health & Safety of employees and workmen as one of its key focus areas. Various safety assessments and training programmes are regularly conducted to reinforce the concept of “Safety as a Value” and to nurture a proactive safety culture. These include programmes on Behaviour Based Safety Training and Visible Safety Leadership. Health and Safety competencies are integrated into the job descriptions of all Management Staff such that accountability is further strengthened.

Safety on National roads is largely dependent on various factors such as the overall condition and maintenance of roads, vehicle road-worthiness and general observance of road traffic laws. As part of its Logistics Safety function and Indian Road Safety Programme, the Company has taken several initiatives including regular simulator-based driver training, vehicle inspection for road-worthiness and the use of Global Positioning Systems (GPS) to monitor outbound movement of cement to the end user.

Opportunities

Your Company also regularly examines potential opportunities created from situations involving business risks. These include possibilities in the areas of the availability and sourcing of raw materials, energy efficiency and conservation, logistics, product development and market segmentation based on research, imbibing best practices in manufacturing and other areas leading to productivity improvement.

23. COMPETITION APPELLATE TRIBUNAL (COMPAT) APPEAL

In December 2015, the Competition Appellate Tribunal (COMPAT) set aside an Order passed by the Competition Commission of India (CCI) in June 2012 and remanded the matter to the Commission for fresh adjudication within a timeline of three months. The said CCI order of June 2012 was in response to a complaint filed by the Builders Association of India against leading cement companies (including ACC) alleging violations of certain sections of the Competition Act, 2002. The CCI order had levied a penalty on cement companies, which for the Company was of ₹ 1,147.59 crore. Responding to appeals against payment of this penalty, COMPAT had granted an interim

stay while directing the Company and others to deposit 10% of the penalty which was placed as a Fixed Deposit with a bank, with the Commission having a lien thereon. The deposit amount has since been refunded to the Company. Members’ attention is invited to Note No. 37 in the Notes to the Financial Statements.

24. INTERNAL CONTROL SYSTEMS

24.1 Internal Control Systems and their adequacy

The Company has in place well defined and adequate internal controls commensurate with the size of the Company and the same were operating effectively throughout the year.

The Company has an in-house Internal Audit (IA) function. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the IA function reports to the Chairman of the Audit Committee of the Board. The IA Department evaluates the efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company. Based on the report of IA 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.

24.2 Internal Controls Over Financial Reporting

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has adopted accounting policies which are in line with the Accounting Standards and the Act. These are in accordance with generally accepted accounting principles in India. Changes in policies, if required, are made in consultation with the Auditors and are approved by the Audit Committee.

The Company has a robust financial closure, certification mechanism for certifying adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

25. INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

The Ministry of Corporate Affairs vide its notification dated February 16, 2015 has notified the Companies (Indian Accounting Standard) Rules, 2015.

In pursuance of this notification, the Company, its subsidiaries and joint venture company will adopt IND AS with effect from January 01, 2017, with the comparatives for the periods ending December 31, 2016.

The implementation of IND AS is a major change process for which the Company has established a project team and is dedicating considerable resources. The impact of the change on adoption of IND AS is being assessed.

26. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named EthicalView Reporting Policy (EVRP) to report concerns about unethical behaviour, actual/suspected frauds and violation of Company's Code of Conduct. Protected disclosures can be made by a whistle blower through several channels. An EthicalView Committee has been constituted to discuss the finding of the investigations of the complaints and to recommend remedial actions. The Audit Committee of the Board oversees the functioning of the EthicalView Committee. The Company has disclosed the details of the EthicalView Reporting Policy on its website www.acclimited.com.

Also during the year, your Company reached out extensively to employees to conduct greater awareness on Value Creation in Competitive

Environment (VCCE) and on Anti Bribery and Corruption Directive (ABCD) through e-learning modules and face to face sessions, achieving a high level of engagement and compliance. This reflects your Company's strong commitment to "Zero tolerance" for non-compliances in this regard and to doing business the right way and with integrity.

27. SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES

27.1 SUBSIDIARIES

Bulk Cement Corporation (India) Limited (BCCI)

During the year under review, BCCI handled cement volumes of 1.00 million tonnes as against 1.03 million tonnes in 2014. The Profit before tax and exceptional items for the year 2015 was ₹ 3.04 crore as against ₹ 6.29 crore in the year 2014.

ACC Mineral Resources Limited (AMRL)

AMRL had entered into a Joint Venture for developing four coal blocks. Consequent upon the cancellation of these coal blocks during 2014, this Company does not have any operating income.

Other Subsidiaries

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.

27.2 ASSOCIATE / JOINT VENTURE COMPANIES

As on December 31, 2015, the following are Associate Companies:

- Alcon Cements Company Private Limited
- Aakaash Manufacturing Company Private Limited
- Asian Concretes and Cements Private Limited

During the year, the Company has invested ₹ 2.5 crore in equity shares of "OneIndia BSC Private Limited" which is a jointly controlled entity with equal participation with Ambuja Cements Limited, a fellow subsidiary Company, with an aim to provide back office services with respect to routine processess.

27.3 Statement containing salient features of Accounts of the Company's Subsidiaries / Associate / Joint Venture Companies

Pursuant to Section 129(3) of the Act, a statement in Form "AOC 1" containing the salient features of the Financial Statements of each of the subsidiaries, associates and joint venture companies is attached.

Although the audited statements of account, relating to the Company's subsidiaries are no longer required to be attached to the Company's Annual Report, the same are enclosed as and by way of better disclosure practices. These are also available on the Company's website and can be accessed at the weblink http://www.acclimited.com/newsite/finance/annual_report_2015.pdf

28. LAFARGEHOLCIM LTD.

In April 2014, Holcim Limited (which represents your Company's promoter group) had announced its intention to combine with Lafarge S.A. through a merger of equals to create the most advanced company in the global building materials industry. Holcim and Lafarge completed their global merger to create a new company called LafargeHolcim Ltd. which was launched on July 15, 2015 and which has emerged as a world leader in the building materials industry.

While the global merger has no immediate impact on your Company's operations, the Company has taken advantage of the opportunity to align itself with some of the group's policies in the areas of Health & Safety and Sustainable Development as also benefit from the access to a larger pool of global best practices.

29. DIRECTORS & KEY MANAGERIAL PERSONNEL

29.1 Appointment of Directors

Pursuant to the request received from Holcim (India) Private Ltd, to consider the appointment of their representatives on the Board of Directors and on the recommendation of the Nomination & Remuneration Committee, the Board of Directors has appointed:

- Mr Eric Olsen, CEO of LafargeHolcim Ltd. (LH), as an Additional Director of

the Company with effect from July 17, 2015 in the category of Non-Executive, Non-Independent Director.

- Mr Christof Hassig, as an Additional Director of the Company with effect from December 9, 2015 in the category of Non-Executive, Non-Independent Director. Mr Hassig, heads the Corporate Strategy and Mergers & Acquisitions function in LH.
- Mr Martin Kriegner, as Additional Director of the Company with effect from February 11, 2016 in the category of a Non-Executive, Non-Independent Director. Mr Kriegner who is currently Area Manager for LH operations in Central Europe, will be taking over as Area Manager for India in the LH group with effect from March 1, 2016.

In accordance with Section 161 of the Act, the aforesaid Directors hold office upto the date of the forthcoming Annual General Meeting of the Company and being eligible offer their candidature for appointment as Directors. Your approval for their appointment as Directors in the category of Non-Executive, Non-Independent Directors has been sought in the Notice convening the forthcoming Annual General Meeting of the Company.

The Board of Directors has elected Mr Eric Olsen, CEO of LafargeHolcim Ltd., as Deputy Chairman of the Board with effect from February 11, 2016.

29.2 Resignation of Directors

- Consequent upon his resignation as CEO of former Holcim Limited, Mr Bernard Fontana, a Non-Executive and Non-Independent Director of the Company resigned from the Board of Directors with effect from July 17, 2015.
- Mr Aidan Lynam, a Non-Executive and a Non-Independent Director of the Company also resigned from the services of former Holcim Limited and consequently stepped down from the Board of Directors of the Company with effect from July 14, 2015.

- Mr Bernard Terver, Deputy Chairman, a Non-Executive and Non-Independent Director decided to retire from the services of LafargeHolcim Ltd. and has therefore stepped down from the Board of Directors of the Company with effect from February 11, 2016.

The Board of Directors has placed on record its warm appreciation of the rich contribution made by Mr Fontana, Mr Lynam and Mr Terver during their respective tenures as Directors of the Company.

29.3 Directors coming up for retirement by rotation

In accordance with the provisions of the Act, and the Articles of Association of the Company, Mr Vijay Kumar Sharma retires by rotation and being eligible offers his candidature for re-appointment as a Director.

29.4 Independent Directors

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation.

In accordance with Section 149(7) of the Act, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and SEBI Regulations.

29.5 Board Effectiveness

a. Familiarization Programme for the Independent Directors

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance

Report. The same is also available on the website of the Company and can be accessed by web link http://www.acclimited.com/newsite/pdf/Induction_program.pdf

b. Board Evaluation

Pursuant to the provisions of the Act and the SEBI Regulations, 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 & Remuneration and Compliance Committees. The criteria applied in the evaluation process are explained in the Corporate Governance Report.

29.6 Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder.

1. Mr Harish Badami, CEO & Managing Director
2. Mr Sunil Nayak, Chief Financial Officer
3. Mr Burjor D Nariman, Company Secretary & Head Compliance

None of the Key Managerial Personnel have resigned during the year under review.

29.7 Criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior leadership positions

Your Company has laid down a well-defined criteria for the selection of candidates for appointment as Directors, Key Managerial Personnel and senior leadership positions. The relevant information has been given in Annexure 'B' which forms part of the Board's Report.

29.8 Remuneration Policy for Directors

The policy for remuneration of Directors, Key Managerial Personnel and Senior Management Personnel is set out in Annexure 'C' which forms part of the Board's Report.

30. 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 statement in terms of Section 134 of the Act:

- a. that in the preparation of the annual accounts for the year ended December 31, 2015, 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 judgment 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 on December 31, 2015, 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 accounts have been prepared on a going concern basis;
- e. that proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f. that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

31. MEETINGS

31.1 Board Meetings

During the year, six Board Meetings were convened and held, the details of which are given in the Corporate Governance Report.

31.2 Audit Committee

The Audit Committee comprises five Members of which four including the Chairman of the

Committee are Independent Directors. During the year, six Audit Committee Meetings were convened and held. Details of the Committee are given in the Corporate Governance Report.

31.3 CSR Committee

The CSR Committee comprises five members of which three including the Chairman of the Committee are Independent Directors. The Committee met twice during the reporting period. Details of the Committee are given in the Corporate Governance Report.

32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions with Related Parties are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained 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. Your Company has developed a Related Party Transactions Manual, Standard Operating Procedures for the purpose of identification and monitoring of Related Party Transactions.

The policy on Related Party Transactions as approved by the Board is available on the Company's website and can be accessed through weblink <http://www.acclimited.com/newsite/pdf/CG/PolicyonRPT.pdf> All transactions entered into with related parties during the year were on an arm's length pricing basis and were in the ordinary course of business. There were no material related party transactions i.e transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements entered into during the year. Accordingly, there are no transactions that are required to be reported in Form AOC 2.

None of the Directors nor the Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company.

33. ADOPTION OF NEW ARTICLES

The Companies Act, 2013 and The Companies (Amendment) Act, 2015 has necessitated changes in the Articles of Association of the Company. It is accordingly proposed that a new set of Articles of Association be adopted by the Members and a Resolution to this effect is included at Item No. 9 in the Notice of the Annual General Meeting. The Board recommends the resolution for adoption by the Members.

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

There are no significant or material orders passed by the Regulators, Courts or Tribunals which impact the going concern status of the Company and its future operations. However, Members' attention is drawn to the following development.

Chaibasa Mining

The District Mining Officer, Chaibasa, by his letters dated January 2, 2015 and March 21, 2015, demanded amounts of ₹ 215 crore and ₹ 666 crore towards alleged illegal mining on the part of the Company in mining lease areas of 63.87 hectares and 598.88 hectares, respectively.

The basis for the State to issue these demands were two judgements of the Hon'ble Supreme Court viz. the Goa Foundation case (dated April 21, 2014) and Common Causes case (dated May 16, 2014). It was the contention of the State that in view of the aforesaid judgements the benefit of deemed renewal cannot be made available for second and subsequent renewals and the mining activity therefore subsequent to validity of the last renewals would attract penalties under Section 21(5) of the Mines & Mineral (Development & Regulation) Act (MMDR Act) and hence the levy of penalties as aforesaid.

The aforesaid demands were challenged by your Company by way of a Writ Petition before the Hon'ble High Court of Jharkhand at Ranchi on the grounds that pursuant to the Supreme Court Judgements, Parliament had introduced the MMDR Amendment Ordinance on 12.01.2015, which subsequently became the MMDR (Amendment) Act, 2015. As per

Section 8A(5) of the MMDR (Amendment) Act, in those cases where application for renewal of mining leases were pending, the leases stood automatically extended from the date of the last expiry upto 2030.

The Hon'ble High Court, after hearing the Senior Counsel for the Company, has stayed both the demands upon the deposit of ₹ 48 Crore, which is without prejudice to the rights and contentions of both the parties. Members' attention is invited to Note No. 36(B)(f) of the Notes to the Financial Statements.

Members' attention is also invited to Notes on Contingent Liabilities, in the notes forming part of the Financial Statements.

35. AUDITORS**35.1 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 re-appointment. They have confirmed their eligibility under Section 141 of the Act, and the rules framed thereunder for re-appointment as Auditors of the Company. As required under SEBI Regulations, 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.

The Auditors have given an unqualified Audit Report.

35.2 Cost Auditors

The cost audit records maintained by the Company in respect of its cement activity are required to be audited pursuant to Section 148 of the Act and the Rules framed thereunder. Your Directors have on the recommendation of the Audit Committee, appointed Messrs NIMEHTA & Co. to audit the cost accounts of the Company for the financial year ended December 31, 2015. As required under the Act, 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 for seeking Members ratification for the remuneration payable to Messrs N I Mehta & Co., Cost Auditor, is included at Item No. 8 of the Notice convening the Annual General Meeting.

35.3 Secretarial Audit

Pursuant to the provisions of Section 204 of the Act, and the Rules framed thereunder, 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 Auditor is annexed to the Board's Report as Annexure 'D'.

36. AWARDS

ACC has been recognized for Corporate Excellence in Sustainability and felicitated with the prestigious CII-ITC Sustainability Award 2015 for "Outstanding Accomplishment" in the Category A (large companies with turnover > ₹ 2000 crore). Winners of the CII-ITC Sustainability Award are considered as the country's best role models in sustainability practices.

Celebrating its 20th anniversary, National Stock Exchange of India Limited (NSE) felicitated your Company and fifteen other companies out of the 50 companies whose scrip constitutes the Nifty 50 Index and have been a part of the index from its inception.

Your Company's Annual Report for 2014 won the "Silver Shield" from the prestigious Institute of Chartered Accountants of India for "Excellence in Financial Reporting".

During the year under review, your Company also received several other awards and citations from reputed bodies for good performance in areas as diverse as Safety, Manufacturing, Energy Conservation, Logistics, Environment Management and Communication.

37. ENHANCING SHAREHOLDER VALUE

Your Company firmly believes that its success in the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organizational vision is founded on the principles of good governance and by the

resolve to be a customer-centric organization which motivates the Company's Management to be aligned to deliver leading-edge building products backed with dependable after sales services.

Your Company is committed to creating and maximizing long-term value for shareholders and essentially follows a four pronged approach to achieve this end.

- a) by increasing all-round operational efficiencies,
- b) by identifying strategies that enhance its competitive advantage,
- c) by managing risks and pursuing opportunities for profitable growth, and
- d) by cementing relationships with other important stakeholder groups through meaningful engagement processes and mutually rewarding associations that enable it to create positive impacts on the economic, societal and environmental dimensions of the Triple Bottom Line.

Underlying this is also a dedication to value-friendly financial reporting that assures the shareholder and investor of receiving transparent and unfettered information on the Company's performance.

38. CORPORATE GOVERNANCE

A separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance, forms a part of this Annual Report, as per SEBI Regulations.

39. BUSINESS RESPONSIBILITY REPORTING

A separate section on Business Responsibility forms part of this Annual Report as required by SEBI Regulations.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in Section 134(3)(m) of the Act, and the Rules framed thereunder is annexed herewith as Annexure 'E' to the Board's Report.

41. EXTRACT OF ANNUAL RETURN

As required by Section 92(3) of the Act and the Rules framed thereunder, the extract of the Annual Return in Form MGT 9 is enclosed as Annexure 'F' to the Board's Report.

42. PARTICULARS OF EMPLOYEES

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, and the Rules framed thereunder is enclosed as Annexure 'G' to the Board's Report.

The information on employees who were in receipt of remuneration of not less than ₹ 60 lakhs during the year or ₹ 5 lakhs per month during any part of the year forms part of this Report and will be provided to any Member on a written request to the Company Secretary. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid Annexure 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.

44. ACKNOWLEDGEMENTS

Your Directors are thankful to the Central and State Government Departments, Organizations and Agencies for their continued guidance and

co-operation. The Directors are grateful to all valuable stakeholders of the Company viz. our customers, shareholders, dealers, vendors, banks and other business associates for their excellent support and help rendered during the year. The Directors also acknowledge the unstinted commitment and valued contribution of all employees of the Company.

45. 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.

For and on behalf of the Board of Directors

N S Sekhsaria
Chairman

Mumbai
February 10, 2016

CSR POLICY STATEMENT

(approved by the Board of Directors on December 8, 2015)

Our vision 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.

Our CSR initiatives focus on the holistic development of our host communities while creating social, environmental and economic value to society.

To pursue these objectives we will continue to:

- Uphold and promote the principles of inclusive growth and equitable development.
- Devise and implement Community Development Plans based on the needs and priorities of our host communities and measure the effectiveness of such development programmes.
- Work actively in the areas of Livelihood advancement, Enhancing employability and Income Generation, Improving Quality and reach of Education, Promoting Health and Sanitation, conserving the Environment and supporting local Sports, Arts and Culture.
- Collaborate with like-minded bodies such as Governments, Civil Society Organisations and Academic Institutions in pursuit of our Goals.
- Interact regularly with stakeholders, review and publicly report our CSR initiatives.

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 weblink to the CSR Policy and projects or programmes.**
 CSR Policy statement is given hereinbefore.
Weblink:
http://www.acclimited.com/newsite/pdf/Policy/ACCCSRPolicy_2015SignedbyMD.pdf
 2. **The Composition of the CSR Committee:**
 Mr. Shailesh Haribhakti, Chairman (Non-Executive / Independent Director)
 Ms. Falguni Nayar, Member (Non-Executive / Independent Director)
 Mr. Farrokh K Kavarana, Member (Non-Executive / Independent Director)
 3. **Average net profit of the company for last three financial years.**
 The average net profit of the Company for last three financial years is ₹ 1,395.20 Crore.
 4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**
 ₹ 27.90 Crore
 5. **Details of CSR spent for the financial years.**
 - a) **Total amount to be spent during the financial year:**
 ₹ 27.90 Crore
 - b) **Amount unspent, if any:**
 NIL
- c) **The manner in which the amount has been spent during the financial year 2015 is detailed below:**

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ Crore)	Amount Spent on the project or programs (₹ Crore) Sub - Heads: 1. Direct Expenditure on Projects or programs 2. Overheads**	Cumulative Expenditure upto reporting period (₹ Crore)	Amount Spent: Direct or through implementation agency (₹ Crore)
1.	ACC DISHA	Youth Employability (Schedule VII - (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballarpur (Karnataka), Gulbarga(Karnataka), and Coimbatore (Tamil Nadu)	2.95	3.71	3.71	3.71

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ Crore)	Amount Spent on the project or programs (₹ Crore) Sub - Heads: 1. Direct Expenditure on Projects or programs 2. Overheads**	Cumulative Expenditure upto reporting period (₹ Crore)	Amount Spent: Direct or through implementation agency (₹ Crore)
2.	ACC- LIESA	Sustainable Agriculture (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballapur (Karnataka) and Coimbatore (Tamil Nadu)	4.04	6.64	6.64	6.64
3.	ACC - Swavlamban	Women Empowerment (Schedule VII – (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballapur (Karnataka), and Coimbatore (Tamil Nadu)	3.05	3.36	3.36	3.36

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ Crore)	Amount Spent on the project or programs (₹ Crore) Sub - Heads: 1. Direct Expenditure on Projects or programs 2. Overheads**	Cumulative Expenditure upto reporting period (₹ Crore)	Amount Spent: Direct or through implementation agency (₹ Crore)
4.	ACC Vidya Utkarsh	Quality Education (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), Shrawasti (Uttar Pradesh), Shahazanapur (Uttar Pradesh), Jaunpur (Uttar Pradesh), Mirzapur (Uttar Pradesh), Mewat (Haryana), Sirmaur (Himachal Pradesh), Sheopur (Madhya Pradesh), Rudraprayag (Uttarakhand), Alwar (Rajasthan), and Coimbatore (Tamil Nadu)	6.17	5.13	5.13	5.13
5.	ACC Vidya Saarathi	Scholarship and support (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	0.57	0.38	0.38	0.38

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ Crore)	Amount Spent on the project or programs (₹ Crore) Sub - Heads: 1. Direct Expenditure on Projects or programs 2. Overheads**	Cumulative Expenditure upto reporting period (₹ Crore)	Amount Spent: Direct or through implementation agency (₹ Crore)
6.	ACC-Arogyam	Health (Schedule VII – (i) Eradicating hunger poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikballapur (Karnataka), and Coimbatore (Tamil Nadu)	5.18	3.70	3.70	3.70
7.	ACC - Sampurn Swachhata	Sanitation (Schedule VII – (i) Eradicating hunger poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikballapur (Karnataka), Coimbatore (Tamil Nadu)	5.06	4.14	4.14	4.14
8.	ACC Sanrakshit Paryavaran	Conservation of Environment (Schedule VII – (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikballapur (Karnataka), Coimbatore (Tamil Nadu) Aurangabad (Maharashtra) and Beed (Maharashtra)	2.53	3.16	3.16	3.16

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ Crore)	Amount Spent on the project or programs (₹ Crore) Sub - Heads: 1. Direct Expenditure on Projects or programs 2. Overheads**	Cumulative Expenditure upto reporting period (₹ Crore)	Amount Spent: Direct or through implementation agency (₹ Crore)
9.	ACC -Drona	Promoting Local, Arts and Culture (Schedule VII – (vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	1.95	0.94	0.94	0.94
		TOTAL		31.47	31.16	31.16	31.16

* Details of some of the implementing agencies – 1. ACC MAVIM Loksanchalit Sadhan Kendra - CMRC- Ghugus, 2. Agranee Jan Kalyan Anusthan, 3. Akruti Rural Development Trust, 4. Amhi Amchya Arogyasathi, 5. Bala ji associates, Uttarpradesh, 6. CENTUM Foundation, New Delhi, 7. Chattisgarh Pradesh Judo sangh, 8. Creative India, 9. CREDA, 10. Dehat (Developmental Association for Human Advancement) Bahraich, 11. Dilasa Janvikas Pratishthan, Aurangabad, 12. Forum for Rural Development (FORD), 13. Foundation for MSME clusters, New Delhi, 14. HARITIKA, 15. Himachal Pradesh Voluntary Health Association (HPVHA), Shimla, 16. IIMPACT, New Delhi, 17. Indian Grameen Services, 18. Jan Mangal Sansthan, 19. Jan Sevak Samiti, Bhilai, 20. DEEDS, 21. Loka Kalyan Parishad, 22. Mahashakti Foundation, 23. Mahatma Gandhi Integrated development and Education Institute, Bandikui, Rajasthan, 24. Naad Gunjan Kala Parishad, 25. Pancham Research and Bio tech Sansthan, Lucknow, 26. SANSKAR, 27. Sarva Seva Samiti Sanstha, 28. SATTVA, 29. SEEDS, 30. Self reliant initiatives through joint action (SRIJAN), 31. SERDS, Kadirannagari Palli, Bagepalli Tal, 32. Sulabh International, 33. Udyogini, 34. WESTRIC TRUST

** Overheads : ₹ 3.53 Crore

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its board report.

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objective and Policy of the company.

ACC CSR projects were designed, implemented and periodically monitored based on need assessment reports and CSR Policy of the Company, which in turn is based on and implemented with statutory requirements.

Sd/-

HARISH BADAMI
CEO & Managing Director

Sd/-

SHAILESH V. HARIBHAKTI
Chairman, CSR Committee

ANNEXURE 'B' TO BOARD'S REPORT

CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND MEMBERS OF THE EXECUTIVE COMMITTEE

The Nomination & Remuneration Committee plays an important role in ensuring that there is a formal and transparent process for appointment to the Board of Directors and is, inter alia, responsible for identifying potential candidates for appointment as Directors. The Committee takes into account the Board's existing composition vis-a-vis the need to have a broad based and diverse Board commensurate with the size and complexity of the Company's operations. This ensures that the Company gets the maximum benefit from the contributions and deliberations of an accomplished and diverse group of individuals and professionals, that issues are discussed from different angles fostering creativity in the Board's decision making process as well as provide for comprehensive strategic planning and effective risk management at the highest level.

Some of the important criteria considered by the Nomination & Remuneration Committee in identifying candidates for appointment as Directors are:

- a. selection of candidates from a wide cross section of industries and professional backgrounds, qualifications, expertise and experience of the candidate, their domain and functional knowledge in the fields of manufacturing, marketing, finance, taxation, law, governance and general management so as to enable the Board to discharge its function and duties effectively;
- b. in case of recommendation for appointment of Independent Directors, the Nomination & Remuneration Committee shall also satisfy itself with regard to the independent nature of the Director vis-à-vis the Company;
- c. the candidates identified for appointment as Directors should not be disqualified for appointment under Section 164 of the Act;
- d. the following attributes / criteria will be considered whilst recommending the candidature for appointment as Director:
 - i. age of the candidate;
 - ii. integrity of the candidate;
 - iii. personal, Professional or Business Standing;
 - iv. diversity of the Board;

- v. positive attributes of the candidate;
- vi. in case of re-appointment of Non-Executive Directors, the Nomination & Remuneration Committee whilst making its recommendation to the Board of Directors, shall take into consideration the performance evaluation of the Director and his engagement level.

The Nomination & Remuneration Committee shall meet potential candidates to assess their level of competence, experience and their personal and other positive attributes before making its recommendation to the Board.

For the purpose of assessing the attributes of the candidate, the Committee shall, inter alia, take into consideration whether the candidate demonstrates:

- high standards of ethical behaviour;
- positive disposition, good interpersonal and communication skills;
- ability to think independently without being influenced by extraneous circumstances or consideration;
- capability to act with reasonable care, in good faith and in the best interests of the Company and its stakeholders;
- ability to devote time and attention for the business and governance of the Company;
- refrain from situations that may have a direct or indirect conflict of interest with those of the Company;
- acceptance to abide by the Company's Code of Business Conduct.

The Board of Directors (including the Nomination & Remuneration Committee) periodically review vacancies likely to occur on the completion of the tenure of Non-Executive Directors for timely filling of such vacancies.

In the selection of the CEO&MD, the Nomination & Remuneration Committee identifies persons of integrity who possess relevant expertise and experience, domain

and functional knowledge required for such office and who demonstrate positive attributes as explained above. The ability of the candidate to adapt to the organizational culture and ethos are also considered. The Committee also ensures that the identified candidate is not disqualified for appointment as a Director. In this regard, the Committee also takes into consideration the recommendations received from any Member of the Committee / Board of Directors.

In case of appointment of persons to the Executive Committee, the Nomination & Remuneration Committee considers the recommendation of the CEO&MD in this regard, who shall base his recommendation on the assessment of the qualifications, expertise and experience functional knowledge and skills of the candidate, his/her positive attributes and the ability and agility of the candidate to adapt to the overall organizational culture and ethos.

ANNEXURE 'C' TO BOARD'S REPORT**POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL
AND MEMBERS OF THE EXECUTIVE COMMITTEE****Remuneration Philosophy**

The collective responsibility of the Board of Directors is the guiding principle in determining the compensation for Non-Executive Directors, whilst at the same time recognizing and adequately compensating the Chairman of the Board of Directors, the Chairman of the Audit Committee and Members of the Audit Committee and Compliance Committee for the additional responsibilities shouldered by them. The Chairman of the Board is required to provide leadership and balance conflicts of interest, if any, so that decisions are taken in the best interests of the Company and to ensure highest standards of governance. Likewise, the Members of the Audit Committee and the Compliance Committee have the onerous responsibility to respectively ensure adequacy of internal controls, robustness of financial policies and accounting principles and compliance with applicable laws. The Members of the Audit Committee and the Compliance Committee and particularly the Chairman of the Audit Committees is required to spend considerable time for providing guidance to the Management in dealing with major issues.

Remuneration

The remuneration of the Non-Executive Directors is determined within the limits prescribed under Section 179 read with the rules framed thereunder and Schedule V to the Companies Act, 2013 (hereinafter collectively referred to as "the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations").

The Non-Executive Directors of the Company receive remuneration by way of sitting fees for attending the Board / Committee Meetings and commission as detailed hereunder:

- i. sitting fees for each meeting of the Board or Committee of the Board attended by the Director, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act;
- ii. subject to the approval of the Members in General Meeting, payment of commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Nomination & Remuneration Committee, subject to the ceiling prescribed under the Act. Pursuant thereto, the total commission

payable to the Directors shall not exceed 1% of the net profit of the Company;

- iii. the commission is generally paid on a uniform basis, to reinforce the principles of collective responsibility of the Board;
- iv. the Nomination & Remuneration 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 Nomination & Remuneration Committee shall make its recommendation after taking into consideration the overall performance of the Company and having regard to the onerous responsibilities required to be shouldered by the Director etc.
- vi. the Nomination & Remuneration Committee may recommend to the Board, for the payment of an 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 Nomination & Remuneration Committee;
- viii. the commission shall be payable on a prorata basis to those Directors who occupy office for part of the year;
- ix. the Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

The CSR Committee has decided not to accept any sitting fees and pursuant thereto, no sitting fees are paid to the Members of the CSR Committee for attending CSR Committee Meetings

Remuneration Policy for the Chief Executive Officer & Managing Director (CEO&MD) and Executive Committee Members

The Company's compensation philosophy for the CEO&MD and the Executive Committee Members is broadly

guided by the fact that the Company gains a competitive advantage in attracting, retaining and motivating talent. This can be ensured by providing a remuneration structure which when benchmarked with comparable companies within the industry / sector compares favourably so as to attract talent. At the same time the reward proposition is linked to the overall company's performance, individual performance, employee's potential, criticality of the function and its importance for achieving a competitive advantage in business.

Remuneration Policy for the CEO&MD

- i. The CEO&MD shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the CEO&MD, within the overall limits prescribed under the Act.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the CEO&MD shall be broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component viz. performance bonus and other long term incentives.
- iv. In determining the remuneration the Nomination & Remuneration Committee shall consider the following:
 - a. the relationship between remuneration and performance;
 - 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&MD, the industry benchmarks and current trends;

- d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.
- e. in keeping with best industry practices, to ensure that the remuneration is competitive and that it compares favourably with the Industry.

Remuneration Policy for the Key Managerial Personnel and the Executive Committee Members

- i. In determining the remuneration of the Key Managerial Personnel (KMP) and Executive Committee Members, the Nomination & Remuneration Committee shall consider the following:
 - a. the relationship between remuneration and performance;
 - b. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - d. 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 benchmarks and current compensation trends in the market.
- ii. The CEO&MD 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 Nomination & Remuneration Committee for its review and approval.

ANNEXURE 'D' TO BOARD'S REPORT

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st DECEMBER, 2015

[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 Ltd

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

Based on our verification of the Company'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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st December, 2015, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st December, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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, as amended from time to time;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, as amended from time to time;

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

- (i) The Listing Agreements entered into by the Company with BSE Limited (Bombay Stock Exchange) and National Stock Exchange of India Limited (NSE);
- (ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from 1st December, 2015);
- (iii) Secretarial Standards issued by The Institute of Company Secretaries of India.

We 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.

During the period, all the decisions in the Board Meetings were carried out unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor

for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure 1.

We 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. (As mentioned above and listed in Annexure I)

We further report that during the audit period there were no specific events/ actions having a major bearing on the Company's affairs.

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

Place: Mumbai

Date: January 22, 2016

Annexure I

1. Employees' Provident Fund Act, 1952 and Rules
2. Professional Tax Act, 1975 and Rules
3. Payment of Gratuity Act, 1972
4. Apprentices Act, 1961
5. Contract Labour (R&A) Act, 1970
6. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
7. Employees State Insurance Act, 1947
8. Employees Provident Fund & Misc provisions Act, 1952
9. Equal Remuneration Act, 1976
10. Minimum Wages Act, 1948
11. Payment of Bonus Act, 1965
12. Shop and Establishment Act
13. Income Tax Act, 1961
14. Finance Act, 1994

ANNEXURE 'E' TO BOARD'S REPORT**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS & OUTGO**

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

(A) CONSERVATION OF ENERGY

The year under review was very crucial from the point of view of Energy Conservation as it was the assessment year for the first cycle of Perform, Achieve and Trade (PAT) Scheme introduced by the Ministry of Power, for bringing in efficiencies in energy in major industries.

Your Company turned out a good PAT performance and reduced total specific energy consumption, surpassing the target set by the Government of India (GoI) during the very first year of the PAT cycle. The Company is expected to get ~1,19,000 Energy Saving Certificates (ESCs), tradable on the market, from the GoI for exceeding the set targets. The estimated number of ESCs are based on recommendations given by an external Monitoring and Verification Team to the Bureau of Energy Efficiency (BEE) for issuance of ESCs and may change marginally, before the final recommendation for issuance of certificates is given by BEE to the GoI.

Lakheri and Chanda Plants were adjudged energy efficient units by Confederation of Indian Industries (CII), supported by BEE for best practices in energy conservation. Kymore Plant also received the CII award for innovation in energy and efficiency improvement.

Despite lower production volumes, the Company could achieve a reduction of 0.12% in specific electrical energy consumption for the year 2015 as compared to the year 2014, though the specific thermal energy was maintained at the same level.

Energy conservation efficiency measures were undertaken in various areas of Cement Manufacturing and Captive Power Plants (CPPs), mainly through operational measures as under:

- focus on arresting leakages and pressure drops further to a Computational Fluid Dynamics (CFD) study;
- use of Variable Speed Drives (VSDs);
- detailed Energy Audits were conducted at Kymore, Chaibasa, Bargarh, Lakheri, Tikaria, Galgal and Madukkarai Plants;

- upgradation of control systems;
- capacitor banks have been added to the system at all 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 all plants.

During the year, the Company spent ₹ 11.20 crore on major capex projects for energy conservation, besides implementing low cost capex / opex measures to reduce energy consumption.

The initiatives taken as explained above would further improve the thermal and electrical energy efficiency of the Plants.

Green Power

Your Company's Renewable Energy Portfolio consists of 19 MW in the form of Wind Farms across three states which has generated ~29.17 million units of green power (Rajasthan - 12.78 million units, Tamil Nadu - 13.22 million units, Maharashtra - 3.17 million units).

These units helped the Company to fully meet the Renewable Purchase Obligation (Non-Solar) for Madukkarai Plant in Tamil Nadu & Lakheri Plant in Rajasthan, besides getting power at a very cheap cost.

In Maharashtra, the Company's Thane complex and its subsidiary Company Bulk Cement Corporation of (India) Limited, Kalamboli are operating mainly on renewable energy with negligible cost through the wind turbines at Satara, Maharashtra.

The Renewable Energy Certificates (RECs) generated through the Wind Turbine Generators were used to partly trade off the Non Solar Renewable Power Obligation of Galgal and Tikaria Plants, resulting in substantial savings.

The Renewable Power Obligations (Solar & Non Solar) of other plants were met by purchasing Renewable Energy Certificates (RECs).

(B) TECHNOLOGY ABSORPTION

Your Company as part of LafargeHolcim Group enjoys access to various global resources in the form of Technology, Knowhow, Information and experiences in relation to the cement business. It has during the year accessed and applied such resources with necessary application oriented research and development in the following areas:

- using industrial waste as alternative fuel through innovative co-processing;
- optimizing fuel mix;
- reduction of emission;
- developing new analytics;
- introduction of application oriented products;
- value added products and services; and

- implementation of Quality audits and Laboratory Information Management Systems.

In addition to the above, your Company has also taken initiatives for improving production efficiency and Plant availability and conservation of natural resources by using low grade limestone etc.

Your Company is in the process of further implementating various projects for absorption of Technology and Knowhow and use of relevant experiences and information gathered across the LafargeHolcim Units to:

- enhance its customer reach through improvement of product quality and increasing application oriented products;
- meet various sustainability objectives;
- enhance production efficiency; and
- optimize cost, increase revenue and profitability.

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

	2015 ₹ Crore	2014 ₹ Crore
Foreign exchange earned	2.59	1.85
Foreign exchange used	124.80	135.39

N S Sekhsaria
Chairman

Mumbai
February 10, 2016

ANNEXURE 'F' TO BOARD'S REPORT

FORM No. MGT- 9
EXTRACT OF ANNUAL RETURN as on December 31, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details

CIN	L26940MH1936PLC002515
Registration Date	August 1, 1936
Name of the Company	ACC Limited
Category / Sub Category of the Company	Public listed Company having Share Capital
Address of the Registered Office and contact details	Cement House, 121 Maharshi Karve Road, Mumbai - 400020 Tel No. 022-33024321
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. Tel No. 022-33024469

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 the main Product / Services	NIC Code of the Product / Service	% to total turnover of the Company
Cement	3242	91.54
Ready Mixed Concrete	3279	8.46

III. Particulars of Holding, Subsidiary, Associate and Joint Venture Companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate / Joint Venture	% of Shares held	Applicable Section
Holcim (India) Private Limited Suite 304,3rd Floor, DLF South Court, Plot A-1, Saket District Centre, Saket, Delhi - 110 017	U26943DL2002PTC116851	Holding	50.01	2(46)
Holderind Investments Limited 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 2nd 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 2nd Floor, Velho Bldg, Opp Municipal Garden, Panaji, Goa 403 001	U55101GA1995PTC001908	Associate	40	2(6)
OneIndia BSC Private Limited No.003, 'A' Ground Floor, 'The Estate', No. 121 Dickenson Road, Bangalore - 560 042	U74900KA2015PTC082264	Joint Venture	50	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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	93888120	0	93888120	50.01	93888120	0	93888120	50.01	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	93888120	0	93888120	50.01	93888120	0	93888120	50.01	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	541000	0	541000	0.29	541000	0	541000	0.29	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	541000	0	541000	0.29	541000	0	541000	0.29	0
Total Shareholding of Promoters & Promoter Group (A)=(A)(1)+(A)(2)	94429120	0	94429120	50.30	94429120	0	541000	50.30	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	7782296	28620	7810916	4.16	6872626	28620	6901246	3.68	(0.48)
b) Banks / FI	21129205	80471	21209676	11.30	26978360	80271	27058631	14.41	3.11
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	56475	231340	287815	0.15	56475	231340	287815	0.15	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	31328117	17175	31345292	16.70	22818367	16475	22834842	12.16	(4.54)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	60296093	357606	60653699	32.31	56725828	356706	57082534	30.40	(1.91)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	6479350	133311	6612661	3.52	4245164	125371	4370535	2.33	(1.19)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	14303617	6405742	20709359	11.03	14276582	6009260	20285842	10.81	(0.22)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	1895623	962894	2858517	1.52	2080644	0	2080644	1.11	(0.41)
c) Any Other (Specify)			-						
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	385965	385965	0.21	0	215765	215765	0.11	(0.1)
ii) Other Foreign Nationals	900	0	900	0	168901	0	168901	0.09	0.09
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	591806	209350	801156	0.43	648175	207460	855635	0.46	0.03
v) Clearing Members / Clearing House	214940	0	214940	0.11	207887	0	207887	0.11	0
vi) Trusts	717789	0	717789	0.38	2163477	0	2163477	1.15	0.77
vii) Limited Liability Partnership	3086	0	3086	0	854	0	854	0	0
viii) Foreign Portfolio Investors (Corporate)	358164	0	358164	0.19	5884162	0	5884162	3.13	2.94
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	24565275	8097262	32662537	17.40	29675846	6557856	36233702	19.30	1.90
Total Public Shareholding (B)= (B)(1) + (B)(2)	84861368	8454868	93316236	49.70	86401674	6914562	93316236	49.70	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A)+(B)+(C)	179290488	8454868	187745356	100.00	180830794	6914562	187745356	100.00	0

ii) Shareholding of Promoters (including Promoter Group)

Shareholder's Name	Shareholding at the beginning of the year (January 1, 2015)			Shareholding at the end of the year (December 31, 2015)			% 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	0	93888120	50.01	0	0
Holderind Investments Limited	541000	0.29	0	541000	0.29	0	0
Total	94429120	50.30	0	94429120	50.30	0	0

iii) Change in Promoters (including Promoter Group) Shareholding (Please Specify, if there is no change)

	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year				
Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g) allotment/ transfer/ bonus / Sweat Equity etc)	No Change during the year			
At the end of the year				

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2015

Sl. No.	Name of shareholders	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Life Insurance Corporation of India				
	At the beginning of the year	17971429	9.57	-	-
	Bought during the year	4285327	2.28	22256756	11.85
	Sold during the year	82005	0.04	22174751	11.81
	At the end of the year	-	-	22174751	11.81
2	Aberdeen Global Indian Equity (Mauritius) Limited (Fund name changed to 'Aberdeen Global Indian Equity Limited' from 16.10.2015)				
	At the beginning of the year	3968936	2.11	-	-
	Bought during the year	0	0.00	3968936	2.11
	Sold during the year	200000	0.11	3768936	2.01
	At the end of the year	-	-	3768936	2.01
3	JP Morgan Sicav Investment Company (Mauritius) Limited				
	At the beginning of the year	2054678	1.09	-	-
	Bought during the year	491678	0.26	2546356	1.36
	Sold during the year	0	0.00	2546356	1.36
	At the end of the year	-	-	2546356	1.36
4	Aranda Investments (Mauritius) Pte Ltd				
	At the beginning of the year	1994039	1.06	-	-
	Bought during the year	0	0.00	1994039	1.06
	Sold during the year	1905185	1.01	88854	0.05
	At the end of the year	-	-	88854	0.05

Sl. No.	Name of shareholders	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
5	JP Morgan India Fund				
	At the beginning of the year	1561882	0.83	-	-
	Bought during the year	634106	0.34	2195988	1.17
	Sold during the year	80000	0.04	2115988	1.13
	At the end of the year	-	-	2115988	1.13
6	ICICI Prudential Life Insurance Company Ltd				
	At the beginning of the year	1473109	0.78	-	-
	Bought during the year	186185	0.10	1659294	0.88
	Sold during the year	654168	0.35	1005126	0.54
	At the end of the year	-	-	1005126	0.54
7	Abu Dhabi Investment Authority - Jhelum				
	At the beginning of the year	1083211	0.58	-	-
	Bought during the year	275000	0.15	1358211	0.72
	Sold during the year	0	0.00	1358211	0.72
	At the end of the year	-	-	1358211	0.72
8	JP Morgan Indian Investment Company (Mauritius) Limited				
	At the beginning of the year	1041660	0.55	-	-
	Bought during the year	758927	0.40	1800587	0.96
	Sold during the year	131244	0.07	1669343	0.89
	At the end of the year	-	-	1669343	0.89
9	JP Morgan Funds - Emerging Markets Equity Fund				
	At the beginning of the year	1033438	0.55	-	-
	Bought during the year	0	0.00	1033438	0.55
	Sold during the year	219250	0.12	814188	0.43
	At the end of the year	-	-	814188	0.43
10	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Fund				
	At the beginning of the year	940798	0.50	-	-
	Bought during the year	8554	0.00	949352	0.51
	Sold during the year	218981	0.12	730371	0.39
	At the end of the year	-	-	730371	0.39

Notes:

The above information is based on the weekly beneficiary position received from Depositories.

The datewise increase or decrease in shareholding of the top ten shareholders is available on the website of the Company www.acclimited.com

v) Shareholding of Directors and Key Managerial Personnel

Name of the Director	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year				
Datewise increase / decrease in shareholding during the year specifying the reason for increase / decrease (e.g allotment / transfer / bonus / Sweat Equity etc)				
At the end of the year				

None of the Directors hold shares in the Company

Name of the Key Managerial Personnel	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
	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	05	0.00	05	0.00
Datewise increase / decrease in shareholding during the year specifying the reason for increase / decrease (e.g allotment / transfer / bonus / Sweat Equity etc)	-	-	-	-
At the end of the year	05	0.00	05	0.00
Mr. Burjor D Nariman Company Secretary & Head Compliance		-	-	-
At the beginning of the year	200	0.00	200	0.00
Datewise increase / decrease in shareholding during the year specifying the reason for increase / decrease (e.g allotment / transfer / bonus / Sweat Equity etc)	-	-	-	-
At the end of the year	200	0.00	200	0.00

V) Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness ₹ Crore
Indebtedness at the beginning 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
Change in Indebtedness during the financial year				
Addition	-	37.94	-	37.94
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the Financial year				
i) Principal Amount	-	35.50	0.02	35.52
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2.44	-	2.44
Total (i+ii+iii)	-	37.94	0.02	37.96

VI) Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Director and/or Manager**

Sr. No.	Particulars of Remuneration	Mr Harish Badami	Total Amount (₹ lakhs)
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	529.96	529.96
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0.40	0.40
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil
2	Stock Options	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
5	Others		
	i Deferred bonus (to be decided by the Board of Directors at a later date)	-	-
	ii Retirals	39.19	39.19
	TOTAL	569.55	569.55
	Ceiling as per Companies Act, 2013		

B. Remuneration to Other Directors**1. Independent Directors**

Particulars of Remuneration	Name of Director							Total Amount (₹ lakhs)
	Mr. Sekhsaria	Mr. Haribhakti	Mr. Roongta	Mr. Dani	Mr. Kavarana	Mr. Gandhi	Ms. Nayar	
Fee for attending Board / Committee Meetings	4.50	6.40	5.30	6.00	7.70	6.30	3.90	40.10
Commission	37.00	28.00	28.00	28.00	28.00	34.00	16.00	199.00
Others, Please specify								
Sub-Total (B)(1)	41.50	34.40	33.30	34.00	35.70	40.30	19.90	239.10

2. Other Non Executive Directors

Particulars of Remuneration	Name of Director						Total Amount (₹ lakhs)
	Mr. Terver	Mr. Sharma	Mr Eric Olsen	Mr Christof Hassig	Mr. Bernard Fontana - retired during the year	Mr. Aidan Lynam - retired during the year	
Fee for attending Board / Committee Meetings	8.30	2.50	1.00	0.50	1.50	1.00	14.80
Commission	28.00	16.00	7.32	1.01	8.68	8.50	69.51
Others, Please specify							
Sub-Total (B)(2)	36.30	18.50	8.32	1.51	10.18	9.50	84.31
Total (B) = (B)(1) + (B)(2)							323.41

Note: Commission relates to the financial year ended December 31, 2015. This will be paid after the Annual General Meeting to be held on April 13, 2016.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particular of Remuneration	Key Managerial Personnel		
		Mr. Sunil K Nayak Chief Financial Officer	Mr. Burjor D Nariman Company Secretary & Head Compliance	Total Amount ₹ Lakh
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	233.28	119.07	352.35
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Options	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
5	Others, please specify - Retirals	17.52	5.67	23.19
	Total (C)	250.80	124.74	375.54

VII) Penalties / Punishments / Compounding of Offences

There were no penalties / punishments / compounding of offences for the year ended December 31, 2015.

N S Sekhsaria
Chairman

Mumbai
February 10, 2016

ANNEXURE 'G' TO BOARD'S REPORT
INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Ratio of Remuneration of Non-Executive Directors to the median remuneration of the employees of the Company for the year 2015.

Non-Executive and Independent Directors	Remuneration in (₹ Lakh)		Change (%)	Ratio to median Remuneration
	2015	2014		
Mr. N. S. Sekhsaria	37.00	37.00	NIL	9
Mr. Bernard Terver	28.00	28.00	NIL	7
Mr. Eric Olsen - appointed w.e.f. 17.07.2015	7.32	0.00	*	2
Mr. Shailesh Haribhakti	28.00	28.00	NIL	7
Mr. Sushil Kumar Roongta	28.00	28.00	NIL	7
Mr. Ashwin Dani	28.00	28.00	NIL	7
Mr. F. K. Kavarana	28.00	30.50	-8%	7
Mr Vijay Kumar Sharma	16.00	14.42	11%	4
Mr Arunkumar Gandhi	34.00	22.22	53%	8
Mrs Falguni Nayar	16.00	11.05	45%	4
Mr Christof Hassig - appointed w.e.f. 09.12.2015	1.01	0.00	*	0
Mr. Bernard Fontana - resigned as a Director w.e.f. 17.07.2015	8.68	16.00	*	2
Mr. Aidan Lynam - resigned as Director w.e.f. 14.07.2015	8.50	16.00	*	2

* for part of the Year

2. Ratio of remuneration of Key Managerial Personnel (KMP) against the performance of the company:

Whole- time Directors & KMP	Remuneration in (₹ in Lakhs)		Ratio to median Remuneration	Change (%)	% Increase in CTC of Employees	Ratio of 2015 Remuneration to	
	2015	2014				Revenue	Net Profit
Harish Badami CEO & MD	569.55#	310.92	137	83*	9%	0.050	0.968
Sunil Nayak Chief Financial Officer	250.80	202.82	60	24*	10%	0.022	0.425
Burjar Nariman Company Secretary & Head Compliance	124.73	122.04	30	2*	7%	0.011	0.212

Remuneration paid in to 2015 is not comparable to the remuneration paid in 2014 since CEO & MD was appointed with effect from August 2014.

* Generally CEO&MD and other Key Managerial Personnel are eligible for annual bonus. However, the Company has decided to pay six monthly bonus in the year 2015, which is indicated in the percentage increase in the remuneration column.

- The number of permanent employees on the rolls of th Company were 8,368.
- Median Remuneration of both the employees and the Key Managerial Personnel has increased by 10.5% in 2015 as compared to 2014.
- The ratio of the remuneration of the highest paid Director to that employees who are not Directors but receive remuneration in excess of the highest paid Directors during the year - Not applicable
- We affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the Remuneration policy of the Company.
- The explanation on the relationship between average increase in remuneration and Company performance is The median remuneration increased by 10.5% in 2015 whereas the Profit after Tax decreased by 49%. The compensation structure is benchmarked from time to time and salary increase during the year are aligned to market forces. Reasons for decrease in profits have been explained in Board's Report.
- Market Capitalization & Price Earnings Ratio details are as under:

	As on December 31, 2015	As on December 31, 2014	Increase/ (Decrease) (%)
Price Earnings Ratio	43.07	22.56	90.91
Market Capitalization (₹ in crore)	25,546	26,287	(2.82)

The Company has not made any public issue of shares.

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended December 31, 2015.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Governance Philosophy of your Company is founded on a bedrock of ethical values and professionalism which over the past 80 years of the Company's existence has become a part of its culture and DNA. Integrity, transparency, fairness, accountability and compliance with the law are embedded 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 Ethical View Reporting Policy and its well structured internal control systems which are subjected to regular review for their effectiveness, reinforces accountability and integrity of reporting and ensures transparency and fairness in dealing with the Company's stakeholders. The Company's focus on sustainable development, its customer centric approach to creating value for the customers by ensuring product quality and innovative service offerings coupled with its outreach to the communities it impacts through CSR activities and programmes has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and other Stakeholders.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

GOVERNANCE STRUCTURE

ACC's Governance structure comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This structure brings about a judicious blend in governance as the Board sets out the overall corporate objectives and provides direction and independence to the Management to achieve these corporate objectives within a given framework. This brings about a conducive environment for value creation through sustainable profitable growth.

Board of Directors - The Board of Directors and its Committees play a fundamental role in upholding and nurturing the principles of good governance which translates into ethical business practices, transparency

and accountability in the Company's dealing with its Members and other stakeholders and the utilization of resources 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 interests of the Company. The Board's composition and size is robust and enables it to deal competently with emerging business issues and exercise independent judgement. The majority of the Directors on the Board including the Chairman are Independent Directors who have considerable expertise and experience in their respective fields.

Committee of Directors - Recognizing the immense contribution that committees make in assisting the Board of Directors in discharging its duties and responsibilities and with a view to have a close focus on various facets of the business, the Board has constituted the following Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee which are mandatory Committees and the Compliance Committee and Capex Committee which are non-mandatory.

Management Structure - Management Structure for the day-to-day business operations and management of the Company is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

- **Chief Executive Officer & Managing Director** - The Chief Executive Officer and Managing Director (CEO&MD) is in overall operational 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.
- **Executive Committee (ExCo)** - This Committee comprises the Chief Executive Officer & Managing Director, Chief Financial Officer, Chief Manufacturing Officer, Chief Marketing Officer, Chief People Officer, Chief Corporate Services Officer and Chief Central Procurement Officer. The Committee operates within the framework of the strategic policies laid down by the Board and is responsible and accountable for overall business deliverables. The Committee provides a platform for the ExCo Members to meet on a regular basis to review monthly performance against set targets, discuss and decide on cross

functional operational matter, address various business challenges and monitor implementation of decisions taken.

Organization Structure, Roles and Responsibilities

During the year, after reviewing its organizational capabilities, systems and processes, the region based organization structure was replaced by a function based structure. This has resulted in leveraging functional expertise in driving business objectives and become ready to address various operational and business challenges in a more proactive manner thereby enhancing customer value. The new function based structure is broadly divided into verticals viz. Sales & Marketing, Corporate Services, Manufacturing, Human Resource, Finance and Procurement. Each of these verticals operate under the overall supervision of the respective function head who is an ExCo Member.

The Cement Plants and Marketing Units are grouped into four region-wise clusters viz. North, South, West & Central and East. The Regional Director Sales, the Regional Director Finance and the Regional HR Head have a direct reporting line to the respective Vertical Head who is an ExCo Member.

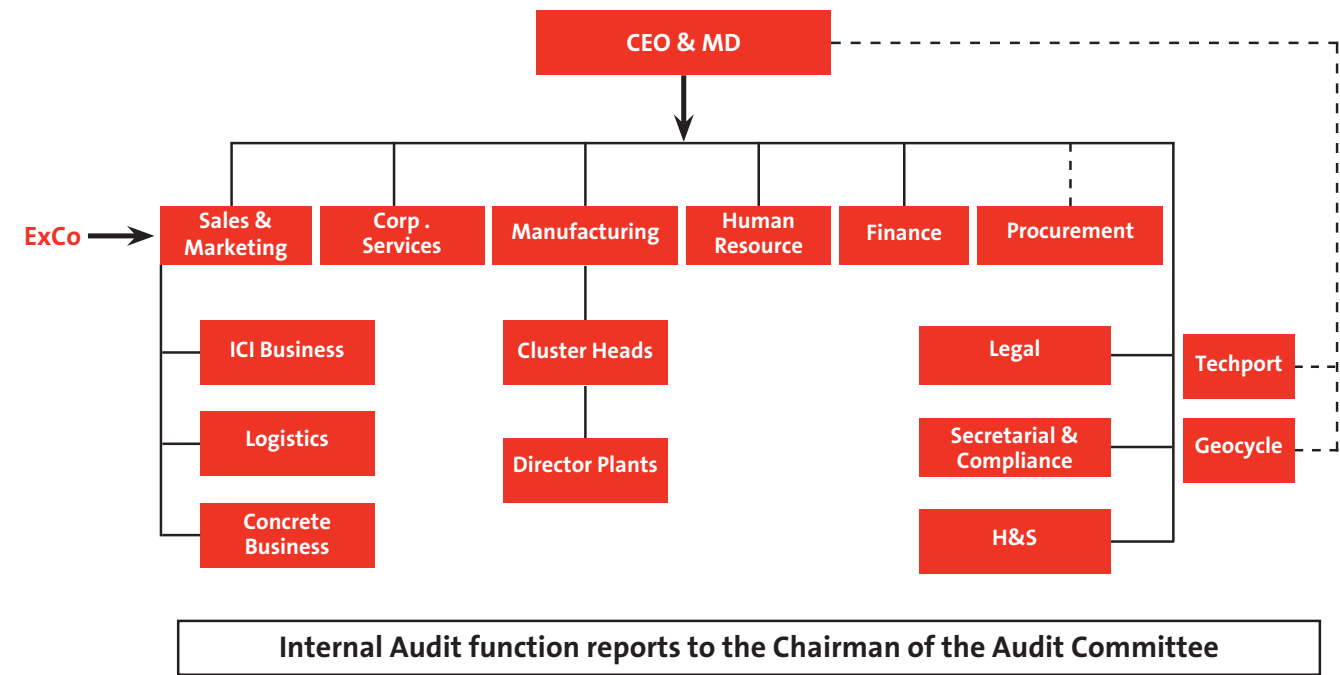
The manufacturing vertical has a Manufacturing Cluster Head in each Region who reports to the Chief Manufacturing Officer. The Manufacturing Cluster Head

are in overall charge of all the Plants which are part of the cluster under their control. They are, interalia, accountable for ensuring continuous improvement in the operations and maintenance performance of the Plants, adoption of best practices, productivity improvement, capability building of employees, coordination of demand / supply as per market requirements and to support sales and logistics team in the despatch of cement from the respective Units.

The Director Plant of manufacturing units is responsible for the day-to-day operations and maintenance of the Plant and all related functions including addressing local issues and compliances as applicable at plant level. The Director Plant reports to the respective Manufacturing Cluster Heads in the Region.

The plant, marketing, logistics and administrative related procurement activities are managed by an India Procurement Organization and executed from five Procurement Cluster Offices.

Taking into consideration that the Jamul and Sindri Projects are at an advanced stage of completion, a Projects Cluster has been set up for a closer monitoring of the Projects. The Projects Cluster Head reports to the CEO&MD. The other functions like Health and Safety (H&S), Secretarial & Compliance, Legal and common functions such as Techport and Geocycle India also report to the CEO&MD.



BOARD OF DIRECTORS

Composition of the Board as on December 31, 2015

Category	No of Directors
Non-Executive & Independent Directors including a Woman Director	7
Other Non-Executive Directors	4
Executive Director (CEO & Managing Director)	1
Total	12

The Chairman of the Board of Directors is a Non-Executive and an Independent Director. The composition of the Board of Directors is in conformity with the SEBI Regulations.

Directors' Profile

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

Mr N S Sekhsaria - Director Identification Number (DIN:00276351) Mr Sekhsaria is the Chairman of the Board of Directors and a Non-Executive and an Independent Director.

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

A first generation industrialist, Mr Sekhsaria obtained his Bachelor degree in Chemical Engineering with honours and distinction from the University of Bombay. He is the Principal 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 is visible in the high growth trajectory ACC has experienced since 1999.

Mr Sekhsaria is a Member on the Nomination & Remuneration Committee of the Board.

Mr Bernard Terver - (DIN: 06771125) Mr Terver is the Deputy Chairman of the Board of Directors and is a Non-Executive and Non-Independent Director. 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 various senior positions. In addition to his rich operational experience in cement and aggregates business, Mr Terver also has a strong track record in financial performance and Occupational Health & Safety. Presently, he is responsible for overseeing the operations of LafargeHolcim group companies in India. Mr Terver is Chairman of the Stakeholders' Relationship Committee and Capex Committee and a Member on the Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and the Compliance Committee of the Board. (Mr Terver has resigned from the Board of Directors with effect from February 11, 2016.)

Mr Harish Badami - (DIN: 02298385) Mr Badami is the Chief Executive Officer & Managing Director (CEO&MD) of the Company. Mr Badami is a B.Tech from IIT Bombay and an MBA from IIM Calcutta. He has over twenty-five years experience in the Chemical Industry with leading multinational companies viz. ICI, Rohm and Haas India, Dow Chemical India and Celanese Chemicals India Private Limited. Mr Badami was the President and Managing Director of Dow Chemical India during the period 2009-2011 and was the Managing Director of Celanese Chemicals India Private Limited prior to his joining ACC. In these roles, Mr Badami was responsible for developing integrated strategies for the local subsidiaries including implementation of robust business plans, building organizational capability and manufacturing footprint.

Mr Badami has been conferred with the Distinguished Alumnus Award by IIT Bombay, his alma mater.

Mr Badami is a Member of the Stakeholders' Relationship Committee, CSR 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 Eric Olsen - (DIN: 07238383) Mr Olsen was appointed w.e.f. July 17, 2015 as a Non-Executive and Non-Independent Director. He is a business graduate from the University of Colorado, Certified Public Accountant (Chicago, USA), and holds a Master of Business Administration from HEC International Business School in Paris.

Since July 2015, Mr Olsen is the Chief Executive Officer of LafargeHolcim Ltd. He was formerly Executive Vice President Operations of Lafarge and a member of its Executive Committee.

Prior to joining Lafarge Limited, Mr Olsen started his career in the field of M&A at Deloitte & Touche, Banque Paribas and was a partner of Trinity Associates.

He is also a Board Member of Cimpress N.V.

Mr Olsen is a Member on the Nomination & Remuneration Committee.

Mr Shailesh Haribhakti - (DIN: 00007347) Mr Haribhakti is a Non-Executive and Independent Director. He is a Chartered & Cost Accountant, a certified Internal Auditor, Financial Planner and Fraud Examiner.

Mr Haribhakti is a deeply engaged Independent Director. His strong belief is that good governance is a sustainable competitive advantage creator. Evolving from a background in Audit, Tax and Consulting, he now seeks to create enduring value for Companies and Organizations he is involved with. He is a strong supporter of a clean and green environment and is pioneering the concept of 'innovating to zero' in the social context. He is currently Chairman of the National Pension Scheme Trust of India, serves on Boards of multinational and Indian Companies, 'Not for Profit Organizations' and is a Member of several Advisory Boards. He is a Managing Partner of Haribhakti & Co. LLP, Chartered Accountants.

Mr Haribhakti is the Chairman of the Risk Management Committee and CSR Committee. He is a Member on the Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Compliance Committee.

Mr S K Roongta - (DIN: 00309302) Mr Roongta is a Non-Executive and Independent Director. He 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 has a wide and varied experience in public sector undertakings. He is Non-Executive Chairman of Bharat Aluminium Company Limited (BALCO) and Talwandi Sabo Power Limited (TSPL). 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.

He is associated with several academic institutions, and has been the Chairman, Board of Governors, IIT Bhubaneswar (2012-2015) and is a member of Board of Management, J.K. Lakshmipat University. He is also associated with apex chambers, being member of Steering Committee of Federation of Indian Chambers of Commerce and Industry (FICCI) and is the Chairman of its Metal Committee. He also chairs the 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 is a Member on the Audit Committee of the Board.

Mr Ashwin Dani - (DIN: 00009126) Mr Dani is a Non-Executive and Independent Director. He holds a BSc (Hons) degree 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 has a good knowledge of supply chain management.

Mr Dani is the Chairman of the Nomination & Remuneration Committee and is a Member of the Audit Committee of the Board.

Mr Farrokh Kavarana - (DIN: 00027689) Mr Kavarana is a Non-Executive and Independent Director. Mr Kavarana holds a B.Com. (Hons.) degree of 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. Mr Kavarana retired in 2014 as a Director of Tata Sons Limited and Tata Industries Limited, the apex holding companies of the Tata Group, after a career spanning four decades. He was also Chairman of several Tata Companies in India and abroad - Tata AIG General Insurance Company Ltd., Tata AIA Life Insurance Company Ltd., Tata Projects Limited, Trent Limited. He has also held senior executive positions within the Tata Group such as Executive Chairman of Tata Asset Management Ltd from 2005 to 2009 and of 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 Tata Sons' 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 - Lady Tata Memorial

Trust, Trustee - Nani Palkhivala Memorial Trust and the National Centre for the Performing Arts. He was a founder Trustee of Childline India Foundation from 1999 to 2014. He is a recipient of the Dadabhai Naoroji International Millennium Award 2005 and the Wharton India Alumni Award 2009.

He is a Member of the Audit Committee, Nomination & Remuneration Committee and the Corporate Social Responsibility Committee of the Board. He is the Chairman of the Compliance Committee of the Board.

Mr Vijay Kumar Sharma - (DIN: 02449088) Mr Sharma is a Non-Executive and Non-Independent Director. He holds a Masters Degree in Science. He took charge as Managing Director, Life Insurance Corporation of India on November 1, 2013. Prior to his taking over as Managing Director, LIC of India, he was the Managing Director & Chief Executive Officer, LIC Housing Finance Limited (LICHFL), a premier housing finance provider in the country with loan portfolio exceeding ₹ 83,000 crore.

Mr Sharma joined LIC as Direct Recruit Officer in 1981 and has grown with the Company since then. During his stint as Senior Divisional Manager, Karnal, a rural division, had catapulted to Number One position in the country in premium income ahead of all other 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 the No. 1 zone in 2010.

Mr Sharma's focused leadership, proficient in invigorating staff performance, re-organizing teams and developing talent, LICHFL maintained its growth momentum despite volatile markets and adverse macro-economic conditions. During his tenure, LICHFL was adjudged as "Best Housing Finance Company 2011" by CNBC-TV18.

His key areas of expertise have been Business Strategy, Business Development, Processes and Systems, Leadership Development, Branding and Product Development, and Risk Mitigation and Compliance. A strategic leader, recognized for making sweeping improvements to efficiency, product development & marketing and identifying areas of opportunity, he is acclaimed as a "Crisis Manager" for stabilizing operations and leading turnaround growth strategies in uniquely challenging situations.

He has been an inspirational leader who utilizes negotiation skills gained over thirty four years of extensive experience in insurance and financial sectors and strongly connects to the grass root levels, believes in “bottom-up approach” and has the ability to see the Big Picture and translate to reality.

Mr Arunkumar Gandhi - (DIN: 00007597) Mr Gandhi is a Non-Executive and Independent Director. He 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. Raiji & 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 - (DIN: 00003633) Ms Nayar is a Non-Executive and Independent Director. 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 CSR Committee and Risk Management Committee of the Board.

Mr Christof Hassig - (DIN: 01680305) Mr Hassig was appointed w.e.f. 09.12.2015 as a Non-Executive and Non-Independent Director. He holds a Masters degree in Banking and has completed the Advanced Management Programme at Harvard Business School in 2006.

Mr Hassig heads the Corporate Strategy and Mergers & Acquisitions function in LafargeHolcim Ltd. reporting directly to the Chief Executive Officer.

In the former Holcim Limited, he was reporting directly to the Chief Financial Officer with many direct links to all other Executive Directors including Chief Executive Officer. For the past fifteen years, he built and led the department Corporate Financing & Treasury. This function spanned across all the geographic regions and included a matrix organization with the finance department of the operating companies in the various countries. In December 2012, he took over additional responsibilities as head of the newly created Mergers & Acquisitions function on a Group level. In March 2013, the Group Insurance Department was moved and integrated into Corporate Finance & Treasury Department.

Before joining Holcim Limited in 1999, Christof Hassig worked for twenty-five years at UBS in many different functions, including global relationship manager and investment banker for multinational corporates in Switzerland and abroad.

Directors who resigned during the year

Mr Bernard Fontana - (DIN: 05178749) Mr Fontana who was the Chief Executive Officer of Holcim Limited resigned from the Board of Directors w.e.f. 17.07.2015, consequent upon his ceasing to be the CEO of former Holcim Limited.

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 Aidan Lynam - (DIN: 03058208) Mr Lynam who was in the services of Holcim Limited resigned from the Board of

Directors of the Company with effect from July 14, 2015 consequent upon his resignation from Holcim Limited.

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.).

During his tenure as a Director of the Company, Mr Lynam was a Member of the Risk Management Committee and Capex Committee of the Board.

None of the Directors of the Company and Key Managerial Personnel are inter se related.

Directorships and Membership on Committees:

The total number of Directorships held by the Directors and the position of Membership / Chairmanship on Committees is given below. All the Directors are compliant with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and "SEBI Regulations" in this regard.

Name of the Director	Date of Appointment	*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	2	-	-
Mr Bernard Terver	04.12.2013	2	2	1
Mr Harish Badami	13.08.2014	1	1	-
Mr Eric Olsen	17.07.2015	2	-	-
Mr Shailesh Haribhakti	17.02.2006	7	3	4
Mr Sushil Kumar Roongta	03.02.2011	6	3	1
Mr Ashwin Dani	15.12.2011	6	3	2
Mr Farrokh Kavarana	03.05.2013	2	2	-
Mr Vijay Kumar Sharma	06.02.2014	5	-	-
Mr Arunkumar Gandhi	24.04.2014	4	2	1
Ms Falguni Nayar	24.04.2014	7	3	-
Mr Christof Hassig	09.12.2015	2	-	-
#Mr Bernard Fontana (resigned as Director w.e.f. 17.07.2015)	28.03.2012	2	-	-
#Mr Aidan Lynam (resigned as Director w.e.f. 14.07.2015)	22.04.2010	1	-	-

* excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies;

** committees considered are Audit Committee & Stakeholders' Relationship Committee including that of ACC.

Committee Membership(s) & Chairmanships are counted separately.

information as available on the date of cessation.

Board Diversity

Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board.

Pursuant to SEBI Regulations, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is posted on the Company's website and can be accessed on web link <http://www.acclimited.com/newsite/pdf/Policyondiversityoftheboard.pdf>

INDEPENDENT DIRECTORS

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

The appointment of the Independent Directors is carried out in a structured manner. The Nomination & Remuneration Committee identifies potential candidates based on certain laid down criteria and takes into consideration the diversity of the Board.

The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment. Their appointment has been approved by the Members of the Company at the Extraordinary General Meeting of the Company held on September 10, 2014.

None of the Independent Directors serve as "Independent Directors" in more than seven listed companies.

The Independent Directors have confirmed that they meet with the criteria of independence laid down under the Act and the SEBI Regulations.

During the year under review, the Independent Directors met on December 8, 2015, interalia, 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;

- Other matters.

All the Independent Directors were present throughout the Meeting. They expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings. Their suggestions were discussed at the Board Meeting and are being implemented to ensure a more robust interaction at a Board level.

INDUCTION PROGRAMME FOR NEW DIRECTORS AND ONGOING FAMILIARIZATION PROGRAMME FOR EXISTING INDEPENDENT AND NON INDEPENDENT DIRECTORS

An appropriate induction programme for new Directors and ongoing familiarization with respect to the business / working of the Company for all Directors is a major contributor for meaningful Board level deliberations and sound business decisions.

At the time of appointing a Director, a formal letter of appointment is given to him / her which, interalia, explains his / her role, function, duties and responsibilities and the Board's expectations from him / her as a Director of the Company. The Director is also explained in detail the compliances required from him / her under the Act, SEBI Regulations and other relevant regulations and his / her 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 80 years of its existence, relevant Annual Reports, Sustainable Development Report, brochure on the CSR activities pursued by the Company, copies of "The Indian Concrete Journal" which is a well accepted journal on civil engineering and construction, published by the Company, "ACC Parivar", a house magazine.

A presentation is also shared with the newly appointed Director giving an overarching perspective of the cement industry, organizational 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 above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his/ her role as a Director of the Company.

Further, as an ongoing process, the Board of Directors is updated on a quarterly basis through presentations and discussions on the overall economic trends, the performance of the Cement Industry and that of the Company, analysis of the circumstances which helped or adversely impacted the Company's performance and the initiatives taken / proposed to be taken to bring about an overall improvement in the performance of the Company, comparison of the Company's performance with its peers in the Industry as available in public domain, marketing strategy, business risks and mitigation plans etc.

Details of familiarization of Independent Directors with the working of the Company are available on the website of the Company and can be accessed through web link http://www.acclimited.com/newsite/pdf/Induction_program.pdf

PERFORMANCE EVALUATION OF THE BOARD AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and the SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees respectively. 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. The Chairman of the Board of Directors and the Chairman of Nomination & Remuneration Committee met all the Directors individually to get an overview of the functioning of the Board and its constituents inter alia on the following broad criteria i.e. attendance and level of participation, independence of judgement exercised by Independent Directors, interpersonal relationship etc.

Based on the valuable inputs received from the Directors, an action plan has been drawn up to encourage greater engagement of the Independent Directors with the Company.

REMUNERATION OF DIRECTORS

The policy for remuneration of Directors, Key Managerial Personnel and Management Executive Committee is set out as Annexure 'C' to the Boards' Report.

Terms of appointment and remuneration of the CEO&MD

The terms and conditions for appointment and remuneration of the CEO&MD as approved by the Members of the Company at the Extraordinary General Meeting held on September 10, 2014 are as under:

Period of Appointment - five years with effect from August 13, 2014

Salary Grade - ₹ 11,00,000 - ₹ 25,00,000 per month

Allowances -

- 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 Medclaim Policy, as per the rules of the Company.
- iv. Special Allowance: as may be decided by the Board, on the recommendation of the Nomination & Remuneration Committee.

Perquisites -

- 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 - 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 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.

In addition to the payment of performance bonus as aforesaid, the CEO&MD will be eligible for shares of LafargeHolcim Ltd. The LafargeHolcim shares so granted shall not exceed 7.5% of the Annual Fixed Gross Compensation, as per the rules of LafargeHolcim Performance Compensation Share Plan. Tax, if any, payable on the LafargeHolcim shares so allotted shall be borne by the Company.

Sign-on Amount -

₹ 2.20 Crore payable as under:

₹ 60.00 lakh on joining the Company

₹ 40.00 lakh as on January 1, 2015

₹ 80.00 lakh as on January 1, 2016

₹ 40.00 lakh 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 lakh 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 LafargeHolcim 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:

- 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.

The remuneration drawn by the Directors and the Key Managerial Personnel during the year is as under:

₹ Lakh

Name of the Director	Salary	Commission	Sitting Fees	Total
Mr N S Sekhsaria, Chairman	-	37.00	4.50	41.50
Mr Bernard Terver	-	28.00	8.30	36.30
Mr Harish Badami	569.55	-	-	569.55
Mr Eric Olsen (appointed w.e.f. 17.07.2015)	-	7.32	1.00	8.32
Mr Shailesh Haribhakti	-	28.00	6.40	34.40
Mr Sushil Kumar Roongta	-	28.00	5.30	33.30
Mr Ashwin Dani	-	28.00	6.00	34.00
Mr Farrokh K Kavarana	-	28.00	7.70	35.70
Mr Vijay Kumar Sharma	-	16.00	2.50	18.50
Mr Arunkumar Gandhi	-	34.00	6.30	40.30
Ms Falguni Nayar	-	16.00	3.90	19.90
Mr Christof Hassig (appointed w.e.f. 09.12.2015)	-	1.01	0.50	1.51
Mr Aidan Lynam (resigned w.e.f. on 14.07.2015)	-	8.50	1.00	9.50
Mr Bernard Fontana (resigned on 17.07.2015)	-	8.68	1.50	10.18
Name of Key Managerial Personnel	Salary	Commission	Sitting Fees	Total
Mr Sunil Nayak, Chief Financial Officer	250.80	-	-	250.80
Mr Burjor D Nariman, Company Secretary & Head Compliance	124.74	-	-	124.74

None of the Directors of the Company / Key Managerial Personnel had any pecuniary relationship with the Company during the year.

MEETINGS

Board Meetings held during the Year

Dates on which the Board Meetings were held	Total Strength of the Board	No of Directors Present
February 3, 2015	12	10
March 24, 2015	12	10
April 14, 2015	12	11
July 17, 2015	12	10
October 20, 2015	11	10
December 9, 2015	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 March 20, 2015
	February 3, 2015	March 24, 2015	April 14, 2015	July 17, 2015	October 20, 2015	December 9, 2015	
Mr N S Sekhsaria (Chairman)	✓	✓	✓	✓	✓	✓	✓
Mr Bernard Terver (Dy Chairman)	Leave of Absence	✓	✓	✓	✓	✓	Leave of Absence
Mr Harish Badami	✓	✓	✓	✓	✓	✓	✓
Mr Eric Olsen (appointed w.e.f. 17.07.2015)	Not Applicable	Not Applicable	Not Applicable	✓	Leave of Absence	✓	Not Applicable
Mr Shailesh Haribhakti	✓	✓	✓	Leave of Absence	✓	✓	✓
Mr Sushil Kumar Roongta	Leave of Absence	✓	✓	✓	✓	✓	Leave of Absence
Mr Ashwin Dani	✓	✓	✓	Leave of Absence	✓	✓	✓
Mr Farrokh K Kavarana	✓	Leave of Absence	✓	✓	✓	✓	✓
Mr Vijay Kumar Sharma	✓	✓	✓	✓	✓	Leave of Absence	✓
Mr Arunkumar Gandhi	✓	✓	✓	✓	✓	✓	✓
Ms Falguni Nayar	✓	✓	✓	✓	✓	✓	✓
Mr Christof Hassig (appointed w.e.f. 09.12.2015)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓	Not Applicable
Mr Bernard Fontana (resigned as Director w.e.f. 17.07.2015)	✓	Leave of Absence	✓	✓	Not Applicable	Not Applicable	Leave of Absence
Mr Aidan Lynam (retd. as Director w.e.f. 14.07.2015)	✓	✓	Leave of Absence	Not Applicable	Not Applicable	Not Applicable	Leave of Absence

The Act facilitates the participation of a Director in Board / Committee Meetings through video conference or other audio visual mode. Accordingly, the option to participate in the Meeting through video conference was made available for the Directors except in respect of such Meetings / Items which are not permitted by law to be transacted through video conference.

The Board of Directors provide strategic guidance, monitors operational performance and ensures that robust policies and procedures are in place and through its various Committees guarantees the quality of the Company's risk management, internal controls and ensures compliance with all relevant laws. In particular, the Board periodically reviews the items required to be placed before it and reviews and approves quarterly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, Health & Safety (H&S) performance, progress of major projects and reviews such other items which require Boards' attention. It directs and guides the activities of the Management towards achieving 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 per the guidelines in SEBI Regulations 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. The Agenda is sent out to the Directors within the period stipulated in the Secretarial Standards.

COMMITTEES OF THE BOARD

Over the long years of its existence, the Company has developed robust governance structure and processes. For instance, long before it was mandated by the law, the Board of Directors had constituted the Audit Committee in 1986. A Share Committee was constituted in 1962 to look into various matters relating to the shares of the Company and Investor Relations, which Committee has transformed as Stakeholders' Relationship Committee. Likewise, a Compensation Committee was constituted in 1992. This Committee has been reconstituted as the Nomination & Remuneration Committee with wider terms of reference.

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained herein.

Each of these Committees have the requisite expertise to handle issues relevant to their field. These Committees spend considerable time and give focused attention to the various issues placed before it and the guidance provided by these Committees lends immense value and enhances the decision making process of the Board. The Board reviews the functioning of these committees from time to time.

The Meetings of each of these Committees are convened by the respective Chairman of the Committees, who also inform 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 respective Board / Committee Meetings.

Audit Committee - Mandatory Committee

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems & processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. Majority of the Members on the Committee, including the Chairman are Independent Directors. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act and SEBI Regulations. 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).

- Reviews the investments made by the Company.

Internal Financial 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 EthicalView Reporting 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 Act and payment for such services.

- Recommends to the Board the remuneration of the Statutory Auditors / Cost Auditors.

- Discussions with the Statutory Auditors / Chief Internal Auditor on significant difficulties encountered during the course of the Audit.

- Reviewing the 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, 2015 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 Meeting held on					
		February 2, 2015	April 13, 2015	May 22, 2015	July 17, 2015	October 20, 2015	December 9, 2015
Mr Arunkumar Gandhi (Chairman)	Non-Executive/ Independent	✓	✓	✓	✓	✓	✓
Mr Bernard Terver	Non-Executive	Leave of Absence	✓	✓	✓	✓	✓
Mr Sushil Kumar Roongta	Non-Executive/ Independent	Leave of Absence	✓	✓	✓	✓	✓
Mr Ashwin Dani	Non-Executive/ Independent	✓	✓	✓	Leave of Absence	Leave of Absence	✓
Mr Farrokh K Kavarana	Non-Executive/ Independent	✓	✓	Leave of Absence	✓	✓	✓

As prescribed under the Act, the Chairman of the Committee who is an Independent Director was present at the Annual General Meeting of the Company.

All the Members on the Audit Committee possess the requisite qualification for appointment on the Committee and have 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 Audit Committee Meetings held 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 Chief Executive Officer & Managing Director (CEO&MD), the Chief Financial Officer (CFO), the Chief Internal Auditor, the Chief Manufacturing Officer, the Chief Marketing Officer attend Audit Committee Meetings. The Company Secretary is the Secretary to the 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 respective 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.

Stakeholders' Relationship Committee - Mandatory Committee

The Stakeholders' Relationship Committee comprises three Members of which one Member is an Independent Director. The Committee is governed by a Charter.

The terms of reference of the Committee are:

- to approve 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 in respect of shares / debentures and other securities reported lost, defaced or destroyed as per the laid down procedure;
- to issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- to issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue, subject to such approval as may be required;
- to oversee the implementation of ESOS scheme, if any, implemented by the Company;
- 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 & 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;
- to authorize the Company Secretary & Head Compliance / other Officers of the Share Department to attend to matters relating to transfer/transmission of shares, issue of duplicate share certificates for shares reported lost, defaced or destroyed, to issue new certificates against subdivision of shares and renewal, split or consolidation of share certificates;
- to monitor Investor Relation activities of the Company and give guidance on the flow of information from the Company to the Investors;
- to monitor expeditious redressal of grievances of shareholders / security holders including complaints relating to transfer / transmission of shares / securities, non-receipt of declared dividends / Annual Reports, issue of duplicate certificates and other complaints;
- all other matters incidental or related to shares, debentures and other securities of the Company;
- any other matter as may be assigned to the Committee by the Board of Directors.

The composition of the Stakeholders' Relationship Committee as at December 31, 2015 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 2, 2015	April 13, 2015	July 16, 2015	October 20, 2015	December 7, 2015
Mr Bernard Terver (Chairman)	Non-Executive	Leave of Absence	✓	✓	✓	✓
Mr Shailesh Haribhakti	Non-Executive / Independent	✓	✓	Leave of Absence	✓	✓
Mr Harish Badami	Executive	✓	✓	✓	✓	✓

Mr Shailesh Haribhakti and Mr Harish Badami, Members of the Committee attended the Annual General Meeting of the Company.

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

During the year, 29 complaints were received from shareholders, out of which all complaints have been attended / resolved. As on December 31, 2015, no investor grievance has remained unattended / pending for more than thirty days. The Company had ten share transfers pending as on December 31, 2015. These share transfers were received by the Company on December 28, 2015.

Nomination & Remuneration Committee - Mandatory Committee

The Nomination & Remuneration Committee is governed by a Charter. The Chairman of the Committee is an Independent Director and majority of the Members on the Committee are Independent Directors.

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

- Succession planning of the Board of Directors and Executive Committee;

- 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 all ExCo Members;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Members of the Executive Committee and their remuneration;
- Review the performance of the Board of Directors, Key Managerial Personnel and Members of the Executive Committee based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors, Key Managerial Personnel and Executive Committee Members, 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.

The composition of the Nomination & Remuneration Committee as at December 31, 2015 and the details of Members' participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Nomination & Remuneration Committee Meeting held on			
		February 2, 2015	July 16, 2015	October 20, 2015	December 8, 2015
Mr Ashwin Dani (Chairman)	Non-Executive / Independent	✓	✓	✓	✓
Mr N S Sekhsaria	Non-Executive / Independent	✓	✓	✓	✓
Mr Bernard Terver	Non-Executive	Leave of Absence	✓	✓	✓
Mr Shailesh Haribhakti	Non-Executive / Independent	✓	Leave of Absence	✓	✓
Mr Farrokh Kavarana	Non-Executive / Independent	✓	✓	✓	✓
Mr Eric Olsen (appointed w.e.f. 17.07.2015)	Non-Executive	Not Applicable	Not Applicable	Leave of Absence	Leave of Absence

As prescribed under the Act, the Chairman of the Committee was present at the Annual General Meeting of the Company.

Corporate Social Responsibility (CSR) Committee - Mandatory Committee

The Company has always been mindful of its obligations vis-à-vis the communities it impacts and has been pursuing various CSR activities long before it became mandated by law. As required under the Act, a formal Committee of the Board was constituted in 2013 to oversee and give direction to the Company's CSR activities. 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 Act;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the CSR Committee as at December 31, 2015 and the details of Members' participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the CSR Committee Meeting held on	
		July 16, 2015	December 7, 2015
Mr Shailesh Haribhakti (Chairman)	Non-Executive / Independent	Leave of Absence	✓
Ms Falguni Nayar	Non-Executive / Independent	Leave of Absence	✓
Mr Farrokh Kavarana	Non-Executive / Independent	✓	✓
Mr Bernard Terver (appointed w.e.f. 17.07.2015)	Non-Executive	Not Applicable	✓
Mr Harish Badami	Executive	✓	✓

During the year, the CSR Policy has been restated making it more comprehensive and in alignment with the requirements of the Act and the United Nations Sustainable Development Goals. The CSR Policy statement and the CSR Report forms part of the Board's Report to the Members of the Company.

Risk Management Committee - 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, mitigate and minimize risks as also identify business opportunities.

The Risk Management Committee was constituted by the Board of Directors in 2014, pursuant to the requirement of the earlier Clause 49 of the Listing Agreement with the Stock Exchanges which has now been replaced by the SEBI

Regulations. The Committee is governed by a Charter and its objectives and scope broadly comprises:

- Oversight of risk management performed by the operating management;
- Reviewing the Business Risk Management (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 risk trends, exposure, potential impact analysis and mitigation plans.

The composition of the Risk Management Committee as at December 31, 2015 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	
		October 16, 2015	December 7, 2015
Mr Shailesh Haribhakti (Chairman)	Non-Executive / Independent	✓	✓
Ms Falguni Nayar	Non-Executive / Independent	✓	✓
Mr Bernard Terver (appointed w.e.f. 20.10.2015)	Non-Executive	Not Applicable	✓
Mr Harish Badami	Executive	✓	✓

Compliance Committee - Non-Mandatory Committee

Recognizing the importance of compliance with various laws and regulations, the Board of Directors constituted a Compliance Committee in 2008. 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, and Executive Committee Members 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, 2015 and the details of the Members' participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Compliance Committee Meeting held on			
		February 2, 2015	April 13, 2015	July 16, 2015	October 20, 2015
Mr Farrokh Kavarana (Chairman)	Non-Executive / Independent	✓	✓	✓	✓
Mr Bernard Terver	Non-Executive	Leave of Absence	✓	✓	✓
Mr Shailesh Haribhakti	Non-Executive / Independent	✓	✓	Leave of Absence	✓
Mr Harish Badami	Executive	✓	✓	✓	✓

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 nearing completion. There is a Steering Committee of the Management which closely monitors the progress of the project and since no other major capex proposals were under consideration during the year, the Committee has not met during the year under review.

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.

The Company's policy on "material subsidiary" is placed on the Company's website and can be accessed through weblink <http://www.acclimited.com/newsite/pdf/CG/Determiningmaterialsubsidiaries.pdf>

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

Copies of the Minutes of the Nomination & Remuneration Committee, Audit Committee and Board Meetings of Subsidiary Companies are given to all the Directors and tabled at the Board Meetings of the Company.

DISCLOSURES

Related Party Transactions

All Transactions with related parties were in the ordinary course of business and on an arm's length pricing basis. The

policy on related party transaction has been placed on the Company's website and can be accessed through <http://www.acclimited.com/newsite/pdf/CG/PolicyonRPT.pdf>.

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.

CODE OF BUSINESS CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and to all employees. The Company follows a policy of "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 by the 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 addition to a face-to-face training given by the Company 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 an EthicalView Reporting (EVR) Policy to deal with instances of fraud and mismanagement, if any. The EVR Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is 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

Online reporting on <https://integrityline.holcim.com>

National Toll Free Number: 18002092008

Fax Number: +91(22) 6645 9575

Address: PO Box 137, Pune 411 001

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

No personnel of the Company has been denied access to either the ACC Ethics Helpline or to the Audit Committee.

PREVENTION OF INSIDER TRADING

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The new code viz. “Code of Internal Procedures and Conduct for Regulating, Monitoring And Reporting of

Trading by Insiders” and the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” (ACC Code) allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company’s shares. It also prohibits the purchase or sale of Company’s shares by the Directors, designated employees and connected persons, 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, designated employees and connected persons have affirmed compliance with the Code.

COMMUNICATION WITH THE SHAREHOLDERS

The Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the on-line portal of the Stock Exchanges, press releases, the Annual Reports and uploading relevant information on its website.

The unaudited quarterly 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 required under SEBI Regulations. The aforesaid financial results are announced to the Stock Exchanges within thirty minutes from the close of the Board Meeting at which these were considered and approved. The results are generally published in the Economic Times and Free Press Journal. The Marathi translation of the same is published in Maharashtra Times and Loksatta, which are regional daily newspapers.

The audited financial statements form part of the Annual Report which is sent to the Members within the statutory period and well in advance of the Annual General Meeting.

The Annual Report of the Company, the quarterly / half yearly and the audited financial statements and the press releases of the Company are also placed on the Company’s website www.acclimited.com and can be downloaded.

The presentations on the performance of the Company are placed on the Company's website immediately after these are communicated to the Stock Exchanges for the benefit of the institutional investors and analysts and other shareholders.

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI Regulations including material information having a bearing on the performance / operations of the listed entity or other price sensitive information. All information is filed electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited.

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the Stock Exchanges. An internal Management Committee comprising the CEO&MD, the Chief Financial Officer and the Company Secretary has been constituted and empowered to decide on the materiality of the information for the purpose of making disclosures to the Stock Exchanges.

All disclosures made to the stock exchanges are also available on the Company's website under the heading 'Announcements'.

Facility has been provided by SEBI for investors to place their complaints / grievances on a centralized web-based complaints redressal system viz. SEBI Complaints Redress System (SCORES). The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

A separate dedicated section under 'Corporate Governance' on the Company's website gives information on unclaimed dividends, quarterly compliance reports and other relevant information of interest to the investors / public.

The Company also uploads on the BSE Listing Centre and on NSE NEAPS portals, details of analysts and

institutional investor meetings whenever the Company's representatives attend any meeting of the investors.

COMPLIANCE WITH NON-MANDATORY PROVISIONS

The status on the compliance with the non-mandatory recommendation in the SEBI Regulations is as under:

- The position of the Chairman of the Board of Directors and the CEO are separate;
- The Chairman being a Non-Executive and Independent Director has his own office which is close to the Company's Registered Office. However, an office is made available for his use, if required by him, during his visits to the Company for attending meetings;
- As mentioned earlier, the Company's Standalone Financial Statements for the year ended December 31, 2015 are unqualified.
- As mentioned earlier the Chief Internal Auditor reports directly to the Audit Committee in all functional matters.
- The Company follows a robust process of communicating with the shareholders which has been explained earlier in the Report under "Means of Communication".

GENERAL INFORMATION TO SHAREHOLDERS

Financial Year : January - December, 2015

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 400 020

Telephone No.:	(022) 3302 4469
Fax No.:	(022) 6631 7458
Communication by E-mail:	
For transfer / transmission / subdivision / demat / loss of shares / dividend / general inquiries and investor grievance remaining unattended:	sujata.chitre@acclimited.com

Communication by Members

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain their Demat Account/s, for 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 addressed 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

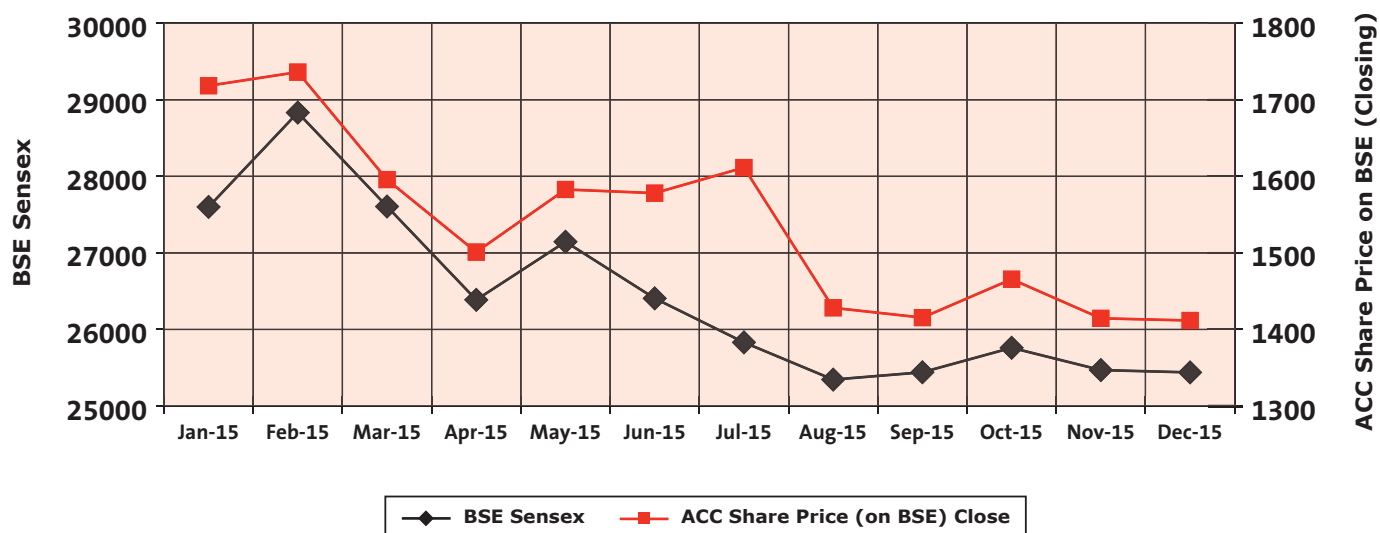
The Company's shares are listed on the following Stock Exchanges and the listing fees have been paid to the Exchanges:

Name and Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL / CDSL (Dematerialized shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	500410	INE012A01025
The National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	ACC	

ACC Share Price on BSE vis-à-vis BSE Sensex January - December 2015

Month	BSE Sensex Close	High ₹	Low ₹	Close ₹	No. of shares traded during the month	Turnover ₹ crore
January 2015	29,182.95	1,591.90	1,337.90	1,560.05	5,16,159	76.18
February 2015	29,361.50	1,703.65	1,484.30	1,683.25	6,45,371	102.20
March 2015	27,957.49	1,774.80	1,540.00	1,560.60	4,60,877	75.09
April 2015	27,011.31	1,677.60	1,432.00	1,438.70	5,34,693	83.76
May 2015	27,828.44	1,541.80	1,386.60	1,514.55	5,68,665	84.19
June 2015	27,780.83	1,532.40	1,366.00	1,440.65	4,35,573	82.29
July 2015	28,114.56	1,515.00	1,351.00	1,383.15	6,62,989	95.58
August 2015	26,283.09	1,452.00	1,320.00	1,334.55	7,14,994	98.44
September 2015	26,154.83	1,410.00	1,303.05	1,344.15	4,12,451	55.94
October 2015	26,656.83	1,409.00	1,330.00	1,376.10	3,42,752	47.14
November 2015	26,145.67	1,441.00	1,302.00	1,347.00	2,32,920	31.68
December 2015	26,117.54	1,373.70	1,306.10	1,343.95	1,89,863	25.45

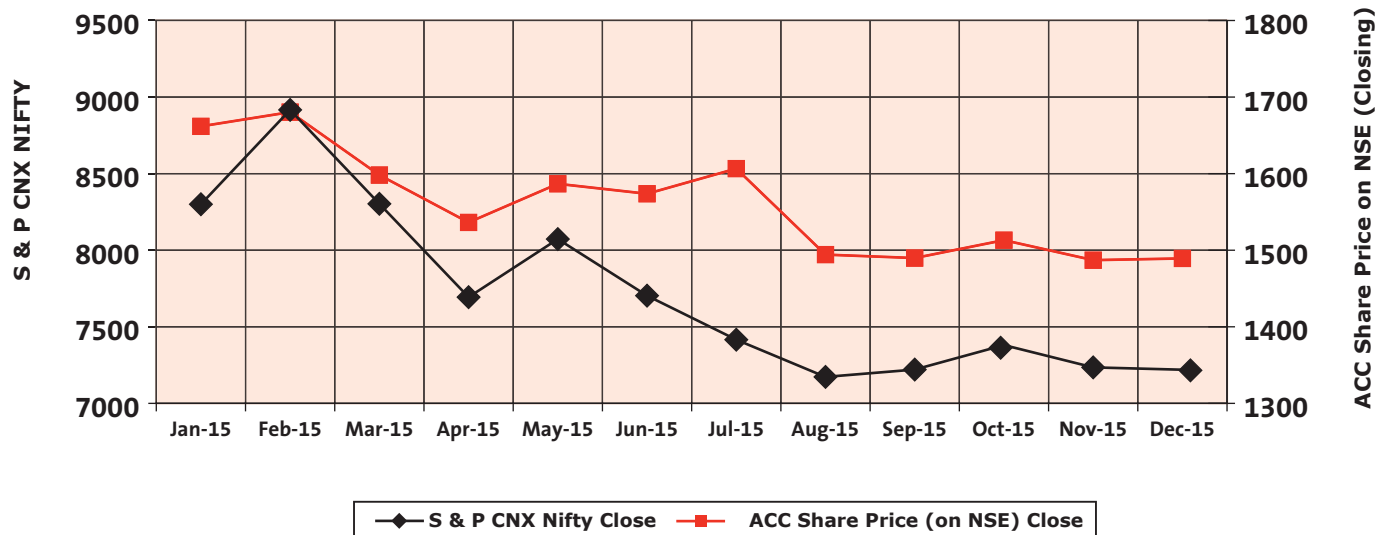
ACC Share Price on BSE & BSE Sensex



ACC Share Price on NSE vis-à-vis S&P CNX Nifty January - December 2015

Month	S & P CNX Nifty Close	High ₹	Low ₹	Close ₹	No. of shares traded during the month	Turnover ₹ crore
January 2015	8,808.90	1,595.00	1,336.20	1,560.45	77,86,122	1,164.86
February 2015	8,901.85	1,705.00	1,481.45	1,678.10	1,10,53,762	1,767.19
March 2015	8,491.00	1,774.65	1,538.00	1,562.75	71,28,129	1,172.49
April 2015	8,181.50	1,676.85	1,428.10	1,433.70	67,34,126	1,048.93
May 2015	8,433.65	1,541.85	1,386.55	1,512.40	61,53,687	907.20
June 2015	8,368.50	1,532.00	1,366.20	1,444.55	61,94,444	886.16
July 2015	8,532.85	1,515.55	1,350.00	1,387.40	71,74,433	1,032.58
August 2015	7,971.30	1,454.35	1,320.00	1,334.85	68,73,980	947.32
September 2015	7,948.90	1,408.00	1,301.50	1,346.75	45,81,261	621.86
October 2015	8,065.80	1,407.45	1,329.20	1,379.60	46,33,758	636.90
November 2015	7,935.25	1,443.00	1,300.80	1,344.25	38,68,250	524.88
December 2015	7,946.35	1,373.15	1,305.40	1,360.65	36,80,397	494.31

ACC Share Price on NSE & S&P CNX NIFTY



SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS**i. Share transfers**

Share transfers for ₹ 10 face value shares, 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 Act, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain a 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 transferor(s), 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 direct credit of the dividend to the Members Bank Account. SEBI Regulations also mandate Companies to credit the dividend to the Members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their Bank account through the Banks' "Automated Clearing House". Members who hold shares in demat mode should inform their Depository Participant as well as to the Company and such of the Members holding shares in physical form should inform the Company of the core banking account details allotted to them by their bankers. In cases where the core banking account details are not intimated to the Company and the 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 (IEPF) established by the Government. The Company will, in June 2016 and in September 2016 transfer to the said fund, the dividends for the years ended December 31, 2008 (71st Final) and December 31, 2009 (72nd 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
31.12.2008 (71st Final)	08.04.2009	10.00	12.06.2016
31.12.2009 (72nd Interim)	23.07.2009	10.00	26.09.2016
31.12.2009 (72nd Final)	08.04.2010	13.00	12.06.2017
31.12.2010 (73rd Interim)	22.07.2010	10.00	25.09.2017
31.12.2010 (73rd Final)	13.04.2011	20.50	17.06.2018
31.12.2011 (74th Interim)	28.07.2011	11.00	30.09.2018
31.12.2011 (74th Final)	28.03.2012	17.00	01.06.2019

Financial Year	Date of Declaration	Rate of Dividend per share (₹)	Due date for transfer to IEPF
31.12.2012 (75th Interim)	26.07.2012	11.00	29.09.2019
31.12.2012 (75th Final)	05.04.2013	19.00	09.06.2020
31.12.2013 (76th Interim)	25.07.2013	11.00	28.09.2020
31.12.2013 (76th Final)	09.04.2014	19.00	13.06.2021
31.12.2014 (77th Interim)	24.07.2014	15.00	27.09.2021
31.12.2014 (77th Final)	20.03.2015	19.00	24.05.2022
31.12.2015 (78th Interim)	17.07.2015	11.00	20.09.2022

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. Transfer of ‘Underlying Shares’ into Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years)

Members attention is invited to Regulation 39(4) and Schedule VI of the SEBI Regulations. As per the said Regulations, in cases where unclaimed dividends have been transferred to Investor Education and Protection Fund (IEPF) for a consecutive period of seven years, the underlying shares are also required to be transferred to IEPF. The said Regulation has come into effect from December 1, 2015.

vii. Dealing with securities which have remained unclaimed

Members are hereby informed that as per Regulation 39(4) read with Schedule VI of the SEBI Regulations, the Company is in the process of dematerializing unclaimed shares which are retained with the Company. These shares would be held by the Company on behalf of the holders of such shares in an “Unclaimed Suspense Account” to be opened with a depository. At the end of seven years, hereof, these shares shall be transferred by the Company to the IEPF. Dividends remaining unclaimed in respect of such shares shall also be held

in a separate suspense account and would likewise be transferred to IEPF at the end of seven years.

The Company has sent out reminders to those Members whose share certificates have remained unclaimed, to contact the Company immediately in the matter.

Members may note that the lawful claimant in respect of these shares / dividend will be able to claim such shares dividend from the Company till such time they remain in the Unclaimed suspense account as aforesaid.

viii. Pending Investors’ Grievances

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

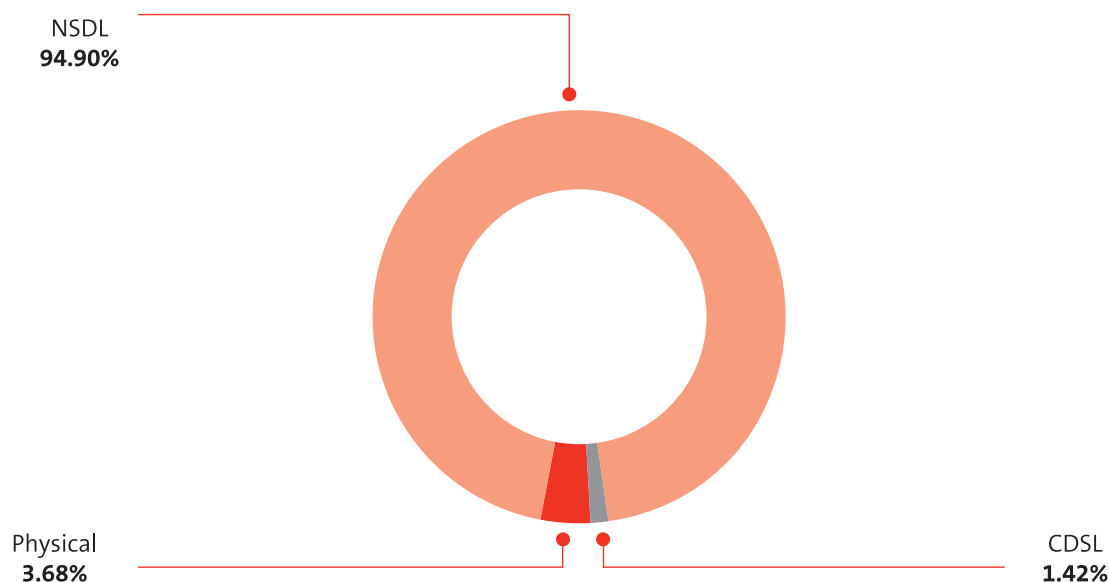
ix. Reconciliation of Share Capital Audit

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, 2015

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	63991	59.84	244835	0.13	687512	0.37	206088	0.11	1138435	0.61
51-100	13489	12.61	266655	0.14	685717	0.37	156453	0.08	1108825	0.59
101-200	10493	9.81	434366	0.23	950655	0.51	187990	0.10	1573011	0.84
201-500	9521	8.90	836402	0.45	1967536	1.05	340939	0.18	3144877	1.68
501-1000	4590	4.29	803311	0.43	2183352	1.16	340156	0.18	3326819	1.77
1001-5000	3996	3.74	1791730	0.95	5635959	3.00	756190	0.40	8183879	4.36
5001-10000	441	0.41	474465	0.25	2354174	1.25	232807	0.12	3061446	1.63
>10000	413	0.39	2062798	1.10	163695166	87.19	450100	0.24	166208064	88.53
Total	106934	100.00	6914562	3.68	178160071	94.90	2670723	1.42	187745356	100.00

Distribution of Shareholding as on December 31, 2015



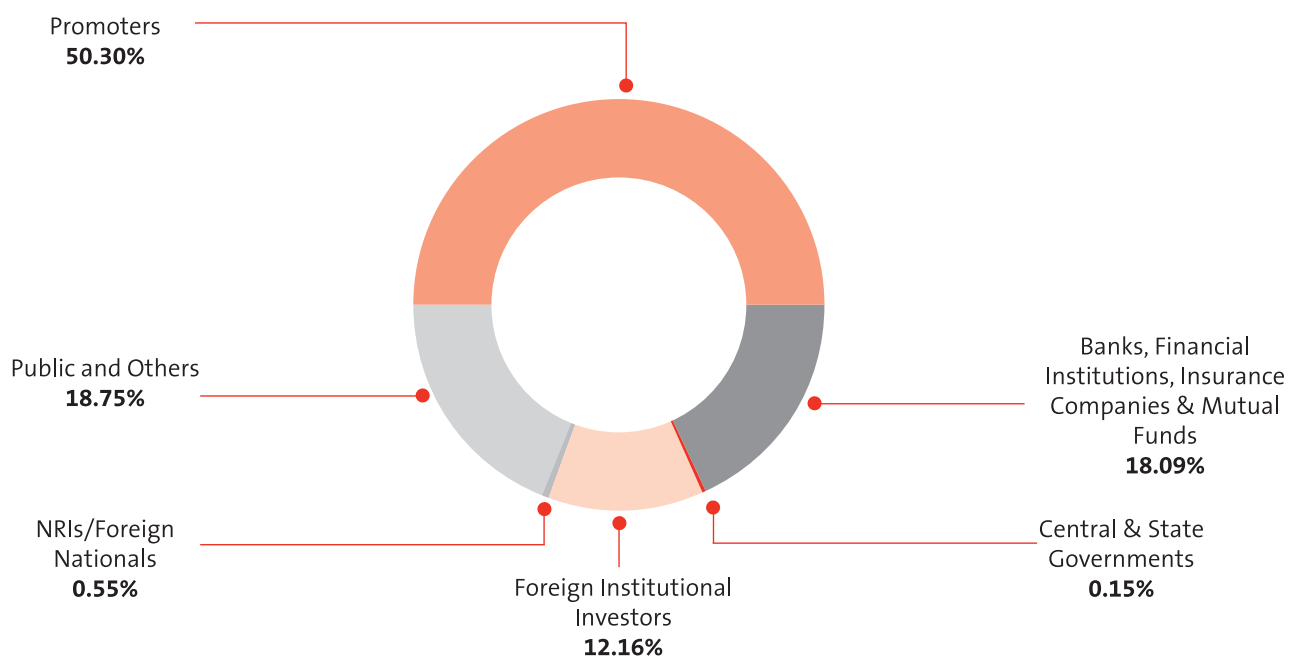
The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with either of the depositories.

Members holding shares in physical mode are urged in their own interest to hold these shares in dematerialized form with any Depository Participant.

Shareholding Pattern as on December 31, 2015

Category	No. of Shares held	%	
Promoter			
i. Holcim (India) Private Limited	9,38,88,120	50.01	
ii. Holderind Investments Ltd.	5,41,000	0.29	50.30
Banks, Financial Institutions, Insurance Companies & Mutual Funds			
i. Banks	14,66,699	0.78	
ii. Financial Institutions	2,55,91,932	13.63	
iii. Insurance Companies	-	-	
iv. Mutual Funds	69,01,246	3.68	18.09
Central & State Governments	2,87,815	-	0.15
Foreign Institutional Investors	2,28,34,842	-	12.16
NRIs / Foreign Nationals	10,24,536	-	0.55
Directors	0	-	0.00
Public and Others	3,52,09,166	-	18.75
TOTAL	18,77,45,356	-	100.00

Shareholding Pattern as on December 31, 2015



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

Statement showing Shareholding of more than 1% of the Capital as on December 31, 2015

Sr. No.	Names of the shareholders		Number of shares	Percentage of Capital
1	Promoter:			
	Holcim (India) Private Limited	93888120		
	Holderind Investments Ltd.	541000	94429120	50.30
2	Life Insurance Corporation of India		22174751	11.81
3	Aberdeen Global Indian Equity (Mauritius) Limited		3768936	2.01
4	JP Morgan Sicav Investment Company (Mauritius) Limited		2546356	1.36
5	JP Morgan India Fund		2115988	1.13
	TOTAL		125035151	66.61

Global Depository Receipts (GDR) / American Depository Receipts (ADR) / Warrants 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
79th	Calendar Year 2014	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020	20.03.2015	3.00 p.m.	No Special Resolution was passed
78th	Calendar Year 2013		09.04.2014	3.00 p.m.	No Special Resolution was passed
77th	Calendar Year 2012		05.04.2013	3.00 p.m.	No Special Resolution was passed

Extraordinary General Meeting (EGM)

No Extraordinary General Meeting was held during the period under reference.

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.

FINANCIAL CALENDAR 2016:

Board Meeting for consideration of Accounts for the financial year ended December 31, 2015 and recommendation of dividend	February 10, 2016
Posting of Annual Reports	On or before March 19, 2016
Book Closure Dates	February 24, 2016 to February 29, 2016 (both days inclusive)
Last date for receipt of Proxy Forms	April 11, 2016 before 3.00 p.m.
Date, Time & Venue of the 80th Annual General Meeting	April 13, 2016 at 3.00 p.m. Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020
Dividend Payment Date	April 20, 2016
Probable date of despatch of warrants	On or before April 19, 2016
Board Meeting for consideration of unaudited quarterly results for the financial year ended December 31, 2016	Within forty five days from the end of the quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges
Audited results for the current financial year ending December 31, 2016	Within sixty days from the end of the last quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges

For and on behalf of the Board

N S Sekhsaria
Chairman

Mumbai
February 10, 2016

Compliance with Code of Business Conduct and Ethics

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended December 31, 2015.

For ACC Limited

Harish Badami
Chief Executive Officer & Managing Director

Mumbai
February 10, 2016

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We the undersigned, in our respective capacities as Chief Executive Officer & 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, 2015 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 Business Conduct.
- c. We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Business 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 10, 2016

Sunil Nayak
Chief Financial Officer

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, 2015 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

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 provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

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 number: 324982E

per Ravi Bansal

Partner

Membership No.: 49365

Mumbai

February 10, 2016

BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2015

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, 2015 to December 31, 2015

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 Pozzolana 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, 50 Ready Mixed Concrete Plants, and 27 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)** : ₹ 11,432.76 Crore
3. **Total profit after taxes (INR)** : ₹ 591.57 Crore
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**:

The Company's total spending on CSR is 2.23% of the average net profit in the previous three financial years.

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

- a. ACC - DISHA
- b. ACC - LIESA
- c. ACC - Swavlamban
- d. ACC - Vidya Utkarsh
- e. ACC - Vidya Sarathi
- f. ACC - Arogyam
- g. ACC - Sampoon Swachhata
- h. ACC - Sanrakshit Paryavaran
- i. ACC - Drona

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 all 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%]

CSR initiative “ACC ki Laadli” under the Vidya Utkarsh project is a flagship education initiative of ACC’s CSR in the Northern region. Partnering with an NGO, this initiative has been undertaken to establish learning centres for girl children in the age group 6-14 years. About 1,513 girl children, especially those who dropped 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 bring mainstream education for these girls and prepare them to appear for Class V exam of the State level.

The project receives contributions from Cement Dealers in the Northern Region in the form of “Lakshya Points” secured by them in appreciation for their achievements of business targets from ACC. The points are then redeemed by them as financial inputs into this project.

The project implementation started in October 2013 and so far 50 learning centres have been set up in different parts of Uttar Pradesh, Himachal Pradesh, Madhya Pradesh, Punjab, Rajasthan, Haryana and Uttarakhand and teaching is continuing in these centres since then.

Section D: BR Information

1. Details of Director / Directors responsible for BR:

a) 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 & Managing Director

b) Details of the BR Head:

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

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

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business 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 Note 1	Y	Y	Note 2	Y	Refer Note 10	Y	Refer Note 11
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? (50 words)	Y	Y Note 3	Y	Y Note 4	-	Y		Y Note 5	
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	-	N Note 6	Y	-	Y		Y	
5	Does the Company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y Note 7	Y	Y	-	Y		Y	
6	Indicate the link for the policy to be viewed online?	*	-	-	#	-	Y**		#	
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Y	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	Note 8	Y	Y	-	N		Y	
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y Note 9	-	N	Y	-	Y		Y	

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

- 1 The Company has not understood the principles
- 2 The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles
- 3 The Company does not have financial or manpower resources available for the task
- 4 It is planned to be done within next six months
- 5 It is planned to be done within next one year
- 6 Any other reason (please specify)

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

http://www.acclimited.com/newsite/pdf/Policy/ACCCSRPolicy_2015SignedbyMD.pdf

** http://www.acclimited.com/newsite/pdf/Policy/ACCCorporate_EnvironmentPolicy2015.pdf

Note 1: The policy is embedded in the Company's quality & environment policies which interalia, relate to safe & sustainable products.

Note 2: The policy is embedded in the Company's Code of Business Conduct, HR policies and various other HR practices.

Note 3: Bureau of Indian Standards (BIS).

Note 4: This policy conforms to guidelines of Companies Act, 2013. In addition, the Policy is also in conformity with the Sustainable Development Goals (SDGs). All our projects are mapped to concerned SDGs and its related targets.

Note 5: Policy conforms to guidelines of Companies Act, 2013. In addition, the Policy is also in conformity with the Sustainable Development Goals (SDGs). All our projects are mapped to concerned SDGs and its related targets

Note 6: All employee related policies are discussed and approved by the Management Executive Committee headed by the CEO&MD and its implementation monitored by Human Resources Division.

Note 7: At Executive Committee Meetings.

Note 8: The Company has a redressal mechanism to address product related complaints i.e. customer complaint portal.

Note 9: Compliance reports from designated employees which is audited by Statutory Auditors.

Note 10: 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 the Government. However, no need for a formal policy has been felt.

Note 11: The Company has a systematic process of assessing customer needs fulfilling them with innovative products and services. It also has a customer complaint redressal system.

3. Governance related to BR:

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

3 to 6 months.

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 releases a Sustainable Development (SD) Report every year. The Company was publishing a printed version of the SD Report in a two year cycle. Since 2013, the Company has been releasing the printed version every year. BRR is included in the Annual Report. This report constitutes the Company's Fourth 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.

1. 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. The Company has a Code of Business Conduct (along with an anti-Bribery and Corruption Directive) and a vigil mechanism named EthicalView Reporting 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 an annual affirmation is taken from the designated employees. The Anti Bribery and Corruption Directive and the EthicalView Reporting 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>.

2. 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 88 complaints under the EthicalView Reporting Policy, out of which 57 were resolved and the balance 31 complaints are under various stages of investigation and completion.

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

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

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

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

i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain:

Consumption per unit of production	Current Year (January – December 2015)	Previous Year (January – December 2014)
Electrical Energy (kWh/ Tonne of Cement)	84.45	80
Thermal Energy (K Cal / kg of Clinker)	730	730
CO ₂ Emissions (kg CO ₂ / Tonne of Cement)	533	526

ii. Reduction during usage by consumers (energy, water) has been 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 integrated plants are situated close to limestone mines which helps minimize transportation. The Company deploys sustainable mining practices. Most bulk materials are transported inward by rail. Blended Cements are manufactured using flyash / slag which are by-products / wastes 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.

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

ACC has the facility of consuming used cement bags as Alternate Fuel in some of the manufacturing units. The location of cement plants are far away from markets, a very low percentage of used bags get recycled at the Plants. About 85% 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.	ACC	7,604
2.	Concrete Business	764
	Total	8,368

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

Sr. No.	Category of Employees	No. of Employees
1.	Retainers / Advisors	64
2.	Subcontracted Employees	0
3.	Third Party Employees	7,831
4.	Casual Employees	34
	Total	7,929

3. Please indicate the number of permanent women employees:

Number of permanent women employees: 332

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 is members of this recognized employee association?

Approximately 47% 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	1	0
3	Discriminatory employment	NIL	NIL

8. What percentage of undermentioned employees were given safety and skill up-gradation training in the last year?

A. Permanent employees	:	68%
B. Permanent women employees	:	36%
C. Casual / Temporary / Contractual employee	:	NIL
D. Employees with disabilities	:	40%

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, 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 and by providing nutritional support to HIV infected as positive cases. In addition, quality education is being provided to school going children from affected families.

The Company has enhanced the 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 educational support to dropout girl children are some of the other special initiatives undertaken to engage with the vulnerable and marginalized stakeholders. Some noteworthy Projects are Solar Micro Grids for household electricity supply, Project DISHA for five thousand youth, formation of a farmer producer company and a SHG co-operative federation.

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?

All aspects of the human rights are inbuilt and covered under the Company's Code of Business Conduct as well in various human resource practices / policies.

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 related 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 roadmap to achieve this. 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 in respect of its 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 the Clean Development Mechanism (CDM). Environmental Compliance Report (Validation & Verification Reports) have been filed. Certified Emission Reductions Reports 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 such as the Waste Heat Recovery System (WHRS) at Gagal Cement Works; three wind farms – one each in Maharashtra, Tamil Nadu and Rajasthan and Waste Co-processing in cement plants. The hyperlink for the same is <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 prescribed 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.

One.

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:

- i. Confederation of Indian Industry (CII)
- ii. Federation of Indian Chambers of Commerce and Industry (FICCI)
- iii. Bombay Chamber of Commerce and Industry
- iv. 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:

- i. Sustainable Mining Practices
- ii. Waste Management – Co-processing of municipal and industrial hazardous & non-hazardous wastes
- iii. Energy Conservation
- iv. 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 specific programmes / initiatives / projects in pursuance of its CSR policy. The Company engages all sections of the host communities for developing their village through micro plans. Implementation of these micro plans & monitoring is done by the Community Advisory Panels (CAP) at all plant locations. The CAP helps at all stages of CSR interventions i.e. planning of CSR activities, process monitoring and evaluation. The Company also engages third party organizations to assist in need assessment and annual evaluations through a Social Audit process based on PRA findings. The CSR project participants include the disadvantaged, vulnerable and marginalized sections of society.

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

1. Livelihood & Employability
2. Quality of Education
3. Health & Sanitation

- 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 an internal team as well as in partnership with Non-Governmental Organizations (NGOs), Academic and Government Institutions.

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

Yes, the Company has conducted impact assessments of its CSR initiatives. A third party Social Audit of all CSR expenses was carried out. A Social Audit Committee was constituted which engaged an organization for a field visit to all plant sites. Based on the findings of the field visits, the implementation effectiveness and efficiency were mapped on a CSR performance score card which was then incorporated into the Company's performance management system.

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 ₹ 31.16 Crore in developmental projects as under:

Sr. No.	Focus Areas	Expenditure (₹ Crore)
1	ACC - DISHA	3.71
2	ACC - LIESA	6.64
3	ACC - Swavlamban	3.36
4	ACC - Vidya Utkarsh	5.13
5	ACC - Vidya Sarathi	0.38
6	ACC - Arogyam	3.70
7	ACC - Sampurn Swachhata	4.14
8	ACC - Sanrakshit Paryavaran	3.16
9	ACC - Drona	0.94
	Total	31.16

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 a participatory approach in the selection of CSR initiatives. A Community Advisory Panel (CAP), comprising representatives and opinion leaders of the community is functional at plant locations, which facilitate inclusive project planning, information sharing and participatory implementation.

Stakeholder Engagement Surveys (SES) are conducted at regular intervals to identify feedback of the community, required modifications are carried out in ongoing initiative implementation projects. This helps in fostering ownership amongst local communities.

All CSR projects follow a bottom up approach to the planning process. Initially, PRA tools are used to develop village micro-plan so that entire village can participate in the process. While implementing the projects, the CAP meets on a quarterly basis to review the progress of the projects and suggest course corrections. Annually, a Stakeholder Engagement Survey (SES) is carried out to meet stakeholders to obtain their feedback for future implementation of projects.

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 2015?

A total of 285 complaints were received from customers (end-consumers) in 2015, out of which none (amounting to <1%) was pending as of December 31, 2015.

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' etc., apart from the statutory information, the key product benefits are also highlighted on 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 behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Case No. 29 / 2010

Builders' Association of India had filed a complaint before the Commission against the Cement Manufacturers' Association and various cement manufacturers including the Company, for alleged violations of the provisions of the Competition Act. The CCI based on the Report of DG, held the Company and the other Cement manufacturers were in contravention of Sec 3(3)(a) and 3(3)(b) r/w Sec 3(1) of the Act and imposed a total penalty of ₹ 6,317.32 crores, out of which ₹ 1,147.59 crores was levied on the Company. Appeals were preferred before the Competition Appellate Tribunal (COMPAT) which were by Order dated December 11, 2015 allowed the appeal and the matters are remanded back to CCI for rehearing. Pursuant thereto, CCI has heard all the matters afresh between 19th & 22nd January, 2016.

Case No. 52 / 2006

Builders' Association of India had filed a complaint before the Commission against the Cement Manufacturers' Association and various cement manufacturers including the Company, for alleged violations of the provisions of the Competition Act. The CCI based on the said Report held the Company and the other Cement manufacturers were in contravention of Sec 3(3)(a) and 3(3)(b) r.w Sec 3(1) of the Act and has held that the cement companies had institutionalized the system of sharing the prices, capacities and production among each other using the platform of CMA, but has not imposed any penalty. Appeals were preferred before the Competition Appellate Tribunal (COMPAT) which were by Order dated December 11, 2015 allowed the appeal and the matters are remanded back to CCI for rehearing.

Haryana tender matter Reference Case No. 5 of 2013

The Director General (Supply & Distribution), Government of Haryana, filed a complaint alleging bid rigging against seven cement manufacturers including the Company in a tender for cement floated by them. The DG investigation has filed its report holding that all the Cement Manufacturers against whom the investigation was initiated had rigged the bidding process. The objections to the report of DG are to be filed by March 23, 2016 and hearing has been fixed for April 13, 2016.

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

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

ANALYSIS OF STANDALONE FINANCIAL

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

Figures in ₹ Crore

	2015	% of Revenue from operations	2014	% of Revenue from operations
Net Sales	11,432.76	96.91	11,481.05	97.81
Other operating revenue	364.07	3.09	257.16	2.19
Revenue from operations (net)	11,796.83	100.00	11,738.21	100.00
Other income	119.35	1.01	268.28	2.29
Cost of materials consumed	1,739.78	14.75	1,788.31	15.23
Purchase of traded goods	108.29	0.92	194.33	1.66
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	0.05	-	(11.28)	(0.10)
Employee benefits expense	769.87	6.53	746.59	6.36
Power and fuel	2,394.05	20.29	2,441.82	20.80
Freight and Forwarding expense	2,723.00	23.08	2,598.33	22.14
Finance costs	67.32	0.57	82.76	0.71
Depreciation and amortization expense	652.06	5.53	557.58	4.75
Other expenses (including Self Consumption of cement)	2,524.62	21.40	2,472.85	21.07
Profit before exceptional item and tax	937.14	7.94	1,135.20	9.67
Exceptional item	153.17	1.30	-	-
Profit before tax	783.97	6.65	1,135.20	9.67
Tax expenses	192.40	1.63	(33.09)	(0.28)
Profit for the year	591.57	5.01	1,168.29	9.95

Profit after tax for the year is not comparable with previous year due to following reasons:

- In the previous year, on completion of assessments and review of certain tax positions, provision for tax of ₹ 309.23 Crore and provision for interest on income tax of ₹ 69.37 Crore had to be written back, whereas no such write backs are necessary in 2015.
- In the current year, an additional depreciation charge of ₹ 173.14 Crore (net of tax) has been made on account of change in useful lives of fixed assets in accordance with the provisions of Schedule II of the Companies Act, 2013.

As a result of above, Profit after tax for the year 2015 is ₹ 591.57 Crore as compared to ₹1168.29 Crore in the previous year:

1. REVENUE FROM OPERATIONS (NET):

Figures in ₹ Crore

	2015	2014	Change	Change%
Cement and Clinker	10,465.26	10,720.28	(255.02)	(2.38)
Ready Mix Concrete	948.62	740.80	207.82	28.05
Sale of services (RMX)	18.88	19.97	(1.09)	(5.46)
Other operating revenue	364.07	257.16	106.91	41.57
TOTAL	11,796.83	11,738.21	58.62	0.50

Revenue from operations (net) has marginally increased due to following reasons:-

- Net sale of cement and clinker has declined by 2.38% mainly on account of temporary closure of mines in the eastern plants of Chaibasa and Bargarh and a general slow pace of economy, in early part of the year.
- The Company achieved cement sales volume of 23.62 million tonnes during the year as compared to 24.21 million tonnes in the previous year.
- Net cement realization has improved marginally as compared to previous year.
- Sale of Ready Mixed Concrete has increased by 28% from 18.34 Lakh Cubic Meters to 23.44 Lakh Cubic Meters.
- Other operating revenue consists of accrual of incentive and subsidies from Governments under incentive schemes, write back of provision which is no longer required, Scrap sales and other Miscellaneous Income.

Other operating revenue has increased due to following reason:

- Accrual of sales tax incentives of ₹ 139.74 Crore pertaining to the period August 2005 to March 2015 due to favorable order from Jharkhand High Court in current year.

2. OTHER INCOME:

Figures in ₹ Crore

	2015	2014	Change	Change%
Other income	119.35	268.28	(148.93)	(55.51)

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

Other income has decreased due to following reasons:

- The Company is debt free. Jamul project is funded through internal accruals. Due to this cash and cash equivalents is lower as compared to 2014 which has resulted into lower income from short term investments by ₹ 77 Crore. Also there has been reduction in average rate of return on investment as compared to previous year.
- In the previous year, the Company had written back ₹ 69.37 Crore towards interest on income tax relating to earlier years.

3. COST OF MATERIALS CONSUMED:

Figures in ₹ Crore

	2015	2014	Change	Change%
Cost of materials consumed	1,739.78	1,788.31	(48.53)	(2.71)

Cost of materials consumed has decreased due to following reasons:

- Cement production has decreased by 1.65% from 24.24 million tonnes to 23.84 million tonnes.
- Slag prices has reduced by 27% as compared to previous year. Overall cost of consumption of slag has reduced by ₹ 85.55 Crore. Cost of Additives & Corrective materials has also reduced by ₹ 24 Crore.
- Decrease in input cost has partially offset by increase in Fly ash and Gypsum prices in the range of 4%-5%.
- Ready Mixed Concrete Production has increased by 26% from 17.61 Lakh Cubic Meters to 22.15 Lakh Cubic Meters.
- Continuous focus on cost management also helped contain overall raw material cost.

4. PURCHASE OF TRADED GOODS

Figures in ₹ Crore

	2015	2014	Change	Change%
Cement	13.71	121.91	(108.20)	(88.75)
Ready mix concrete	94.58	72.42	22.16	30.60
TOTAL	108.29	194.33	(86.04)	(44.28)

- Purchase of traded cement has decreased by ₹ 108.20 Crore as compared to previous year mainly on account of discontinuation of sale and purchase arrangement with third party in the previous year.

5. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade:

Figures in ₹ Crore

	2015	2014	Change	Change%
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	0.05	(11.28)	11.33	(100.44)

- There is no significant movement in change in inventories.

6. EMPLOYEE BENEFITS EXPENSE:

Figures in ₹ Crore

	2015	2014	Change	Change%
Employee benefits expense	769.87	746.59	23.28	3.12

Employee benefits expense has increased due to following reasons:

- During the year, the Company has incurred ₹ 33 Crore towards severance cost on account of manpower rationalization.
- Normal hike in salary w.e.f April 01, 2015.
- Increase in employee cost has been partially offset by lower retirement benefits provision. Retirement benefits provision in previous year was higher by ₹ 28 Crore due to change in discounting rate for valuation of employee benefits obligation.

7. POWER AND FUEL:

Figures in ₹ Crore

	2015	2014	Change	Change%
Power and Fuel	2,394.05	2,441.82	(47.77)	(1.96)

Power and fuel cost has decreased by 1.96% due to following reasons:

- Fuel cost for kiln has decreased due to reduction in Pet coke price and landed cost of domestic coal. Usage of Pet coke and Alternative fuel has increased in current year.
- Cost Benefit of ₹ 7 Crore due to higher generation of Waste Heat Recovery System (WHRS) operation at Galgal
- Decrease in power and fuel cost partially offset by increase in clinker production by 1.66%
- The Generation cost per KW of captive power plants (CPP) in 2015 increased by 2% to ₹ 4.67 per unit against ₹ 4.59 per unit in 2014, mainly due to a higher landed cost of coal transported by rail and levy / increase in electricity duty on generation of power.

8. FREIGHT AND FORWARDING EXPENSE :

Figures in ₹ Crore

	2015	2014	Change	Change%
Freight and Forwarding expense				
On Clinker transfer	460.30	393.81	66.49	16.88
On finished products - Cement	2,180.46	2,136.50	43.96	2.06
Ready mixed Concrete	82.24	68.02	14.22	20.91
TOTAL	2,723.00	2,598.33	124.67	4.80

Freight and Forwarding expense has increased due to following reasons:

- Freight on inter unit clinker transfer has gone up by ₹ 66.49 Crore mainly on account of long lead movement of clinker and higher volume of clinker transferred to various units.
- Freight cost on sale of Cement has gone up due to hike in railway freight by 6%.
- Increase in freight cost has partially offset by benefits in road freight on account of reduction in diesel prices.
- Freight cost on sale of Ready Mixed Concrete has gone up due to increase in volumes.

9. FINANCE COSTS:

Figures in ₹ Crore

	2015	2014	Change	Change%
Interest expenses	46.13	48.70	(2.57)	(5.28)
Interest on Income Tax	21.19	34.06	(12.87)	(37.79)
TOTAL	67.32	82.76	(15.44)	(18.66)

Finance costs comprise interest paid to dealers on Security deposit, interest on income tax and other interest.

- Finance cost has decreased due to reduction in interest on income tax by ₹ 12.87 Crore as compared to previous year.

10. DEPRECIATION AND AMORTIZATION EXPENSE

Figures in ₹ Crore

	2015	2014	Change	Change%
Depreciation on tangible assets	651.55	557.23	94.32	16.93
Amortization on intangible assets	0.51	0.35	0.16	45.71
TOTAL	652.06	557.58	94.48	16.94

- Current year depreciation includes additional depreciation charge of ₹ 111.61 Crore due to change in useful lives of the fixed assets in accordance with the provision of Schedule II of the Companies Act, 2013.

11. OTHER EXPENSES:

Figures in ₹ Crore

	2015	2014	Change	Change%
Consumption of Stores and spares parts	377.99	361.99	16.00	4.42
Consumption of packing materials	404.44	483.67	(79.23)	(16.38)
Excise duty variation on opening and closing stock	1.07	2.73	(1.66)	(60.81)
Rent	29.90	33.83	(3.93)	(11.62)
Rates and Taxes	145.52	141.13	4.39	3.11
Repairs	161.23	171.54	(10.31)	(6.01)
Insurance	25.44	24.62	0.82	3.33
Royalties on minerals	205.72	129.82	75.90	58.47
Discount on sales	90.80	93.27	(2.47)	(2.65)
Advertisement	110.13	106.82	3.31	3.10
Technology and Know-how fees	112.76	112.91	(0.15)	(0.13)
Miscellaneous Expenses	868.94	828.18	40.76	4.92
Self-Consumption of cement	(9.32)	(17.66)	8.34	(47.23)
TOTAL	2,524.62	2472.85	51.77	2.09

- Consumption of packing material cost has decreased mainly due to decline in prices of PP granule as compared to previous year. Average price of packing bags reduced by 15%.
- Royalties on minerals
 - Pursuant to introduction of The Mines and Minerals (Development and Regulation) Amendment Act, 2015, effective from January 12, 2015, the Company has created provision amounting to ₹ 52 Crore towards contribution to District Mineral Foundation and National Mineral Exploration Trust (NMET).
 - Increase in royalty rate on limestone from ₹ 63 to ₹ 80 with effect from September, 2014.
- Technology and Know-how fees represent the amount paid to Holcim Technology Ltd for technical support received by the Company.
- Miscellaneous Expenses
 - During the year, the Company has provided ₹ 15 Crore for diminution in the value of investment in ACC Mineral Resources Limited, a wholly owned subsidiary Company.
 - Fixed assets of ₹ 12 Crore written off in the current year.
 - The Company has incurred ₹ 13 Crore towards severance cost for rationalization of third party manpower.

12. EXCEPTIONAL ITEM:

Figures in ₹ Crore

	2015	2014	Change	Change%
Exceptional item	153.17	-	153.17	-

- Pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, an additional charge of ₹ 153.17 Crore, being the carrying amount as of January 1, 2015 of fixed assets with no remaining useful life (Revised as per Schedule II) as of that date, is recognized in the Statement of Profit and Loss and disclosed as an exceptional item.

13. TAX EXPENSES:

Figures in ₹ Crore

	2015	2014	Change	Change%
Tax expenses	192.40	(33.09)	225.49	(681.44)

- In the previous year, on completion of assessments and review of certain tax positions, an amount of ₹ 309.23 Crore had to be written back, whereas no such write backs are necessary in 2015.

14. NET FIXED ASSETS:

Figures in ₹ Crore

	2015	2014	Change	Change%
Tangible assets	5,284.78	5,597.75	(312.97)	(5.59)
Intangible assets	0.20	0.64	(0.44)	(68.75)
Capital Work in progress	2,370.96	1,914.63	456.33	23.83
TOTAL	7,655.94	7,513.02	142.92	1.90

- Decrease in Net Tangible assets is due to additional charge of depreciation of ₹ 264.78 Crore on account of change in useful lives of the fixed assets in accordance with the provision of Schedule II of the Companies Act, 2013.
- Capital work-in-progress has gone up mainly on account of capital expenditure incurred on Jamul and Sindri project.

The ongoing expansion of project at Jamul plant in Chhattisgarh, which comprises a new clinkering line and grinding facility together with a new grinding unit at Sindri in Jharkhand, is nearing completion and expected to be commissioned in the second quarter of 2016.

15. INVESTMENTS:

Figures in ₹ Crore

	2015	2014	Change	Change%
Non-current investments	274.55	290.90	(16.35)	(5.62)
Current investments	1201.15	1282.08	(80.93)	(6.31)
TOTAL	1,475.70	1,572.98	(97.28)	(6.18)

Non-current investment has decreased due to following reasons:

- During the year, the Company has provided ₹ 15.15 Crore for diminution in the value of investment in ACC Mineral Resources Limited, a wholly owned subsidiary Company.
- Current portion of long term investment of ₹ 3.70 Crore disclosed under the schedule current investments.
- During the year, the company has invested ₹ 2.50 Crore in equity shares of Oneindia BSC Private Limited, which is a jointly controlled entity with equal equity participation with Ambuja Cements Limited, a fellow subsidiary Company, with aim to provide back office services with respect to routine processes.

Current investments

- Current investment has decreased due to utilization of surplus funds in Jamul and Sindri projects.

16. LOANS AND ADVANCES

Figures in ₹ Crore

	2015	2014	Change	Change%
Long-term loans and advances	1,073.38	855.56	217.82	25.46
Short-term loans and advances	349.84	383.92	(34.08)	(8.88)
TOTAL	1,423.22	1,239.48	183.74	14.82

Long-term loans and advances has increased due to following reasons:

- Capital advance has increased by ₹ 92 Crore mainly due to advance given for Jamul and Sindri projects.
- The Company had received a demand from District Mining Officer towards penalty for alleged illegal mining activities carried out by the Company. The aforesaid demands were challenged by the company and Writ Petition has been filed with High Court of Jharkhand. The petition has been admitted subject to a token deposit of ₹ 48 Crore, which has been deposited in the current year and disclosed under Long-term loans and advances.
- Advance of income tax (Net) has increased by ₹ 72.21 Crore.

Short term loans and advances has decreased due to following reasons:

- Advances for supply of Raw material has gone down by ₹ 26.60 Crore.
- Balance with statutory / government authorities has decreased by ₹ 12.45 Crore mainly due to reduction in cenvat input credit.

17. OTHER ASSETS

Figures in ₹ Crore

	2015	2014	Change	Change%
Other non-current assets	466.30	360.71	105.59	29.27
Other current assets	55.11	14.54	40.57	279.02
TOTAL	521.41	375.25	146.16	38.95

- Other non-current assets have gone up due to accrual of incentive receivables from government under various incentives schemes.
- Other current assets have gone up due to increase in fixed assets held for sale by ₹ 38.79 Crore.

18. INVENTORIES :

Figures in ₹ Crore

	2015	2014	Change	Change%
Raw Materials	132.01	139.07	(7.06)	(5.08)
Work-in-Progress	241.20	240.32	0.88	0.37
Finished Goods	152.54	153.75	(1.21)	(0.79)
Stock-in-trade	0.65	0.37	0.28	75.68
Stores & Spare Parts	265.84	262.53	3.31	1.26
Packing Material	18.24	20.02	(1.78)	(8.89)
Fuels	378.12	439.53	(61.41)	(13.97)
TOTAL	1,188.60	1,255.59	(66.99)	(5.34)

- Fuel inventory was higher in the previous year due to stoppage of clinkerisation activity at Chaibasa and Bargarh plants, consequent upon temporary suspension of limestone mining operations.

19. TRADE RECEIVABLES:

Figures in ₹ Crore

	2015	2014	Change	Change%
Trade receivables – Cement	287.65	244.77	42.88	17.52
Trade receivables - Ready Mixed Concrete	196.70	165.94	30.76	18.54
TOTAL	484.35	410.71	73.64	17.93

- Trade receivable for cement has increased by 17.52%. The average collection days outstanding for cement sales as on December 31, 2015 is 6 as compared to 5 as on December 31, 2014.
- Increase in Ready Mixed Concrete business trade receivable in 2015 is mainly due to increase in sales.
- The average collection day outstanding for Concrete business as on December 31, 2015 is 65 as compared to 59 as on December 31, 2014.

20. CASH AND BANK BALANCES:

Figures in ₹ Crore

	2015	2014	Change	Change%
Cash and bank balances	91.60	304.30	(212.70)	(69.90)

- The Company is debt free. Jamul project is funded through internal accruals. Due to this Cash and bank balances is lower as compared to 2014.

21. PROVISIONS

Figures in ₹ Crore

	2015	2014	Change	Change%
Long-term provisions	119.86	115.94	3.92	3.38
Short-term provisions	639.33	937.27	(297.94)	(31.79)
TOTAL	759.19	1,053.21	(294.02)	(27.92)

Short-term provision has decreased due to following reasons:

- Provision for employee benefits has decreased due to contribution of ₹ 75 Crore to the fund against provision for compensated absences.
- Provision for proposed final dividend (including dividend distribution tax) has decreased by ₹ 292.46 Crore. Proposed final dividend is ₹ 6 per Share as against ₹ 19 per Share in the previous year.
- Provision for Income Tax (Net of advance tax) has increased by ₹ 72.27 Crore.

22. SHORT-TERM BORROWINGS

Figures in ₹ Crore

	2015	2014	Change	Change%
Short term borrowings	35.50	-	35.50	100.00

- Short term Borrowings consist of loan from ACC Mineral Resources Limited, a wholly owned subsidiary Company.

23. TRADE PAYABLES

Figures in ₹ Crore

	2015	2014	Change	Change%
Trade payables	874.11	750.23	123.88	16.51

- Increase in trade payables are in line with increase in business activities.

24. OTHER CURRENT LIABILITIES

Figures in ₹ Crore

	2015	2014	Change	Change%
Interest accrued but not due on borrowings	2.44	-	2.44	-
Unpaid dividend & Matured Deposit	33.46	31.89	1.57	4.92
Statutory dues	378.50	324.27	54.23	16.72
Advance from customers	137.81	131.94	5.87	4.45
Security deposits and retention money	666.77	624.48	42.29	6.77
Liability for capital expenditure	113.13	131.09	(17.96)	(13.70)
Other payables	927.71	853.04	74.67	8.75
TOTAL	2,259.82	2,096.71	163.11	7.78

- Statutory dues have increased due to provision of ₹ 52 Crore made towards contribution to District Mineral Foundation and National Mineral Exploration Trust (NMET).
- Other payables have increased due to increase in provision for litigations.

25. CASH FLOW

Figures in ₹ Crore

	2015	2014	Change	Change%
Net cash flow from operating activities	1,461.24	1,331.70	129.54	9.73

Net cash from operating activities has increased as compared to previous year due to following reasons:

- The cash operating profit before working capital changes has increased by ₹ 107.95 Crore.
- Decrease in working capital by ₹ 58 Crore as compared to ₹ 43 Crore in previous year.

	2015	2014	Change	Change%
Net cash used for investing activities	(948.17)	(1,436.69)	488.52	(34.00)

- Net cash used for investment activities has decreased mainly on account of lower cash outflow for purchase of fixed assets by ₹ 359 Crore and refund of deposit, along-with accumulated interest, kept lien in favour of COMPAT for Competition Commission of India (CCI) matter.

	2015	2014	Change	Change%
Net cash used for financing activities	(681.02)	(837.09)	156.07	(18.64)

Net cash used for financing activities has decreased due to following reasons:

- Lower payment of Dividend and dividend tax by 78 Crore as compared to previous year.
- Proceeds from short term Borrowings of ₹ 35.50 from subsidiary company in the current year.
- In the previous year, the Company repaid the Long term borrowings of ₹ 35 Crore.

INDEPENDENT AUDITOR'S REPORT

To the Members of ACC Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of ACC Limited ("the Company"), which comprise the Balance Sheet as at December 31, 2015, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone 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 financial control relevant to the Company's preparation of the standalone 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 of the state of affairs of the Company as at December 31, 2015, its profit, and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and 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 it 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 aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on December 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 A (a), 36 A (c), 36 B and 37 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

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 10, 2016

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')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (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.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (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.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) 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 covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (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.
- (v) The Company has not accepted any deposits from the public.
- (vi) 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 148(1) of the Companies Act, 2013, related to the manufacture of Cement and Ready Mix Concrete, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, 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:

(₹ Crore)

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 2013-14	24.96	131.96	126.07	-	282.99
Central Excise Act (Duty / Penalty / Interest)	1994-95 to 2013-14	3.61	22.12	0.98	2.34	29.05
Service Tax under Finance Act, 1994 (Tax/Penalty/ Interest)	2005-06 to 2012-13	-	18.09	-	-	18.09
Customs Duty Matters (Duty /Penalty / Interest)	2012-13	-	15.03	-	-	15.03
Cess Matters	2003-04 to 2012-13	-	-	11.93	26.03	37.96
TOTAL		28.57	187.20	138.98	28.37	383.12

- (d) According to the information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- viii) 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.
- (ix) The Company did not have any outstanding dues in respect of financial institution, bank or debenture holders during the year.
- (x) 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.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone financial statements and as per the information and explanations given by the management, we report that 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 10, 2016

BALANCE SHEET as at December 31, 2015

Particulars	Note No.	2015 ₹ Crore	2014 ₹ Crore
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	187.95	187.95
Reserves and surplus	4	8,255.09	8,047.66
		8,443.04	8,235.61
Non-current liabilities			
Deferred tax liabilities (Net)	5	469.16	535.57
Long-term provisions	6	119.86	115.94
		589.02	651.51
Current liabilities			
Short-term borrowings	7	35.50	-
Trade payables:			
Due to Micro and Small Enterprises	38	4.12	1.76
Due to others		869.99	748.47
Other current liabilities	8	2,259.82	2,096.71
Short-term provisions	9	639.33	937.27
		3,808.76	3,784.21
TOTAL		12,840.82	12,671.33
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible assets	10	5,284.78	5,597.75
Intangible assets	10	0.20	0.64
Capital work-in-progress		2,370.96	1,914.63
Non-current investments	11	274.55	290.90
Long-term loans and advances	12	1,073.38	855.56
Other non-current assets	13	466.30	360.71
		9,470.17	9,020.19
Current assets			
Current investments	14	1,201.15	1,282.08
Inventories	15	1,188.60	1,255.59
Trade receivables	16	484.35	410.71
Cash and bank balances	17	91.60	304.30
Short-term loans and advances	18	349.84	383.92
Other current assets	19	55.11	14.54
		3,370.65	3,651.14
TOTAL		12,840.82	12,671.33
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

HARISH BADAMI

CEO & Managing Director

DIN: 02298385

N.S.SEKHSARIA

Chairman

DIN: 00276351

BERNARD TERVER

Deputy Chairman

DIN: 06771125

ARUNKUMAR R GANDHI

Director

DIN: 00007597

per RAVI BANSAL

Partner

Membership No. 49365

SUNIL K. NAYAK

Chief Financial Officer

SHAILESH V. HARIBHAKTI

Director

DIN: 00007347

ASHWIN DANI

Director

DIN: 00009126

FARROKH K. KAVARANA

Director

DIN: 00027689

BURJOR D. NARIMAN

Company Secretary

FALGUNI NAYAR

Director

DIN: 00003633

ERIC OLSEN

Director

DIN: 07238383

CHRISTOF HASSIG

Director

DIN: 01680305

Mumbai, February 10, 2016

STATEMENT OF PROFIT AND LOSS for the year ended December 31, 2015

Particulars	Note No.	2015 ₹ Crore		2014 ₹ Crore
INCOME				
Revenue from operations (gross)		13,240.71		13,108.18
Less - Excise duty		1,443.88		1,369.97
Revenue from operations (net)	20	11,796.83		11,738.21
Other Income	21	119.35		268.28
Total Revenue			11,916.18	12,006.49
EXPENSES				
Cost of materials consumed	22	1,739.78		1,788.31
Purchase of traded goods	23	108.29		194.33
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	0.05		(11.28)
Employee benefits expense	25	769.87		746.59
Power and fuel		2,394.05		2,441.82
Freight and Forwarding expense	26	2,723.00		2,598.33
Finance costs	27	67.32		82.76
Depreciation and amortization expense	28	652.06		557.58
Other expenses	29	2,533.94		2,490.51
		10,988.36		10,888.95
Self Consumption of Cement (net of Excise Duty)		(9.32)		(17.66)
Total Expenses			10,979.04	10,871.29
Profit before exceptional item and tax			937.14	1,135.20
Exceptional item (Refer Note - 51)			153.17	-
Profit before tax			783.97	1,135.20
Tax expenses				
Current tax		(258.81)		(262.24)
Tax adjustments for earlier years (Refer Note - 43)		-		309.23
Deferred tax		66.41		(13.90)
			(192.40)	33.09
Profit for the year			591.57	1,168.29
Earnings per equity share	30			
{(Face value of ₹ 10 each (Previous Year - ₹ 10 each))}				
Basic		₹	31.51	62.23
Diluted		₹	31.43	62.06
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

HARISH BADAMI

CEO & Managing Director

DIN: 02298385

N.S.SEKHSARIA

Chairman

DIN: 00276351

BERNARD TERVER

Deputy Chairman

DIN: 06771125

ARUNKUMAR R GANDHI

Director

DIN: 00007597

per RAVI BANSAL

Partner

Membership No. 49365

SUNIL K. NAYAK

Chief Financial Officer

SHAILESH V. HARIBHAKTI

Director

DIN: 00007347

ASHWIN DANI

Director

DIN: 00009126

FARROKH K. KAVARANA

Director

DIN: 00027689

BURJOR D. NARIMAN

Company Secretary

FALGUNI NAYAR

Director

DIN: 00003633

ERIC OLSEN

Director

DIN: 07238383

CHRISTOF HASSIG

Director

DIN: 01680305

Mumbai, February 10, 2016

CASH FLOW STATEMENT for the year ended December 31, 2015

Particulars	2015 ₹ Crore	2014 ₹ Crore
A. Cash flow from operating activities		
Net Profit before Tax	783.97	1,135.20
Adjustments for:		
Depreciation and Amortization expenses (including Exceptional item)	805.23	557.58
Loss / (Profit) on sale / write off of fixed assets (Net)	30.45	15.88
Provision for diminution in the value of Non-current investment	15.15	4.13
Non-current investment written off	-	0.69
Gain on sale of current investments	(22.24)	(41.45)
Dividend income	(2.04)	(9.86)
Interest income	(93.60)	(216.97)
Finance costs	67.32	82.76
Provision for doubtful debts and advances (Net)	13.64	15.88
Bad debts written off	0.32	4.60
Provision for slow and non moving Stores & Spare parts	8.36	13.72
Provision no longer required written back	(10.66)	(45.85)
Unrealised exchange (gain) / loss (Net)	(2.25)	(1.09)
Capital Spares Consumed	38.56	9.05
Operating profit before working capital changes	1,632.21	1,524.27
Changes in Working Capital:		
Adjustments for Decrease / (Increase) in operating assets:		
Decrease / (Increase) in Trade receivable, loans & advances and other assets	(217.32)	(196.90)
Decrease / (Increase) in Inventories	58.63	(147.84)
Adjustments for Increase / (Decrease) in operating liabilities:		
Increase / (Decrease) in Trade payables, Other liabilities and Provisions	216.63	387.55
Cash generated from operations	1,690.15	1,567.08
Direct tax paid - (Net of refunds)	(228.91)	(235.38)
Net Cash flow from operating activities	1,461.24	1,331.70
B. Cash flow from investing activities		
Loans to subsidiary companies	-	(75.76)
Payment received against loan and advance given to subsidiaries	3.08	109.73
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)	(1,168.14)	(1,527.00)
Proceeds from sale of Fixed Assets	3.86	2.58
Proceeds from sale of current investments	22.24	41.45
Purchase of Investment in joint venture company	(2.50)	-
Purchase of Investment in subsidiary companies	-	(118.91)
Redemption / (investment) in bank deposits (having original maturity for more than 3 months)	129.27	(7.87)
Dividend received from Associates	2.04	9.86
Interest received	61.98	129.23
Net cash used in investing activities	(948.17)	(1,436.69)

CASH FLOW STATEMENT for the year ended December 31, 2015 (contd.)

Particulars	2015 ₹ Crore	2014 ₹ Crore
C. Cash flow from financing activities		
Interest paid	(41.49)	(49.07)
Proceeds from short-term borrowings from Subsidiary Company	35.50	-
Repayment of Long-term borrowings	-	(35.03)
Dividend paid	(561.67)	(644.51)
Dividend Distribution Tax paid	(113.36)	(108.48)
Net cash used in financing activities	(681.02)	(837.09)
Net increase / (decrease) in cash and cash equivalents	(167.95)	(942.08)
Cash and cash equivalents at the beginning of the year	1,556.99	2,499.07
Cash and cash equivalents at the end of the year	1,389.04	1,556.99
Components of cash and cash equivalents:		
Cash on hand	0.11	0.12
Balance with banks		
On current accounts	58.04	37.64
On deposit account	-	105.28
Earmarked for specific purpose (Refer Note (1) below)	33.44	31.87
Cash and cash equivalents (Refer Note - 17)	91.59	174.91
Add : Investment in Mutual Funds (Refer Note - 14)	65.00	350.00
Add : Investment in Certificate of Deposits (Refer Note - 14)	1,132.45	932.08
Add : Deposit with HDFC Limited (Refer Note - 18)	100.00	100.00
Cash and Cash equivalents in cash flow statement	1,389.04	1,556.99
Significant accounting policies (Refer Note - 2)		

Note : 1 These balances are not available for use by the Company as they represent unpaid dividend liabilities.

2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS-3) on Cash Flow Statement.

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

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

N.S.SEKHSARIA
Chairman
DIN: 00276351

BERNARD TERVER
Deputy Chairman
DIN: 06771125

ARUNKUMAR R GANDHI
Director
DIN: 00007597

per RAVI BANSAL
Partner
Membership No. 49365

SUNIL K. NAYAK
Chief Financial Officer

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

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Director
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FARROKH K. KAVARANA
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FALGUNI NAYAR
Director
DIN: 00003633

ERIC OLSEN
Director
DIN: 07238383

CHRISTOF HASSIG
Director
DIN: 01680305

Mumbai, February 10, 2016

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015**1. COMPANY OVERVIEW**

ACC Limited (the Company) is a public limited company incorporated in India 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 in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013 ("the Act"), read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.
- 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, if any. The cost comprises of the purchase price (net of Cenvat and VAT credit wherever applicable) and any attributable cost of bringing the assets to its working condition for its intended use. Subsequent expenditures related to an item of tangible asset are added to its gross book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.
- 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 under "other current assets".
- 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". Advances given towards acquisition/construction of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advances under "Long-term loans and advances".

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

(iv) Depreciation on tangible fixed assets

- a) Depreciation on fixed assets, other than Captive Power Plant related assets (CPP assets), is provided using the straight-line method and on CPP assets using the written-down value method based on their respective estimated useful lives. Estimated useful lives of assets are determined based on technical parameters / assessment.

The aforesaid estimated useful lives for computing depreciation is different in following case from the useful life specified in Schedule II to the Companies Act, 2013;

Particulars	Useful Life estimated by the management
Plant and Equipment related to Captive Power Plant	20 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 which is 10 to 99 years.
- 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 intangible assets 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 amount 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.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

(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, 2015 (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. However, that part of long term investments which are expected to be realized within twelve months from Balance Sheet date is also presented under "Current Investments" under "Current portion of long term investments" in consonance with the current / non-current classification of Schedule III of the Companies Act, 2013.

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.

On disposal of an investment, the difference between the carrying amount and the net disposal proceeds is recognised in the Statement of Profit and Loss.

(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 of Stock-in-Trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. 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 / value added tax (VAT), trade discounts and returns, as applicable. Sales exclude self-consumption of cement. 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.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

Income from services

Revenue from services is recognised (net of service tax, as applicable) 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.

(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) Where the Government grants / subsidies relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Government grants and subsidies receivable against an expense are deducted from such expense.
- c) Grants and subsidies receivable against a specific fixed asset is deducted from cost of the relevant fixed asset.
- d) 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, 2015 (contd.)

(xv) Retirement and other employee benefits

a) Short term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

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 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.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of Profit and Loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India.

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 accrue.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

(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.

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. These estimates are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

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.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(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.

(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 Schedule III of the Companies Act, 2013. 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.

Inter Segment transfers

Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is based on current market prices.

Unallocated items

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

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, 2015 (contd.)

3. SHARE CAPITAL

	2015 ₹ Crore	2014 ₹ 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

	2015		2014	
	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.

In the event of liquidation of the Company, the holders of 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 shareholders.

iii) Equity shares held by holding company / ultimate holding and their subsidiaries

	2015 ₹ Crore	2014 ₹ 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 LafargeHolcim Ltd (Formerly known as Holcim Ltd), Switzerland, the ultimate holding Company.

iv) The Company has issued Nil (Previous Year - 5,064) 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

	2015		2014	
	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	2,21,74,751	11.81	1,79,71,429	9.57

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**4. RESERVES AND SURPLUS**

	2015		2014
	₹ Crore	₹ Crore	₹ Crore
Capital Reserve		82.88	82.88
Securities Premium Account		844.84	844.84
Debenture Redemption Reserve			
Balance as per last Financial statements	-		8.00
Less: Transferred to General Reserve	-		8.00
		-	-
General Reserve			
Balance as per last Financial statements	2,663.30		2,525.30
Add: Transferred from Debenture Redemption Reserve	-		8.00
Add: Transferred from Surplus in Statement of Profit and Loss	30.00		130.00
		2,693.30	2,663.30
Surplus in Statement of Profit and Loss			
Balance as per last Financial statements	4,456.64		4,175.87
Add: Profit for the year	591.57		1,168.29
	5,048.21		5,344.16
Less - Appropriations			
Interim equity dividend {amount per share ₹ 11 (Previous Year - ₹ 15)}	206.52		281.62
Proposed final equity dividend {amount per share ₹ 6 (Previous Year - ₹ 19)}	112.65		356.72
Tax on equity dividends	64.97		119.18
Transfer to General Reserve	30.00		130.00
	414.14		887.52
		4,634.07	4,456.64
TOTAL		8,255.09	8,047.66

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**5. DEFERRED TAX LIABILITIES (NET)**

	2015 ₹ Crore	2014 ₹ Crore
Deferred Tax Liabilities arising on account of:		
Depreciation and amortisation differences	652.65	757.00
	652.65	757.00
Deferred Tax Assets arising on account of:		
Provision for Employee Benefits	27.57	81.02
Expenditure debited in Statement of Profit and Loss but allowed for tax purposes in the following years	101.32	67.88
Provision for obsolescence of Spare Parts	9.88	31.46
Others	44.72	41.07
	183.49	221.43
Net Deferred Tax Liabilities	469.16	535.57

6. LONG-TERM PROVISIONS

	2015 ₹ Crore	2014 ₹ Crore
Provision for employee benefits (Refer Note - 31)		
Provision for gratuity and staff benefit schemes	93.01	86.06
Long service award and other benefit plans	6.39	9.00
Other Provisions		
Provision for Mines Restoration	20.46	20.88
TOTAL	119.86	115.94

Movement of provision during the year as required by Accounting Standard 29 :**Mines Restoration Expenditure**

	2015 ₹ Crore	2014 ₹ Crore
Opening provision	20.88	19.15
Add: Provision during the year	0.15	2.08
Less: Utilisation during the year	(0.57)	(0.35)
Closing provision	20.46	20.88

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.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**7. SHORT-TERM BORROWINGS**

	2015 ₹ Crore	2014 ₹ Crore
Unsecured		
Loans from a related party {Refer Note - 34 (c)xx}	35.50	-
TOTAL	35.50	-

The above loan is repayable on demand and carries rate of interest at 10.10% p.a.

8. OTHER CURRENT LIABILITIES

	2015 ₹ Crore	2014 ₹ Crore
Interest accrued but not due on borrowings	2.44	-
Investor Education and Protection Fund :- (Refer Note - (i) below)		
Unpaid dividend	33.44	31.87
Unpaid Matured Deposits	0.02	0.02
Statutory dues	378.50	324.27
Advance from customers	137.81	131.94
Security deposits and retention money	666.77	624.48
Liability for capital expenditure	113.13	131.09
Other payables (including Rebates to customers, Employees dues, etc.)	927.71	853.04
TOTAL	2,259.82	2,096.71

- i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at December 31, 2015

9. SHORT-TERM PROVISIONS

	2015 ₹ Crore	2014 ₹ Crore
Provision for employee benefits (Refer Note - 31)		
Provision for gratuity and staff benefit schemes	9.87	16.74
Provision for compensated absences	38.44	109.22
Long service award and other benefit plans	0.78	0.88
Other Provisions		
Provision for Income Tax (Net of advance tax)	454.66	382.39
Proposed Final Dividend	112.65	356.72
Tax on proposed dividend	22.93	71.32
TOTAL	639.33	937.27

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**10. FIXED ASSETS**

Particulars	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION				NET BLOCK		
	As at 01-01-2015	Additions/ Adjustments	Deductions/ Adjustments	As at 31-12-2015	As at 01-01-2015	For the Year	Adjustment as disclosed under Exceptional item (Refer Note - 51)	Deductions/ Adjustments	As at 31-12-2015	As at 31-12-2014
Tangible Assets :										
Freehold Non Mining Land	118.88	5.87	32.06	92.69	-	-	-	-	92.69	118.88
Freehold Mining Land	165.66	132.11	-	297.77	1.99	0.25	-	-	295.53	163.67
Leasehold Land	76.71	8.70	-	85.41	40.70	4.72	-	-	39.99	36.01
Buildings	1,351.22	117.32	12.69	1,455.85	405.78	74.36	58.16	4.75	922.30	945.44
Plant and Equipment	8,774.39	298.81	134.73	8,938.47	4,675.36	524.24	69.40	75.49	3,744.96	4,099.03
Railway Sidings	171.38	4.58	1.41	174.55	55.80	12.43	1.88	1.35	105.79	115.58
Furniture & Fixtures	43.00	2.56	1.21	44.35	20.03	5.83	0.90	1.05	18.64	22.97
Vehicles	64.04	8.23	1.54	70.73	30.66	7.63	0.18	1.46	33.72	33.38
Office equipment	126.36	14.46	7.16	133.66	63.57	23.31	22.65	7.03	31.16	62.79
TOTAL	10,891.64	592.64	190.80	11,293.48	5,293.89	652.77	153.17	91.13	5,284.78	5,597.75
Intangible Assets:										
Computer Software	59.08	0.07	0.18	58.97	58.44	0.51	-	0.18	0.20	0.64
TOTAL	59.08	0.07	0.18	58.97	58.44	0.51	-	0.18	0.20	0.64

Notes:-

- (i) 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.
- (ii) Buildings include Gross block of ₹ 23.86 Crore (Previous year - ₹ 23.86 Crore) and Net block of ₹ 20.87 Crore (Previous Year - ₹ 21.27 Crore) in respect of which the transfer of title deeds to the name of the Company is under process.
- (iii) 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).
- (iv) Depreciation charge for the year includes ₹ 1.22 Crore (Previous Year - ₹ 0.12 Crore) capitalised as pre-operative expenses.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**10. FIXED ASSETS (Contd.)**

Particulars	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01-01-2014	Additions/ Adjustments	As at 31-12-2014	As at 01-01-2014	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	118.88	-	-	-	118.88	104.43
Freehold Mining Land	151.33	14.33	165.66	1.79	0.20	-	163.67	149.54
Leasehold Land	69.58	7.13	76.71	37.96	2.74	-	36.01	31.62
Buildings	1,240.94	122.35	1,351.22	368.62	47.23	10.07	945.44	872.32
Plant and Equipment	8,394.26	479.29	8,774.39	4,274.14	480.55	79.33	4,099.03	4,120.12
Railway Sidings	160.30	13.24	171.38	49.36	8.09	1.65	115.58	110.94
Furniture & Fixtures	41.27	2.82	43.00	18.47	2.33	0.77	22.97	22.80
Vehicles	56.19	9.85	64.04	26.71	5.47	1.52	33.38	29.48
Office equipment	121.26	12.52	126.36	59.38	10.74	6.55	62.79	61.88
TOTAL	10,339.56	675.99	10,891.64	4,836.43	557.35	99.89	5,597.75	5,503.13
Intangible Assets:								
Computer Software	59.99	0.17	59.08	59.16	0.35	1.07	0.64	0.83
TOTAL	59.99	0.17	59.08	59.16	0.35	1.07	0.64	0.83

₹ Crore

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

11. NON-CURRENT INVESTMENTS

(VALUED AT COST UNLESS STATED OTHERWISE)

	2015		2014	
	Numbers	₹ Crore	Numbers	₹ Crore
Trade Investments				
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	1,21,95,000	121.95	1,21,95,000	121.95
Less: Diminution in the value of investment		15.15		-
(Refer Note - 42)				
		106.80		121.95
National Limestone Company Private Limited	2,00,000	18.15	2,00,000	18.15
Less: Diminution in the value of investment		4.13		4.13
(Refer Note - 42)				
	2,00,000	14.02	2,00,000	14.02
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 Joint Venture				
Face value ₹ 10 each				
Oneindia BSC Private Limited	25,01,000	2.50	-	-
(25,01,000 Shares Subscribed for ₹ 2.50 Crore during the year)				
		2,68.76		281.41

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**11. NON-CURRENT INVESTMENTS (contd.)**

(VALUED AT COST UNLESS STATED OTHERWISE)

	2015		2014	
	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
		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
Less: Current portion of long-term investments#		3.70		-
		-		3.70
TOTAL		274.55		290.90

Notes (I)	Aggregate amount of quoted Investments	5.79	5.79
	{Market value ₹ 17.05 Crore (Previous Year - ₹ 9.63 Crore)}		
(II)	Aggregate amount of unquoted Investments	268.76	285.11
(III)	Aggregate provision for diminution in value of investments	37.14	21.99
(iv)	*Denotes amount less than ₹ 50,000		
(v)	#Amount included under the head "Current investments" (Refer Note - 14)		

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**12. LONG-TERM LOANS AND ADVANCES**

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2015 ₹ Crore	2014 ₹ Crore
Capital Advances	298.58	206.70
Security deposits	204.46	197.86
Loans and advances to related parties {Refer Note - 34 (c)xvii}	-	1.84
Deposits with Government Bodies and Others		
Considered good	250.17	199.94
Considered doubtful	9.78	8.33
	259.95	208.27
Less: Allowance for doubtful deposits	9.78	8.33
	250.17	199.94
Advances recoverable in cash or kind	15.01	16.27
Advance tax (Net of provision for tax)	305.16	232.95
TOTAL	1,073.38	855.56

13. OTHER NON-CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2015 ₹ Crore	2014 ₹ Crore
Incentives under Government schemes and other receivables		
Considered good	466.19	360.71
Considered doubtful	6.39	4.70
	472.58	365.41
Less: Provision for doubtful receivables	6.39	4.70
	466.19	360.71
Non-current bank balance (Refer Note - 17)	0.11	-
TOTAL	466.30	360.71

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

14. CURRENT INVESTMENTS

(VALUED AT LOWER OF COST AND FAIR VALUE, UNLESS OTHERWISE STATED)

	2015		2014	
	Numbers	₹ Crore	Numbers	₹ Crore
Current Portion of Long Term Investment (valued at cost) (Refer Note - 11)				
Investment in Bonds (Unquoted)				
Face value ₹ 10,00,000 each				
5.13% Himachal Pradesh Infrastructure Development Board Bonds	37	3.70	-	-
Investment in Certificate of Deposits - Fully paid-up (unquoted)				
Unit of Face value ₹ 1,00,000 each				
IDBI Bank Limited	7,500	73.73	-	-
HDFC Bank Limited	7,500	74.02	-	-
Bank of Maharashtra	25,000	246.51	-	-
Kotak Mahindra Bank Limited	25,000	245.69	-	-
Andhra Bank	20,000	196.51	10,000	98.03
Corporation Bank	10,000	98.46	5,000	49.05
Oriental Bank	20,000	197.53	17,500	171.95
Allahabad Bank	-	-	10,000	98.21
Bank of India	-	-	20,000	196.12
Punjab National Bank	-	-	10,000	98.18
Canara Bank	-	-	17,500	171.50
Union Bank of India	-	-	5,000	49.04
		1,132.45		932.08
Investment in Mutual Funds - Fully paid-up (Unquoted)				
Unit of Face value ₹ 10 each				
HDFC Cash Management - Growth	-	-	1,93,28,505.655	55.00
Sundaram Money Fund - Growth	-	-	52,02,823.399	15.00
Unit of Face value ₹ 100 each				
ICICI Prudential Liquid Fund - Super IP - Growth	-	-	22,21,247.072	45.00
Birla Sunlife Cash Plus Fund - Growth	-	-	22,78,285.007	50.00
Unit of Face value ₹ 1,000 each				
Kotak Floater ST - Growth	1,02,648.091	25.00	-	-
Religare Liquid Fund - Growth	1,95,736.947	40.00	2,12,611.831	40.00
SBI Premier Liquid Fund - Super IP - Growth	-	-	69,796.981	15.00
Reliance Liquid Fund - Growth	-	-	1,35,134.443	45.00
IDBI Liquid Fund -Growth	-	-	1,02,530.178	15.00
L & T Liquid Fund - Growth	-	-	1,06,529.922	20.00
Pramerica Liquid Fund- Direct - Growth	-	-	68,428.996	10.00
Principal Cash Management Fund - Growth	-	-	3,00,947.745	40.00
		65.00		350.00
TOTAL		1,201.15		1,282.08
Aggregate amount of unquoted Investments		1,201.15		1,282.08

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**15. INVENTORIES**

(AT COST OR NET REALISABLE VALUE WHICHEVER IS LOWER)

	2015 ₹ Crore	2014 ₹ Crore
Raw Materials	132.01	139.07
{Including in transit ₹ 3.83 Crore (Previous Year - ₹ 11.32 Crore)}		
Work-in-Progress	241.20	240.32
Finished Goods	152.54	153.75
Stock-in-trade	0.65	0.37
Stores & Spare Parts	265.84	262.53
{Including in transit ₹ 7.08 Crore (Previous Year - ₹ 15.68 Crore)}		
Packing Material	18.24	20.02
Fuels	378.12	439.53
{Including in transit ₹ 6.43 Crore (Previous Year - ₹ 16.17 Crore)}		
TOTAL	1,188.60	1,255.59

16. TRADE RECEIVABLES

	2015 ₹ Crore	2014 ₹ Crore
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	19.81	14.84
Unsecured, considered doubtful	27.45	24.28
	47.26	39.12
Less: Provision for doubtful trade receivables	27.45	24.28
	19.81	14.84
Other Trade receivables		
Secured, considered good	77.88	57.90
Unsecured, considered good	386.66	337.97
Unsecured, considered doubtful	7.41	3.43
	471.95	399.30
Less: Provision for doubtful trade receivables	7.41	3.43
	464.54	395.87
TOTAL	484.35	410.71

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**17. CASH AND BANK BALANCES**

	2015 ₹ Crore	2014 ₹ Crore
Cash and cash equivalents		
Balances with banks:		
On current accounts	58.04	37.64
Deposits with original maturity of less than three months	-	105.28
#On unpaid dividend account	33.44	31.87
Cash on hand	0.11	0.12
	91.59	174.91
Other bank balances		
*Deposits with original maturity for more than 3 months but less than 12 months	-	129.38
Deposits with original maturity for more than 12 months	0.11	-
Less : Amount disclosed under other non-current asset (Refer Note - 13)	0.11	-
	-	-
Post office saving accounts	0.01	0.01
	0.01	129.39
TOTAL	91.60	304.30

*Includes fixed deposit with lien in favour of Competition Appellate Tribunal (COMPAT) of ₹ Nil (Previous Year - ₹ 129.27 Crore) (Refer Note - 37)

#These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

18. SHORT-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2015 ₹ Crore	2014 ₹ Crore
Security deposits	19.30	13.09
Loans and advances to related parties {Refer Note - 34 (c)xvi}	0.36	1.60
Advances recoverable in cash or kind	113.61	140.21
Other loans and advances		
Balances with statutory / government authorities	116.57	129.02
Deposit with HDFC Limited	100.00	100.00
TOTAL	349.84	383.92

19. OTHER CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2015 ₹ Crore	2014 ₹ Crore
Interest accrued on investments	6.53	4.75
Other Accrued Interest	1.29	1.30
Fixed assets held for sale	47.29	8.49
TOTAL	55.11	14.54

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**20. REVENUE FROM OPERATIONS**

	2015 ₹ Crore	2014 ₹ Crore
Sale of products		
Finished goods	12,745.39	12,626.88
Traded goods	112.37	204.17
Sale of services	18.88	19.97
Sale of products and services (gross)	12,876.64	12,851.02
Less: Excise duty	1,443.88	1,369.97
Sale of products and services (net)	11,432.76	11,481.05
Other operating revenue	364.07	257.16
Revenue from operations (net)	11,796.83	11,738.21

i) Details of products sold	2015 ₹ Crore	2014 ₹ Crore
Finished goods (Net of Excise duty)		
Cement	10,437.09	10,574.80
Ready Mix Concrete	851.47	664.75
Clinker	12.95	17.36
	11,301.51	11,256.91
Traded Goods		
Cement	15.22	128.12
Ready Mix Concrete	97.15	76.05
	112.37	204.17
ii) Details of sale of services		
Pumping and Conversion services	18.88	19.97
	18.88	19.97
iii) Detail of other operating revenue		
Provision no longer required written back	10.66	45.85
Sale of surplus generated power	5.39	0.90
Incentives and Subsidies	214.54	96.92
Miscellaneous Income	133.48	113.49
TOTAL	364.07	257.16

21. OTHER INCOME

	2015 ₹ Crore	2014 ₹ Crore
Interest on Bank deposits	59.63	117.41
Interest on Income Tax	29.84	89.15
Other interest income	4.13	10.41
Gain on sale of current investments	22.24	41.45
Dividend from long term investments	2.04	9.86
Other	1.47	-
TOTAL	119.35	268.28

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**22. COST OF MATERIALS CONSUMED**

	2015 ₹ Crore	2014 ₹ Crore
Opening Stock	139.07	132.90
Purchase and Incidental expenses	1,732.72	1,794.48
	1,871.79	1,927.38
Less: Closing Stock	132.01	139.07
TOTAL	1,739.78	1,788.31

Details of cost of materials consumed	2015 ₹ Crore	2014 ₹ Crore
Slag	198.64	284.19
Gypsum	368.29	362.59
Fly Ash	353.05	346.55
Cement	79.21	91.51
Aggregates	134.31	114.34
Others*	606.28	589.13
TOTAL	1,739.78	1,788.31

*includes no item which in value individually accounts for 10 percent or more of the total value of materials consumed.

23. PURCHASE OF TRADED GOODS

	2015 ₹ Crore	2014 ₹ Crore
Cement	13.71	121.91
Ready Mix Concrete	94.58	72.42
TOTAL	108.29	194.33

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	2015 ₹ Crore	2014 ₹ Crore	(Increase) / decrease ₹ Crore
Inventories at the end of the year			
Stock-in-trade	0.65	0.37	(0.28)
Finished Goods	152.54	153.75	1.21
Work-in-progress	241.20	240.32	(0.88)
	394.39	394.44	0.05
Inventories at the beginning 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)
TOTAL	0.05	(11.28)	

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**25. EMPLOYEE BENEFITS EXPENSE**

	2015 ₹ Crore	2014 ₹ Crore
Salaries and Wages	667.23	629.46
Contributions to Provident and other Funds	57.32	74.93
Staff Welfare Expenses	45.32	42.20
TOTAL	769.87	746.59

26. FREIGHT AND FORWARDING EXPENSE

	2015 ₹ Crore	2014 ₹ Crore
On Clinker transfer	460.30	393.81
On finished products	2,262.70	2,204.52
TOTAL	2,723.00	2,598.33

27. FINANCE COSTS

	2015 ₹ Crore	2014 ₹ Crore
Interest expenses	46.13	48.70
Interest on Income Tax	21.19	34.06
TOTAL	67.32	82.76

28. DEPRECIATION AND AMORTIZATION EXPENSE

	2015 ₹ Crore	2014 ₹ Crore
Depreciation on tangible assets	651.55	557.23
Amortization of intangible assets	0.51	0.35
TOTAL	652.06	557.58

29. OTHER EXPENSES

	2015 ₹ Crore	2014 ₹ Crore
Consumption of stores and spare parts	377.99	361.99
Consumption of packing materials	404.44	483.67
Excise duty variation on opening and closing stock	1.07	2.73
Rent	29.90	33.83
Rates and taxes	145.52	141.13
Repairs to building	7.99	4.61
Repairs to machinery	129.67	140.78
Repairs to other Items	23.57	26.15
Insurance	25.44	24.62
Royalties on minerals	205.72	129.82
Discount on sales	90.80	93.27
Advertisement	110.13	106.82
Technology and Know-how fees	112.76	112.91
Miscellaneous expenses (Refer Note - (i) & (ii) below)	868.94	828.18
TOTAL	2,533.94	2,490.51

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**29. OTHER EXPENSES (contd.)**

	2015 ₹ Crore	2014 ₹ Crore
i) Payment to Statutory Auditors (excluding service tax)		
As auditors		
Audit fees	3.30	3.11
Audit fees for tax financial statements	0.53	0.53
Out of pocket expenses	0.16	0.12
In other matters - Certification	0.10	0.01
TOTAL	4.09	3.77

ii) Miscellaneous expenses includes:

- (a) Loss on sale / write off of Fixed Assets (Net) - ₹ 30.45 Crore (Previous Year - ₹ 15.88 Crore)
- (b) Provision for other than temporary diminution in long term investment of ₹ 15.15 Crore (Previous Year - ₹ 4.13 Crore)
- (c) Non-current Investment written off of ₹ Nil (Previous Year - ₹ 0.69 Crore)

30. EARNINGS PER SHARE - [EPS]

	2015 ₹ Crore	2014 ₹ Crore
Net Profit as per Statement of Profit and Loss	591.57	1,168.29
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)	4,83,518	4,92,243
Number of Shares for Diluted Earnings Per Share	18,82,28,874	18,82,37,599
Earnings per Share		
Face value per Share	₹ 10.00	10.00
Basic	₹ 31.51	62.23
Diluted	₹ 31.43	62.06

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

31. EMPLOYEE BENEFITS:

- a) Defined Contribution Plans – Amount recognised and included in Note 25 “Contributions to Provident and other Funds” of Statement of Profit and Loss ₹ 18.28 Crore (*Previous Year - ₹ 14.82 Crore*).
- b) Defined Benefit Plans – As per actuarial valuation on December 31, 2015

The Company has a defined benefit gratuity, additional gratuity, post retirement medical benefit plans and Trust managed provident fund plan 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. Every employee who has joined before 1st December 2005 and separates from service of the Company on Superannuation and on medical grounds is entitled to additional gratuity. The scheme is Non Funded.
- iii. 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.
- iv. 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.

The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The ASB Guidance on Implementing AS-15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefit plans involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund and there is no shortfall as at December 31, 2015 and December 31, 2014.

Defined Benefit Plans as per Actuarial valuation on December 31, 2015

	Gratuity (Including additional Gratuity)		Post Employment Medical benefits (PEMB)	Provident fund
	Funded	Non Funded		
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
I Expense recognised in the Statement of Profit & Loss – for the year ended December 31, 2015				
1 Current Service cost	10.71	5.76	0.03	19.54
	<i>10.05</i>	<i>4.57</i>	<i>0.04</i>	<i>19.97</i>
2 Interest Cost	14.01	6.51	0.47	38.65
	<i>13.71</i>	<i>6.03</i>	<i>0.36</i>	<i>39.07</i>
3 Employee Contributions	-	-	(0.31)	-
	-	-	(0.32)	-
4 Expected return on plan assets	(14.80)	-	-	(48.54)
	<i>(12.36)</i>	-	-	<i>(40.51)</i>
5 Net Actuarial (Gains) / Losses	4.25	3.08	0.01	20.43
	<i>18.99</i>	<i>8.51</i>	<i>2.58</i>	<i>(25.04)</i>
6 Total expense	14.17	15.35	0.20	30.08
	<i>30.39</i>	<i>19.11</i>	<i>2.66</i>	<i>(6.51)</i>

(Figures in italics pertain to previous year)

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**31. EMPLOYEE BENEFITS (contd.)**

	Gratuity (Including additional Gratuity)		Post Employment Medical benefits (PEMB)	Provident fund
	Funded	Non Funded		
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
II Amount recognised in Balance Sheet				
1 Present value of Defined Benefit Obligation	(188.74)	(96.03)	(5.72)	(557.29)
	<i>(188.36)</i>	<i>(85.42)</i>	<i>(6.26)</i>	<i>(492.22)</i>
2 Fair value of plan assets	187.61	-	-	574.31
	<i>177.24</i>	<i>-</i>	<i>-</i>	<i>520.19</i>
3 Funded status {Surplus/(Deficit)}	(1.13)	(96.03)	(5.72)	17.02
	<i>(11.12)</i>	<i>(85.42)</i>	<i>(6.26)</i>	<i>27.97</i>
4 Net asset/(liability) as at December 31, 2015	(1.13)	(96.03)	(5.72)	17.02
	<i>(11.12)</i>	<i>(85.42)</i>	<i>(6.26)</i>	<i>27.97</i>
III Present Value of Defined Benefit Obligation				
1 Present value of Defined Benefit Obligation at beginning of the year	188.36	85.42	6.26	492.22
	<i>165.88</i>	<i>71.18</i>	<i>4.18</i>	<i>445.67</i>
2 Current Service cost	10.71	5.76	0.03	19.54
	<i>10.05</i>	<i>4.57</i>	<i>0.04</i>	<i>19.97</i>
3 Interest Cost	14.01	6.51	0.47	38.65
	<i>13.71</i>	<i>6.03</i>	<i>0.36</i>	<i>39.07</i>
4 Employee Contributions	-	-	(0.31)	48.11
	<i>-</i>	<i>-</i>	<i>(0.32)</i>	<i>41.68</i>
5 Actuarial (Gains) / Losses	6.00	3.08	0.01	19.24
	<i>21.32</i>	<i>8.51</i>	<i>2.58</i>	<i>(3.96)</i>
6 Benefits Payments	(30.34)	(4.74)	(0.74)	(14.64)
	<i>(22.60)</i>	<i>(4.87)</i>	<i>(0.58)</i>	<i>(15.43)</i>
7 Net transfer in / (out)	-	-	-	(45.83)
	<i>-</i>	<i>-</i>	<i>-</i>	<i>(34.78)</i>
8 Present value of Defined Benefit Obligation at the end of the year	188.74	96.03	5.72	557.29
	<i>188.36</i>	<i>85.42</i>	<i>6.26</i>	<i>492.22</i>
IV Fair Value of Plan Assets				
1 Plan assets at the beginning of the year	177.24	-	-	520.19
	<i>149.80</i>	<i>-</i>	<i>-</i>	<i>447.55</i>
2 Expected return on plan assets	14.80	-	-	48.54
	<i>12.36</i>	<i>-</i>	<i>-</i>	<i>40.51</i>
3 Contributions by Employer	11.84	-	-	19.13
	<i>12.75</i>	<i>-</i>	<i>-</i>	<i>19.60</i>
4 Contributions by Employee	-	-	-	48.11
	<i>-</i>	<i>-</i>	<i>-</i>	<i>41.68</i>

(Figures in italics pertain to previous year)

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**31. EMPLOYEE BENEFITS (contd.)**

	Gratuity (Including additional Gratuity)		Post Employment Medical benefits (PEMB)	Provident fund
	Funded	Non Funded		
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
5 Actual benefits paid	(18.02)	-	-	(14.64)
	-	-	-	(15.45)
6 Net transfer in / (out)	-	-	-	(45.83)
	-	-	-	(34.78)
7 Actuarial Gains / (Losses)	1.75	-	-	(1.19)
	2.33	-	-	21.08
8 Plan assets at the end of the year	187.61	-	-	574.31
	177.24	-	-	520.19
9 Actual return on plan assets	16.55	-	-	47.35
	14.69	-	-	61.59

V The major categories of plan assets as a percentage of total plan	Gratuity		Provident fund	
	2015 %	2014 %	2015 %	2014 %
Government securities	50	51	50	50
Debentures and Bonds	29	30	50	50
Equity Shares	9	5	-	-
Fixed Deposits	12	14	-	-
	100	100	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 0.03	(0.03) (0.02)
Increase / (Decrease) on Present value of Defined Benefit Obligation as at December 31, 2015	0.56 0.32	(0.57) (0.31)

VII Actuarial Assumptions:**a) Financial Assumptions**

1 Discount Rate	7.80 % p.a. (P.Y.- 7.90 % p.a.)
2 Expected rate of return on plan assets (Gratuity)	8.50% p.a. (P.Y.- 8.50% p.a.)
3 Expected rate of return on plan assets (Provident fund)	9.31% p.a. (P.Y.- 9.27% p.a.)
4 Salary increase rate	7% p.a. (P.Y.- 7% p.a.)

(Figures in italics pertain to previous year)

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

31. EMPLOYEE BENEFITS (contd.)

b) Demographic Assumptions

1	Mortality pre-retirement	Indian Assured Lives Mortality (2006-08) (Modified)Ultimate <i>Indian Assured Lives Mortality (2006-08) (Modified) Ultimate</i>
2	Mortality post-retirement	Mortality for annuitants LIC (1996-98) ultimate <i>Mortality for annuitants LIC (1996-98) ultimate</i>
3	Turnover rate	5% p.a. (P.Y. - 5% p.a.)
4	Medical premium inflation	12% p.a. for the first 4 years and thereafter 8% p.a. <i>12% p.a. for the first 5 years and thereafter 8% p.a.</i>

(Figures in italics pertain to previous year)

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.

The Trust formed by the Company manages the investments of provident fund plan.

- 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 ₹ 11.00 Crore (*Previous Year - ₹ 9.00 Crore*) to Gratuity fund and ₹ 18.84 Crore (*Previous Year - ₹ 19.12 Crore*) to trust managed provident fund in the year 2016.
- 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				
	2015	2014	2013	2012	2011
Defined benefit obligation	(188.74)	(188.36)	(165.88)	(160.11)	(134.32)
Plan assets	187.61	177.24	149.80	137.12	118.77
Surplus / (deficit)	(1.13)	(11.12)	(16.08)	(22.99)	(15.55)
Experience adjustments on plan assets	(1.75)	(2.42)	(1.17)	(1.29)	(0.43)
Experience adjustments on plan liabilities	5.72	8.62	11.76	16.89	19.94

(ii) Gratuity (Non funded)

	₹ Crore				
	2015	2014	2013	2012	2011
Defined benefit obligation	(96.03)	(85.42)	(71.18)	(65.54)	(52.05)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(96.03)	(85.42)	(71.18)	(65.54)	(52.05)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	0.26	3.17	5.05	7.33	9.49

31. EMPLOYEE BENEFITS (contd.)

(iii) Post Employment Medical Benefits

₹ Crore

	2015	2014	2013	2012	2011
Defined benefit obligation	(5.72)	(6.26)	(4.18)	(3.50)	(2.58)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(5.72)	(6.26)	(4.18)	(3.50)	(2.58)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	(0.26)	2.25	1.33	1.38	1.02

(iv) Provident Fund

₹ Crore

	2015	2014	2013	2012	2011
Defined benefit obligation	(557.29)	(492.22)	(445.67)	(392.76)	(364.56)
Plan assets	574.31	520.19	447.55	400.31	365.63
Surplus / (deficit)*	17.02	27.97	1.88	7.55	1.07
Experience adjustments on plan assets	(1.19)	21.08	4.92	(5.15)	#
Experience adjustments on plan liabilities	19.75	(1.19)	(4.88)	(4.58)	#

*Since there is surplus, the same has not been recognised in Balance Sheet, only liability recognised in Balance Sheet.

Experience adjustments information for the year 2011 is not available, hence not disclosed.

- h) Amount recognised as an expense under employee benefit expenses in the statement of Profit and Loss in respect of other long term benefits is ₹ 22.29 Crore (*Previous Year - ₹ 39.89 Crore*).
- i) Present value of compensated absences at year end is ₹ 38.44 Crore (*Previous Year - ₹ 109.22 Crore*). During the year, the Company has contributed ₹ 75 Crore to the fund against provision for compensated absences.
- j) Present value of Long service award and other benefit plan obligation at year end is ₹ 7.17 Crore (*Previous Year - ₹ 9.88 Crore*). This scheme is non funded.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (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.

INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

₹ Crore

	Cement		Ready Mix Concrete		Total	
	2015	2014	2015	2014	2015	2014
REVENUE						
External sales	10,465.26	10,720.28	967.50	760.77	11,432.76	11,481.05
Other operating revenue	352.47	248.38	11.60	8.78	364.07	257.16
Inter-segment sales	187.34	122.54	7.34	9.03	194.68	131.57
	11,005.07	11,091.20	986.44	778.58	11,991.51	11,869.78
Less: Elimination	(187.34)	(122.54)	(7.34)	(9.03)	(194.68)	(131.57)
Total revenue	10,817.73	10,968.66	979.10	769.55	11,796.83	11,738.21
RESULT						
Segment result	875.01	941.37	25.09	16.17	900.10	957.54
Unallocated corporate income net off					8.72	33.59
Unallocated (expenditure)						
Operating Profit					908.82	991.13
Finance costs					(67.32)	(82.76)
Interest and Dividend income					95.64	226.83
Exceptional item (Refer Note - 51)					(153.17)	-
Tax expenses					(192.40)	33.09
Profit after tax					591.57	1,168.29
OTHER INFORMATION						
Segment assets	10,529.47	10,172.02	283.31	271.10	10,812.78	10,443.12
Unallocated Corporate assets					2,028.04	2,228.21
Total assets					12,840.82	12,671.33
Segment liabilities	2,958.28	2,799.00	178.42	149.74	3,136.70	2,948.74
Unallocated corporate liabilities					1,261.08	1,486.98
Total liabilities					4,397.78	4,435.72
Capital expenditure (including capital work-in-progress)	1,126.22	1,571.11	14.70	17.03	1,140.92	1,588.14
Depreciation and Amortization (Including exceptional item)	774.90	539.10	30.33	18.48	805.23	557.58
Other non-cash expenses	35.28	33.05	10.01	5.97	45.29	39.02

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**33. OPERATING LEASE**

	2015 ₹ Crore	2014 ₹ Crore
a) Future minimum rental payables under non-cancellable operating lease		
(i) Not later than one year	24.75	29.18
(ii) Later than one year and not later than five years	94.09	98.31
(iii) Later than five years	1.16	21.07

b) Operating lease payment recognised in Statement of Profit and Loss amounting to ₹ 173.64 Crore (Previous Year - ₹ 133.82 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	LafargeHolcim Ltd (Formerly known as 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
9	Oneindia BSC Private Limited	Joint venture Company (w.e.f 13 August 2015)
(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	Lafarge India Private Limited	Fellow Subsidiary (w.e.f 10 July 2015)
5	Ambuja Cements Limited	Fellow Subsidiary
6	Holcim Technology (Singapore) Pte Ltd	Fellow Subsidiary
7	Holcim (Lanka) Ltd	Fellow Subsidiary
8	P T Holcim Indonesia Tbk	Fellow Subsidiary
9	Holcim Services (South Asia) Limited	Fellow Subsidiary
10	Holcim Cement (Bangladesh) Ltd	Fellow Subsidiary

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

	Names of other Related parties	Nature of Relationship
11	Holcim (Vietnam) Ltd	Fellow Subsidiary
12	Holcim (Malaysia) SDN Bhd	Fellow Subsidiary
13	Holcim Foundation	Entity controlled by LafargeHolcim Ltd
14	Holcim Philippines	Fellow Subsidiary
15	Holcim Services (Asia) Ltd	Fellow Subsidiary
16	Holcim Group Services Ltd	Fellow Subsidiary
17	Holcim Technology Ltd	Fellow Subsidiary
18	Holcim Trading Pte Ltd	Fellow Subsidiary
19	AL Jabor Cement Industries Co.	Fellow Subsidiary
20	National Cement Factory	Associate Company of Fellow Subsidiary
21	Holcim (Romania) S.A.	Fellow Subsidiary
22	Holcim Azerbaijan	Fellow Subsidiary
23	Holcim (Canada) Inc.	Fellow Subsidiary
(b)	Key Management Personnel:	
	Name of the Related Party	Nature of Relationship
1	Mr. Harish Badami	CEO & Managing Director (w.e.f 13th August 2014)
2	Mr. Kuldip K. Kaura	CEO & Managing Director (Upto 12th August 2014)
3	Mr. Sunil K. Nayak	Chief Financial Officer
4	Mr. Burjor D. Nariman	Company Secretary

(C) Transactions with Subsidiary Companies

	2015	2014
	₹ Crore	₹ Crore
(i) Sale of Finished Goods	-	0.74
Bulk Cement Corporation (India) Limited	-	0.74
(ii) Reimbursement of Expenses Paid/Payable	23.51	30.46
Bulk Cement Corporation (India) Limited	23.07	29.85
ACC Mineral Resources Limited	0.44	0.61
(iii) Reimbursement of Expenses Received/Receivable	0.49	0.50
Bulk Cement Corporation (India) Limited	0.35	0.35
Lucky Minmat Limited	0.02	0.12
National Limestone Company Private Limited	0.04	0.01
Singhanian Minerals Private Limited	0.06	0.02
ACC Mineral Resources Limited	0.02	-
(iv) Rendering of Services	2.12	1.63
Bulk Cement Corporation (India) Limited	2.12	1.63
(v) Receiving of Services	20.58	21.88
Bulk Cement Corporation (India) Limited	20.58	21.88
(vi) Purchase of Fixed assets	0.25	-
ACC Mineral Resources Limited	0.25	-
(vii) Interest received on Inter Corporate Deposit / Other advances	0.04	5.69
ACC Mineral Resources Limited	-	5.67
Singhanian Minerals Private Limited	0.01	0.02
National Limestone Company Private Limited	0.03	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(C) Transactions with Subsidiary Companies (contd.)**

	2015 ₹ Crore	2014 ₹ Crore
(viii) Interest on Short Term Loan	2.67	-
ACC Mineral Resources Limited	2.67	-
(ix) Investment in Equity Shares of Subsidiary	-	118.91
ACC Mineral Resources Limited	-	117.00
National Limestone Company Private Limited	-	1.91
(x) Inter Corporate Deposits Given	-	75.76
ACC Mineral Resources Limited	-	75.25
National Limestone Company Private Limited	-	0.22
Lucky Minmat Limited	-	0.29
(xi) Short Term Loan Received	35.50	-
ACC Mineral Resources Limited	35.50	-
(xii) Repayment of Inter Corporate Deposits/Other advances given	3.08	109.73
ACC Mineral Resources Limited	-	109.73
National Limestone Company Private Limited	1.77	-
Lucky Minmat Limited	1.31	-
(xiii) Provision made for other than temporary diminution in the value of non-current Investments	15.15	4.13
ACC Mineral Resources Limited	15.15	-
National Limestone Company Private Limited	-	4.13
(xiv) Guarantee given on behalf of subsidiary company	-	0.12
Lucky Minmat Limited	-	0.12
(xv) Guarantee given as at the end of the Year	0.12	0.12
Lucky Minmat Limited	0.12	0.12
(xvi) Inter Corporate Deposits as at the end of the Year	0.36	1.60
Lucky Minmat Limited	-	1.18
National Limestone Company Private Limited	0.33	0.39
Singhania Minerals Private Limited	0.03	0.03
(xvii) Outstanding balance included in Long-term loans and advances	-	1.84
National Limestone Company Private Limited	-	1.71
Lucky Minmat Limited	-	0.13
(xviii) Outstanding balance included in Trade receivables	0.32	0.32
Bulk Cement Corporation (India) Limited	0.17	0.27
Singhania Minerals Private Limited	0.09	0.05
National Limestone Company Private Limited	0.06	-
(xix) Outstanding balance included in Trade payables	1.69	2.60
Bulk Cement Corporation (India) Limited	1.69	2.60
(xx) Outstanding balance included in Short-term borrowings	35.50	-
ACC Mineral Resources Limited	35.50	-
(xxi) Interest accrued on borrowings included in Other current liabilities	2.44	-
ACC Mineral Resources Limited	2.44	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(D) Transactions with Joint venture Company**

	2015 ₹ Crore	2014 ₹ Crore
Investment in Equity Shares of Joint venture	2.50	-
Oneindia BSC Private Limited	2.50	-

(E) Transactions with Associate Companies

	2015 ₹ Crore	2014 ₹ Crore
(i) Purchase of Finished Goods	175.66	138.24
Alcon Cement Company Private Limited (Refer Note - 44)	81.62	71.40
Aakaash Manufacturing Company Private Limited	94.04	66.84
(ii) Purchase of Raw Materials	29.82	31.40
Asian Concretes and Cements Private Limited	29.82	31.40
(iii) Sale of Unfinished Goods	30.13	23.64
Alcon Cement Company Private Limited (Refer Note - 44)	30.13	23.64
(iv) Sale of Finished Goods	22.91	10.80
Aakaash Manufacturing Company Private Limited	22.91	10.80
(v) Dividend Received	2.04	9.86
Alcon Cement Company Private Limited	2.04	4.08
Aakaash Manufacturing Company Private Limited	-	0.38
Asian Concretes and Cements Private Limited	-	5.40
(vi) Reimbursement of Expenses Received / Receivable	10.48	6.87
Alcon Cement Company Private Limited	10.46	6.87
Aakaash Manufacturing Company Private Limited	0.02	-
(vii) Rendering of Services	1.11	1.16
Alcon Cement Company Private Limited	1.11	1.16
(viii) Receiving of Services	60.16	51.96
Asian Concretes and Cements Private Limited	60.16	51.96
(ix) Other recoveries (Net)	1.74	1.17
Aakaash Manufacturing Company Private Limited	1.74	1.17
(x) Outstanding balance included in Trade receivables	13.99	8.34
Alcon Cement Company Private Limited	10.32	6.41
Aakaash Manufacturing Company Private Limited	3.67	1.93
(xi) Outstanding balance included in Trade payables	27.54	24.38
Alcon Cement Company Private Limited	3.60	3.80
Aakaash Manufacturing Company Private Limited	14.24	10.31
Asian Concretes and Cements Private Limited	9.70	10.27

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(F) Details of Transactions relating to Holding Companies**

	2015 ₹ Crore	2014 ₹ Crore
Dividend paid	283.28	321.06
Holcim (India) Private Limited	281.66	319.22
Holderind Investments Ltd	1.62	1.84

(G) Details of Transactions relating to Fellow Subsidiary Companies

	2015 ₹ Crore	2014 ₹ Crore
(i) Purchase of Raw Materials	7.43	126.72
Holcim Trading Pte Ltd	4.18	120.48
Ambuja Cements Limited	3.25	6.24
(ii) Purchase of Finished / Unfinished Goods	59.45	168.37
Ambuja Cements Limited	55.41	168.37
Lafarge India Private Limited	4.04	-
(iii) Purchase of Stores & Spare parts	0.26	1.14
Ambuja Cements Limited	0.26	1.14
(iv) Sale of Finished / Unfinished Goods	8.92	44.92
Ambuja Cements Limited	4.22	44.92
Lafarge India Private Limited	4.70	-
(v) Sale of Stores & Spare parts	0.56	2.24
Ambuja Cements Limited	0.56	2.24
(vi) Sale of Raw Material	-	0.81
Ambuja Cements Limited	-	0.81
(vii) Rendering of Services	38.19	15.26
Ambuja Cements Limited	38.19	14.92
Others	-	0.34
(viii) Reimbursement of Expenses Paid / Payable	2.04	4.84
Ambuja Cements Limited	2.04	4.82
Others	-	0.02
(ix) Reimbursement of Expenses Received / Receivable	7.07	4.88
Ambuja Cements Limited	5.77	3.35
Holcim Technology (Singapore) Pte Ltd	0.53	0.32
Holcim (Lanka) Ltd	0.35	0.40
Holcim (Malaysia) SDN Bhd	-	0.35
Others	0.42	0.46

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(G) Details of Transactions relating to Fellow Subsidiary Companies (contd.)**

	2015 ₹ Crore	2014 ₹ Crore
(x) Receiving of Services	76.53	68.76
Ambuja Cements Limited	29.36	10.28
Holcim Group Services Ltd	2.19	2.19
Holcim Services (South Asia) Limited	43.96	52.19
Holcim Technology Ltd	1.02	3.88
Others	-	0.22
(xi) Technology and Know-how fees	112.76	112.91
Holcim Technology Ltd	112.76	112.91
(xii) Outstanding balance included in Trade receivables	27.46	13.01
Ambuja Cements Limited	24.49	11.71
Lafarge India Private Limited	2.07	-
Holcim (Lanka) Ltd	0.35	0.51
Others	0.55	0.79
(xiii) Outstanding balance included in Short term loans and advances	0.18	1.07
Ambuja Cements Limited	0.18	1.07
(xiv) Outstanding balance included in Trade payables	62.82	52.89
Ambuja Cements Limited	27.68	17.08
Holcim Technology Ltd	26.80	25.09
Holcim Services (South Asia) Limited	7.26	9.45
Lafarge India Private Limited	0.71	-
Holcim Group Services Ltd	0.37	0.11
Holcim Trading Pte Ltd	-	0.84
Others	-	0.32

(H) Details of Transaction relating to Associate Company of Fellow Subsidiary

	2015 ₹ Crore	2014 ₹ Crore
Rendering of Services	-	0.01
National Cement Factory	-	0.01

(I) Details of Transaction with Key Management Personnel

	2015 ₹ Crore	2014 ₹ Crore
(i) Remuneration*	9.46	10.69
Mr. Kuldip K. Kaura (Upto 12th August 2014)	-	4.33
Mr. Harish Badami (w.e.f 13th August 2014)	5.70	3.11
Mr. Sunil K. Nayak	2.51	2.03
Mr. Burjor D. Nariman	1.25	1.22
(ii) Outstanding balance included in Other Current Liabilities	0.38	0.99
Mr. Kuldip K. Kaura	-	0.45
Mr. Harish Badami	0.38	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, 2015 (contd.)**35. CAPITAL AND OTHER COMMITMENTS**

	2015 ₹ Crore	2014 ₹ Crore
A) Estimated value of contracts in capital account remaining to be executed	292.88	566.97
B) For commitments relating to lease arrangements {Refer Note - 33(a)}		
C) The Company from time to time provides need based support to subsidiaries towards capital and other requirements.		

36. (A) CONTINGENT LIABILITIES NOT PROVIDED FOR -

	2015 ₹ Crore	2014 ₹ Crore
a) Claims not acknowledged by the Company		
Sales tax	28.16	31.43
Customs demand	30.97	30.97
Claim by Suppliers	36.79	36.79
Labour related	0.70	29.57
Claims for mining Lease rent	73.46	73.46
Others	24.92	23.14
TOTAL	195.00	225.36

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 - ₹ 0.12 Crore</i>)) | 278.73 | 341.73 |
|---|--------|--------|
- c) The Company had filed writ / appeal petitions against the orders / notices of various authorities demanding ₹ 114.24 Crore (*Previous Year – ₹ 106.59 Crore*) 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. The Madhya Pradesh High Court has decided this 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 by the Company based on the actual quantity of limestone extracted, 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, directly on this issue, the Company does not expect any liability in above matter.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (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.

The Division Bench of the Jharkhand High Court, while dealing with appeals by both the Company and the State of Government, against a single bench order only partially allowing the Companies claim, in its order dated February 24, 2015, has allowed the Companies Appeal in totality while dismissing the Governments Appeal, thereby confirming that the entire amount claimed by the Company is correct and hence payable immediately. Pursuant to this order, a cumulative amount of ₹ 235 Crore stand accrued in the books upto December, 2015.

The Government of Jharkhand has filed an SLP in the Supreme Court against the order of the division bench, which has been admitted. In its interim order, the Supreme Court had, while not staying the Division Bench Order, has only stayed disbursement of 40% of the amount due.

The Company has also pursued a contempt petition filed in the High Court of Jharkhand against non disbursement of amounts due by the Government. Consequently, as of date, the company has received ₹ 64 Crore in part disbursement from the Government of Jharkhand.

The Company is pursuing the matter of disbursement of further amounts outstanding. The Company is of the view, and also has been advised, that the merits are strongly in its favour and it expects that the SLP shall be rejected upholding the order of the Division bench of the Jharkhand HC by the Apex Court.

- 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

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

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.

- 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. The 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 ₹ 106 Crore till December 31, 2015 (₹ 73 Crore till December 31, 2014) on this account. The Company has filed an appeal before the Bombay High Court challenging the stand of the Government, which is admitted and pending. The Company believes that the merits of the claim are strong.
 - f) Consequent upon the Supreme Court's judgement in Goa Foundation case, restricting the "deemed renewal" provision of captive mining leases to the first renewal period, the Company had received demand from District Mining Officer for ₹ 881 Crore for being penalty for alleged illegal mining activities carried out by the Company during January 1991 to September 2014. The aforesaid demands were challenged by the Company and Writ Petition with High Court of Jharkhand. The petition has been admitted subject to a token deposit of ₹ 48 Crore which shall be refundable in case the matter is decided in the Companies favour. The Company is of the considered view based on legal advice, that this demand does not have merit, and shall not stand the test of judicial scrutiny, considering that the said mining, leases pending State Government's approval, have been automatically extended upto March 31, 2030 by Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 without any recourse being made available to the State Government.
- 37.** The Competition Commission of India (CCI) in 2012 had imposed a penalty of ₹ 1,147.59 Crore for alleged contravention of the provisions of the Competition Act, 2002 (the Act). On the Company's appeal, Competition Appellate Tribunal (COMPAT), vide its interim order, stayed the penalty with a condition to deposit 10% of the penalty amount, which was deposited. The amount of penalty was disclosed as a contingent liability in the financial statements up to the previous year.

On December 11, 2015 the COMPAT, vide its final order, set aside the order of the CCI and remitted the matter to the CCI for fresh adjudication of the issues relating to the alleged violation of relevant provisions of the Act, for passing a fresh order. Further, in terms of the order, the Company has received the refund of deposit, along-with accumulated interest.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**38. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006***

	2015 ₹ Crore	2014 ₹ Crore
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	4.12	1.76
Interest due on above	-	-
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

39. INTEREST IN JOINT VENTURE

During the year, the Company subscribed 25,01,000 (*Previous Year – Nil*) equity shares for a total consideration of ₹ 2.50 Crore (*Previous Year – Nil*) in Oneindia BSC Private Limited, which is a jointly controlled entity with an equal equity participation with Ambuja Cements Limited, a fellow subsidiary Company, with aim to provide back office services with respect to routine processes.

The Company has the following investment, in a jointly controlled entity:

Name of the entity	Country of Incorporation	Percentage of ownership interest 2015	Percentage of ownership interest 2014
Oneindia BSC Private Limited	India	50	-

The company's share of the assets, liabilities, income and expenses of the jointly controlled entity are as follows:

	2015 ₹ Crore	2014 ₹ Crore
(a) Assets		
Other Non-current assets	1.04	-
Cash and bank balances	0.84	-
Other current assets	0.24	-
(b) Liabilities		
Other current liabilities	0.68	-
Short-term provisions	0.03	-
(c) Income	-	-
(d) Expenses	1.09	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

40. ACC Mineral Resources Limited (AMRL), a wholly-owned subsidiary of the Company, through its joint-venture had secured development and mining rights for four coal blocks allotted to Madhya Pradesh State Mining Corporation Ltd. These allocations stand cancelled pursuant to the order of the Supreme Court ruling that allocation of various coal blocks, including these, was arbitrary and illegal. The Government of India has commenced auctioning process for all such blocks in a phased manner. The auctioning for Bicharpur, being one of the four blocks, is completed, with the block being awarded to the successful bidder. Pursuant to a vesting order in this regard, possession of the coal mine has been handed over to the successful bidder, with which the Company is in discussions for transfer of remaining assets. In respect of other three blocks, auctioning dates have not yet been announced.

41. PARTICULARS OF UN HEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE

Particulars	Currency	2015			2014		
		Foreign currency in Crore	Exchange rate	₹ Crore	Foreign currency in Crore	Exchange rate	₹ Crore
Trade Payable and Other current liabilities	CHF	0.03	66.77	2.25	0.01	64.05	0.95
	USD	0.10	66.27	6.60	0.20	63.43	12.47
	GBP	0.006	98.11	0.61	0.0001	98.79	0.01
	EUR	0.14	72.29	9.82	0.27	77.02	20.75

42. During the year, the Company has provided ₹ 15.15 Crore in ACC Mineral Resources Limited (*Previous year - ₹ 4.13 Crore* in National Limestone Company Private Limited) for diminution in the value of these investment considering the diminution other than temporary nature.
43. In the previous year, 'Tax adjustments for earlier years' aggregating ₹ 309.23 Crore comprises write-back of provision for income tax arising on conclusion of assessment of a year, and upon a consequential review of tax provisions for unassessed years.
44. 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 ₹ 26.29 Crore (*Previous year - ₹ 22.84 Crore*) has not been recognized as a part of the Turnover but has been adjusted against cost of purchase of cement so converted.

45. DISCLOSURE PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) AND SECTION 186 (4) OF THE COMPANIES ACT 2013:

Nature of the transaction (loans given/investment made/guarantee given/security provided)	Purpose for which the loan/ guarantee / security is proposed to be utilised by the recipient	2015	Maximum Balance during the Year	2014	Maximum Balance during the Year
		₹ Crore	₹ Crore	₹ Crore	₹ Crore
(a) Loans and Advances to wholly owned Subsidiaries –					
ACC Mineral Resources Limited	Project Funding	-	-	-	109.73
Lucky Minmat Limited	Working Capital	-	1.31	1.31	1.31
National Limestone Company Private Limited	Working Capital	0.33	2.10	2.10	2.10
Singhania Minerals Private Limited	Working Capital	0.03	0.03	0.03	0.03

- (b) Details of Investments made are given in Note 11 & 14.
- (c) Guarantee given on behalf of Lucky Minmat Limited, wholly owned subsidiary company, of ₹ 0.12 Crore (*Previous Year - ₹ 0.12 Crore*) for the purpose of renewal of mining lease.
- (d) The loanees have not made any investments in the shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**46. CAPITALIZATION OF EXPENDITURE:**

During the year, the Company has capitalized the following expenses of revenue nature to the cost of fixed asset/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

	2015 ₹ Crore	2014 ₹ Crore
Opening balance	133.79	74.06
Expenditure during construction for projects:		
Employee benefits expense	30.10	22.33
Insurance	0.02	0.02
Rates and taxes	0.15	-
Depreciation	1.22	0.12
Miscellaneous expenses	41.00	52.73
TOTAL	206.28	149.26
Less : Capitalised during the year	8.85	15.47
Balance included in capital work-in-progress	197.43	133.79

47. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS

	2015 ₹ Crore	2014 ₹ Crore
Raw Material	83.24	111.07
Stores and Spare Parts	32.30	52.92
Coal	351.75	512.02
Capital Goods	71.58	191.47
TOTAL	538.87	867.48

48. EXPENDITURE IN FOREIGN CURRENCIES (ON ACCRUAL BASIS)

	2015 ₹ Crore	2014 ₹ Crore
Technology and Know-how fees	112.76	112.91
Fees for Technical support services	8.03	14.67
Consultants' Fees	0.45	1.58
Others	3.56	6.23
TOTAL	124.80	135.39

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**49. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, STORES AND SPARE PARTS CONSUMED**

	2015 ₹ Crore	%	2014 ₹ Crore	%
(a) Raw Materials				
Imported	61.26	3.52	134.89	7.54
Indigenous	1,678.52	96.48	1,653.42	92.46
	1,739.78	100.00	1,788.31	100.00
(b) Stores and Spare Parts				
Imported	42.27	11.18	44.40	12.27
Indigenous	335.72	88.82	317.59	87.73
	377.99	100.00	361.99	100.00

50. EARNINGS IN FOREIGN EXCHANGE (ON ACCRUAL BASIS)

	2015 ₹ Crore	2014 ₹ Crore
Consultancy Services	-	0.33
Others	2.59	1.52
TOTAL	2.59	1.85

- 51.** Pursuant to provisions of Schedule II of the Companies Act, 2013, becoming applicable to the Company w.e.f. January 1, 2015, the Company has reviewed and where necessary, revised estimates of useful lives of fixed assets. Accordingly, Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, an additional charge of ₹ 153.17 Crore, being the carrying amount as of January 1, 2015 of fixed assets with no remaining useful life (as revised) as of that date, is recognized in the Statement of Profit and Loss for the year ended December 31, 2015 and disclosed as an exceptional item.

Had this change in the useful life of fixed assets not been made, depreciation for the year ended December 31, 2015 would have been lower by ₹ 111.61 Crore and the profit after tax would have been higher by ₹ 173.14 Crore.

52. CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

The aggregate amount of expenditure incurred on Corporate Social Responsibility and shown in the respective heads of account is as follows:

Particulars	2015 ₹ Crore	2014 ₹ Crore
Employee benefits expense (Refer Note - 25)	2.80	1.26
Miscellaneous expenses (Refer Note - 29)	28.36	26.19
TOTAL	31.16	27.45

NOTES TO THE FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**53. REMITTANCES IN FOREIGN CURRENCIES -**

	2015	2014
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	2014	2013
(b) Interim Dividend		
No. of shareholders	1	1
No. of Equity Shares	5,41,000	5,41,000
Amount remitted (₹ Crore)	0.60	0.81
Year to which it pertains	2015	2014

54. PROPOSED DIVIDEND

The final dividend proposed for the year is as follows :

	2015	2014
On Equity Shares of ₹ 10 each		
Amount of dividend proposed (₹ Crore)	112.65	356.72
Dividend per Equity Share (₹)	6	19

55. The Company has received approval from the Company Law Board under Section 2(41) of the Companies Act, 2013 permitting the Company to continue having 1st January - 31st December as its Financial Year.

56. COMPARATIVE FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

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

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

N.S.SEKHSARIA
Chairman
DIN: 00276351

BERNARD TERVER
Deputy Chairman
DIN: 06771125

ARUNKUMAR R GANDHI
Director
DIN: 00007597

per RAVI BANSAL
Partner
Membership No. 49365

SUNIL K. NAYAK
Chief Financial Officer

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

ASHWIN DANI
Director
DIN: 00009126

FARROKH K. KAVARANA
Director
DIN: 00027689

BURJOR D. NARIMAN
Company Secretary

FALGUNI NAYAR
Director
DIN: 00003633

ERIC OLSEN
Director
DIN: 07238383

CHRISTOF HASSIG
Director
DIN: 01680305

Mumbai, February 10, 2016

Form AOC-1

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES,
ASSOCIATES AND JOINT VENTURES.
(PURSUANT TO FIRST PROVISIO TO SUB SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES
(ACCOUNTS) RULES, 2014)**

Part “A”: Subsidiaries

₹ Crore

Sl. No.	Particulars					
1	Name of the Subsidiary	ACC Mineral Resources Limited	BulK Cement Corporation (India) Limited	Lucky Minmat Limited	National Limestone Company Private Limited	Singhania Minerals Private Limited*
2	Reporting period for the subsidiary	January 01, 2015 to December 31, 2015	January 01, 2015 to December 31, 2015	January 01, 2015 to December 31, 2015	January 01, 2015 to December 31, 2015	January 01, 2015 to December 31, 2015
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA
4	Share capital	121.95	33.64	3.25	2.00	0.02
5	Reserves and surplus	(4.43)	14.53	(3.06)	(0.95)	(0.12)
6	Total assets	121.88	59.87	0.95	1.76	0.03
7	Total Liabilities	4.36	11.70	0.76	0.71	0.13
8	Investments	-	26.30	-	-	-
9	Turnover	-	18.81	-	-	-
10	Profit / (Loss) before tax	2.94	(8.24)	(0.45)	(0.22)	(0.04)
11	Tax expenses	0.52	(2.93)	-	-	-
12	Profit / (Loss) after tax	2.42	(5.31)	(0.45)	(0.22)	(0.04)
13	Proposed Dividend	-	-	-	-	-
14	% of shareholding	100%	94.65%	100%	100%	100%

Notes:

*Singhania Minerals Private Limited are yet to commence the operation.

Part “B”: Associates and Joint Venture

Sl. No.	Name of Associates/Joint Ventures	Associates			Joint Venture
		Alcon Cement Company Private Limited	Asian Concretes and Cements Private Limited	Aakaash Manufacturing Company Private Limited	Oneindia BSC Private Limited
1	Latest audited Balance Sheet Date	December 31, 2015	December 31, 2015	December 31, 2015	December 31, 2015
	Shares of Associates/Joint Venture held by the company on the year end	4,08,001	81,00,000	4,401	25,01,000
	Amount of Investment in Associates/Joint Venture (₹ Crore)	22.25	36.81	6.01	2.50
2	Extend of Holding %	40%	45%	40%	50%
3	Description of how there is significant influence	Note (a)	Note (a)	Note (a)	NA
4	Reason why the associates / joint venture is not consolidated	-	-	-	-
5	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ Crore)	10.17	55.05	7.55	1.41
6	Profit / (Loss) for the year	8.25	15.12	4.16	(2.19)
i.	Considered in Consolidation (₹ Crore)	3.30	6.81	1.66	(1.09)
ii.	Not Considered in Consolidation (₹ Crore)	4.95	8.31	2.50	(1.10)

Note : (a) There is significant influence due to percentage (%) of equity Share capital

For and on behalf of the Board of Directors of ACC Limited,

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

N.S.SEKHSARIA
Chairman
DIN: 00276351

BERNARD TERVER
Deputy Chairman
DIN: 06771125

ARUNKUMAR R GANDHI
Director
DIN: 00007597

SUNIL K. NAYAK
Chief Financial Officer

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

ASHWIN DANI
Director
DIN: 00009126

FARROKH K. KAVARANA
Director
DIN: 00027689

BURJOR D. NARIMAN
Company Secretary

FALGUNI NAYAR
Director
DIN: 00003633

ERIC OLSEN
Director
DIN: 07238383

CHRISTOF HASSIG
Director
DIN: 01680305

Mumbai, February 10, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of ACC Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of ACC Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entity, comprising of the consolidated Balance Sheet as at December 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in

accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 financial control relevant to the Holding Company's preparation 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 whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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 of the consolidated state of affairs of the Group, its associates and jointly controlled entity as at December 31, 2015, their consolidated profit, and their consolidated 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company, its subsidiaries, associate companies and jointly controlled entity incorporated in India, to whom the

Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on December 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and jointly controlled company incorporated in India, none of the directors of the Group's companies, its associates and jointly controlled company incorporated in India is disqualified as on December 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclosed the impact of pending litigations on its consolidated financial position of the

Group, its associates and jointly controlled entity – Refer Notes 35A(a), 35A(c), 35B and 36 to the consolidated financial statements;

- ii. The Group, its associates and jointly controlled entity did not have any material foreseeable losses in long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and jointly controlled company incorporated in India.

Other Matter

The accompanying consolidated financial statements include total assets of ₹ 144.82 Crore as at December 31, 2015, and total revenues and net cash outflows of ₹ 2.90 Crore and ₹ 3.90 Crore for the year ended on that date, in respect of five subsidiaries, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the Management. The consolidated financial statements also include the Company's share of net profit of ₹ 11.77 Crore for the year ended December 31, 2015, as considered in the consolidated financial statements, in respect of three associates, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

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 10, 2016

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report of even date

Re: With respect to ACC Limited ('Holding Company') and its subsidiaries, jointly controlled entity and associates incorporated in India and to whom the provisions of the Order apply ("the Covered Entities"), we report as follows:

- (i) (a) The Holding Company and the Covered Entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management of Holding Company and the certain Covered Entities during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Holding Company and the certain Covered Entities and the nature of their assets. No material discrepancies were noticed on such verification. Fixed assets have been physically verified by the other Covered Entities during the year and no material discrepancies were identified on such verification as reported by the respective auditors who audited the financial statements of the aforesaid subsidiaries, jointly controlled entity and associates.
- (ii) (a) The management of the Holding Company and the certain Covered Entities have conducted physical verification of inventory at reasonable intervals during the year. Businesses of other Covered Entities, as reported by the respective auditors who audited the financial statements, do not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to such entities.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the concerned Covered Entities and the nature of their businesses.
- (c) The Holding Company and the concerned Covered Entities are maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements of Covered Entities, the Holding Company and the Covered Entities have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Holding Company and the Covered entities and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us and as reported by the other auditors who audited the financial statements of Covered Entities there is an adequate internal control system commensurate with the size of the Holding Company and the Covered Entities and the nature of their businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable to the nature of the business of the covered entities. During the course of our audit and as reported by the other auditors who audited the financial statements of Covered Entities, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the Holding Company and the Covered Entities in respect of these areas.
- (v) The Holding Company and the Covered Entities have not accepted any deposits from the public.
- (vi) We / other auditors have broadly reviewed the books of account maintained by the Holding Company and certain Covered Entities to the extent applicable and relevant, pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Cement and Ready Mix Concrete, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. The detailed examination of the same have not been made by us or such other auditors. To the best of our knowledge and as explained and as reported by the other auditors who audited the financial statements of other Covered Entities, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of other Covered Entities.

- (vii) (a) The Holding Company and the Covered Entities are generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable to the respective Entities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, 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 for the Holding Company and the Covered Entities.
- (c) According to the records of the Holding Company and the Covered Entities and as reported by other auditors who audited the financial statements of Covered Entities, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

(₹ Crore)

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)	1984-2013-14	25.00	131.96	126.07	-	283.03
Central Excise Act (Duty/ Penalty/ Interest)	1994-95 to 2013-14	3.61	22.12	0.98	2.34	29.05
Service Tax under Finance Act, 1994 (Tax/Penalty/ Interest)	2005-06 to 2012-13	-	20.02	-	-	20.02
Customs Duty Matters (Duty /Penalty / interest)	2012-13	-	15.03	-	-	15.03
Cess Matters	2003-04 to 2012-13	-	-	11.93	26.03	37.96
TOTAL		28.61	189.13	138.98	28.37	385.09

- (d) According to the information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time to the extent applicable to the Holding Company. As reported by the other auditor who audited the Financial Statements / Financial Information of Covered Entities, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Covered Entities in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- viii) The Holding Company and the certain Covered Entities have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year. The accumulated losses of certain Covered Entities at the end of the financial year are less than fifty per cent of its net worth and it has not incurred cash losses in the current and immediately preceding financial year. The accumulated losses of the certain Covered Entities at the end of the financial year are more than fifty percent of its net worth and have incurred cash loss during the year and in the immediately preceding financial year. Another Covered Entity has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty percent or more of its net worth and whether it has incurred cash losses in the current financial year and in the immediately preceding financial year.

- (ix) According to the information and explanations given to us by the management and as reported by the respective auditors who audited the financial statements of the certain Covered Entities, the Holding Company and certain Covered Entities did not have any outstanding dues in respect of financial institution, bank or debenture holders during the year. Other Covered Entities, as reported by other auditors, have not defaulted in their repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us and as reported by the respective auditors who audited the financial statements of the Covered Entities, the Holding Company and Covered Entities have not given any guarantee for loans taken by others from bank or financial institutions except that a Covered Entity, as reported by other auditor who audited the financial statements of the said entity, has given a guarantee in respect of a loan taken by others from a bank and the terms and conditions, are not prima-facie prejudicial to the interest of the Holding Company or any Covered Entities.
- (xi) The Holding Company and the certain Covered Entities did not have any term loans outstanding during the year. Term loans availed by Covered Entity, as reported by other auditors, were applied for the purpose for which the same were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management and reports of the other auditors who audited the financial statements / financial information of Covered Entities, which we have relied upon, we report that no fraud by the Holding Company and the Covered Entities and no material fraud on the Holding Company and the Covered Entities have 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 10, 2016

CONSOLIDATED BALANCE SHEET as at December 31, 2015

Particulars	Note No.	2015 ₹ Crore	2014 ₹ Crore
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	187.95	187.95
Reserves and surplus	4	8,233.19	8,029.73
		8,421.14	8,217.68
Minority Interest		2.65	2.93
Non-current liabilities			
Deferred tax liabilities (Net)	5	470.42	540.98
Long-term provisions	6	119.86	115.94
		590.28	656.92
Current liabilities			
Trade payables:			
Due to Micro and Small Enterprises	37	4.12	1.76
Due to others		873.38	750.26
Other current liabilities	7	2,269.06	2,114.81
Short-term provisions	8	639.33	937.27
		3,785.89	3,804.10
TOTAL		12,799.96	12,681.63
ASSETS			
Non-current assets			
Fixed Assets:			
Tangible assets	9	5,315.00	5,643.80
Intangible assets	9	15.82	22.19
Capital work-in-progress		2,379.44	1,939.23
Intangible assets under development		16.67	16.67
Non-current investments	10	86.70	84.08
Long-term loans and advances	11	1,116.76	936.77
Other non-current assets	12	466.30	360.71
		9,396.69	9,003.45
Current assets			
Current investments	13	1,227.45	1,301.08
Inventories	14	1,189.43	1,256.38
Trade receivables	15	484.43	410.60
Cash and bank balances	16	94.03	309.78
Short-term loans and advances	17	352.82	385.77
Other current assets	18	55.11	14.57
		3,403.27	3,678.18
TOTAL		12,799.96	12,681.63
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

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

N.S.SEKHSARIA
Chairman
DIN: 00276351

BERNARD TERVER
Deputy Chairman
DIN: 06771125

ARUNKUMAR R GANDHI
Director
DIN: 00007597

per RAVI BANSAL
Partner
Membership No. 49365

SUNIL K. NAYAK
Chief Financial Officer

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

ASHWIN DANI
Director
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Director
DIN: 00027689

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Company Secretary

FALGUNI NAYAR
Director
DIN: 00003633

ERIC OLSEN
Director
DIN: 07238383

CHRISTOF HASSIG
Director
DIN: 01680305

Mumbai, February 10, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended December 31, 2015

Particulars	Note No.	2015 ₹ Crore		2014 ₹ Crore
INCOME				
Revenue from operations (gross)		13,241.04		13,108.76
Less - Excise duty		1,443.88		1,369.97
Revenue from operations (net)	19	11,797.16		11,738.79
Other Income	20	119.78		256.63
Total Revenue			11,916.94	11,995.42
EXPENSES				
Cost of materials consumed	21	1,739.78		1,787.57
Purchase of traded goods	22	108.29		194.33
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	0.05		(11.28)
Employee benefits expense	24	772.16		748.05
Power and fuel		2,396.67		2,444.47
Freight and Forwarding expense	25	2,704.21		2,578.42
Finance costs	26	64.64		82.76
Depreciation and amortization expense	27	662.59		567.62
Other expenses	28	2,547.89		2,501.60
		10,996.28		10,893.54
Self Consumption of Cement (net of Excise Duty)		(9.32)		(17.66)
Total Expenses			10,986.96	10,875.88
Profit before exceptional item and tax			929.98	1,119.54
Exceptional item (Refer Note - 43)			164.45	-
Profit before tax			765.53	1,119.54
Tax expenses				
Current tax		(260.54)		(264.36)
Tax adjustments for earlier years (Refer Note - 40)		-		309.23
Deferred tax		70.56		(13.74)
			(189.98)	31.13
Profit after Tax			575.55	1,150.67
Share of Profit in Associates			11.77	11.38
Share of (profit) / Loss attributable to Minority Interest			0.28	(0.23)
Profit for the year			587.60	1,161.82
Earnings per equity share	29			
{(Face value of ₹ 10 each (Previous Year - ₹ 10 each))}				
Basic		₹	31.30	61.88
Diluted		₹	31.22	61.72
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

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

N.S.SEKHSARIA
Chairman
DIN: 00276351

BERNARD TERVER
Deputy Chairman
DIN: 06771125

ARUNKUMAR R GANDHI
Director
DIN: 00007597

per RAVI BANSAL
Partner
Membership No. 49365

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ERIC OLSEN
Director
DIN: 07238383

CHRISTOF HASSIG
Director
DIN: 01680305

Mumbai, February 10, 2016

CONSOLIDATED CASH FLOW STATEMENT for the year ended December 31, 2015

Particulars	2015 ₹ Crore	2014 ₹ Crore
A. Cash flow from operating activities		
Net Profit before Tax	765.53	1,119.54
Adjustments for:		
Depreciation and Amortisation expenses (including Exceptional item)	827.04	567.62
Loss / (Profit) on sale / write off of fixed assets (Net)	45.55	15.88
Non-current Investment written off	-	0.69
Gain on sale of current investments	(23.95)	(43.43)
Interest income	(94.36)	(213.20)
Finance costs	64.64	82.76
Provision for doubtful debts and advances (Net)	13.64	15.88
Bad debts written off	0.32	4.60
Provision for slow and non moving Stores & Spare parts	8.36	13.72
Provision no longer required written back	(10.94)	(45.85)
Capital spares consumed	38.56	9.05
Unrealised exchange (gain) / loss (Net)	(2.25)	(1.09)
Miscellaneous expenditure written off	3.43	3.43
Operating profit before working capital changes	1,635.57	1,529.60
Changes in Working Capital:		
Adjustments for Decrease / (Increase) in operating assets:		
Decrease / (Increase) in Trade receivable, loans & advances and other assets	(218.54)	(191.79)
Decrease / (Increase) in Inventories	58.59	(147.80)
Adjustments for Increase / (Decrease) in operating liabilities:		
Increase / (Decrease) in Trade payables, Other liabilities and Provisions	211.76	399.54
Cash generated from operations	1,687.38	1,589.55
Direct tax paid - (Net of refunds)	(230.76)	(237.37)
Net Cash flow from operating activities	1,456.62	1,352.18
B. Cash flow from investing activities		
Loans to Joint Ventures	(2.63)	(23.97)
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)	(1,123.59)	(1,606.21)
Proceeds from sale of Fixed Assets	4.15	2.58
Proceed from sale of current investments	23.95	43.43
Redemption / (investment) in bank deposits (having original maturity for more than 3 months)	129.26	(7.87)
Dividend received from Associates	2.04	9.86
Interest received	62.77	125.46
Net cash used in investing activities	(904.05)	(1,456.72)

CONSOLIDATED CASH FLOW STATEMENT for the year ended December 31, 2015 (contd.)

Particulars	2015 ₹ Crore	2014 ₹ Crore
C. Cash flow from financing activities		
Interest Paid	(41.25)	(49.07)
Repayment of Long term borrowings	-	(35.03)
Dividend paid	(561.67)	(644.51)
Dividend Distribution Tax paid	(113.36)	(108.48)
Net cash used in financing activities	(716.28)	(837.09)
Net increase / (decrease) in cash and cash equivalents	(163.71)	(941.63)
Cash and cash equivalents at the beginning of the year	1,581.26	2,522.89
Cash and cash equivalents at the end of the year	1,417.55	1,581.26
Components of cash and cash equivalents:		
Cash on hand	0.11	0.12
Balance with banks		
On current accounts	59.82	41.17
On deposit account	0.43	107.02
Earmarked for specific purpose (Refer Note (1) below)	33.44	31.87
Cash and cash equivalents (Refer Note - 16)	93.80	180.18
Add : Investment in Mutual Funds (Refer Note - 13)	91.30	369.00
Add : Investment in Certificate of Deposits (Refer Note - 13)	1,132.45	932.08
Add : Deposit with HDFC Limited (Refer Note - 17)	100.00	100.00
Cash and Cash equivalents in cash flow statement	1,417.55	1,581.26
Significant accounting policies (Refer Note - 2)		

Note :

- These balances are not available for use by the Company as they represent unpaid dividend liabilities.
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS-3) on Cash Flow Statement.

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

HARISH BADAMI
CEO & Managing Director
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Deputy Chairman
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per RAVI BANSAL
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Director
DIN: 07238383

CHRISTOF HASSIG
Director
DIN: 01680305

Mumbai, February 10, 2016

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015**1. COMPANY OVERVIEW**

ACC Limited (the Company) is a public limited company incorporated in India 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 ACC Limited (the Company), its subsidiaries (together “the Group”), associates and its jointly controlled entity have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013 (“the Act”), read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.
- b) The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(ii) Principles of Consolidation

- a) The Consolidated Financial Statements comprise the financial statements of ACC Limited (the Company), its subsidiaries, associates and joint venture. Reference in these notes to ‘the Company’ or ‘ACC’ shall mean to include ACC Limited and/or any of its subsidiaries / associates / joint venture, 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	
		2015	2014
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 Company Private Limited	100%	100%
5	Singhania Minerals 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 Company Private Limited	40%	40%
c) Joint Venture			
1	Oneindia BSC Private Limited	50%	-
d) 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 :

1. 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, 2015.
2. Oneindia BSC Private Limited incorporated on August 13, 2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

- c) The Consolidated Financial Statements of the Company and its Subsidiary Companies have been prepared in accordance with the Accounting Standard 21 (AS-21) "Consolidated Financial Statements", on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and unrealised profits or losses are fully eliminated.
- d) 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.
- e) The excess of cost to the Company of its investment in the subsidiaries / Jointly Controlled Entity, on the acquisition dates over and above the Company's share of equity in the subsidiaries / Jointly Controlled Entity, is recognised in the Consolidated Financial Statements as Goodwill. On the other hand, where the share of equity in the subsidiaries / Jointly Controlled Entity as on the date of investment is in excess of cost of investments of the Company, it is recognised as "Capital Reserve" and shown under the head "Reserves and Surplus" in the Consolidated Financial Statements. Goodwill is amortised over a period of ten years from the date of acquisition / investment.
- f) 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.
- g) Minority interest's share of Net Profit / Loss for the year of consolidated subsidiaries is identified and presented separately. The losses applicable to the minority in excess of the minority interest in the equity of the subsidiary are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses. If the subsidiaries subsequently reports profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.
- h) Investment in associates where the Company directly or indirectly through subsidiaries holds significant influence, are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated financial Statements" notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. Accordingly, the share of profit/ loss of the associate company (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.
- i) The excess of cost to the Company of its investment in the associates, on the acquisition dates over and above the Company's share of net assets in the associate, described as goodwill. On the other hand, where the share of net asset in the associate as on the date of investment is in excess of cost of investments of the Company, it is described as Capital Reserve and included in the carrying amount of investment with separate disclosure in the Consolidated Financial Statements. Goodwill is amortised over a period of ten years from the date of acquisition / investment.
- j) The Consolidated Financial Statements of the Company reflect its share of the Assets, Liabilities, Income and Expenditure of the Jointly controlled entity which are accounted on the basis of the audited accounts of the Joint venture on line-by-line basis with similar items in the Company's Consolidated Financial Statement to the extent of the participating interest of the Company as per the Joint Venture Agreements in accordance with the Accounting Standard 27 (AS-27) "Financial Reporting of Interests in Joint Ventures". The intra-group balances and intra-group transactions have been eliminated to the extent of the Company's share in the entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(iii) 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.

(iv) Tangible fixed assets

- a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any. The cost comprises of the purchase price (net of Cenvat and VAT credit wherever applicable) and any attributable cost of bringing the assets to its working condition for its intended use. Subsequent expenditures related to an item of tangible asset are added to its gross book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.
- 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 under "other current assets".
- 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". Advances given towards acquisition / construction of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advances under "Long-term loans and advances".

(v) Depreciation on tangible fixed assets

- a) Depreciation on fixed assets, other than Captive Power Plant related assets (CPP assets), is provided using the straight-line method and on CPP assets using the written-down value method based on their respective estimated useful lives. Estimated useful lives of assets are determined based on technical parameters / assessment.

The aforesaid estimated useful lives for computing depreciation is different in following case from the useful life specified in Schedule II to the Companies Act, 2013;

Particulars	Useful Life estimated by the management
Plant and Equipment related to Captive Power Plant	20 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 which is 10 to 99 years.
- 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(vi) 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 intangible assets 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.

(vii) Impairment of assets

The carrying amount 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.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

(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. However, that part of long term investments which are expected to be realized within twelve months from Balance Sheet date is also presented under "Current Investments" under "Current portion of long term investments" in consonance with the current / non-current classification of Schedule III of the Companies Act, 2013.

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.

On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognised in the Statement of Profit and Loss.

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

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 of Stock-in-Trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. 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.

(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 / value added tax (VAT), trade discounts and returns, as applicable. Sales exclude self-consumption of cement.

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 (net of service tax, as applicable) 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) Where the Government grants / subsidies relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Government grants and subsidies receivable against an expense are deducted from such expense.
- c) Grants and subsidies receivable against a specific fixed asset is deducted from cost of the relevant fixed asset.
- d) Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of shareholders' funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(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.

(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) Retirement and other employee benefits**a) Short term employee benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

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 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.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of Profit and Loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

- 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 accrue.

(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. These estimates are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(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.

(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 Schedule III of the Companies Act, 2013. 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.

Inter Segment transfers

Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is based on current market prices.

Unallocated items

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

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, 2015 (contd.)**3. SHARE CAPITAL**

	2015 ₹ Crore	2014 ₹ 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

	2015		2014	
	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.

In the event of liquidation of the Company, the holders of 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 shareholders.

iii) Equity shares held by holding company / ultimate holding and their subsidiaries

	2015 ₹ Crore	2014 ₹ Crore
Holcim (India) Private Limited, the Holding Company	93.89	93.89
9,38,88,120 (Previous Year - 9,38,88,120) Equity shares ₹ 10 each fully paid		
Holderind Investments Ltd., Mauritius, Holding Company of Holcim (India) Private Limited	0.54	0.54
5,41,000 (Previous Year - 5,41,000) Equity shares ₹ 10 each fully paid		

Both these Companies are subsidiaries of LafargeHolcim Ltd (Formerly known as Holcim Ltd), Switzerland, the ultimate holding Company.

iv) The Company has issued Nil (Previous Year - 5,064) 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**

	2015		2014	
	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	2,21,74,751	11.81	1,79,71,429	9.57

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**4. RESERVES AND SURPLUS**

	2015		2014
	₹ Crore	₹ Crore	₹ Crore
Capital Reserve		15.07	15.07
Securities Premium Account		844.84	844.84
Debenture Redemption Reserve			
Balance as per last Financial statements	-		8.00
Less: Transferred to General Reserve	-		8.00
		-	-
General Reserve			
Balance as per last Financial statements	2,736.78		2,598.78
Add: Transferred from surplus in Statement of Profit and Loss	30.00		130.00
Add: Transferred from Debenture Redemption Reserve	-		8.00
		2,766.78	2,736.78
Surplus in Statement of Profit and Loss			
Balance as per last Financial statements	4,433.04		4,158.74
Add: Profit for the year	587.60		1,161.82
	5,020.64		5,320.56
Less - Appropriations			
Interim equity dividend {amount per share ₹ 11 (Previous Year - ₹ 15)}	206.52		281.62
Proposed final equity dividend {amount per share ₹ 6 (Previous Year - ₹ 19)}	112.65		356.72
Tax on equity dividends	64.97		119.18
Transfer to General Reserve	30.00		130.00
	414.14		887.52
		4,606.50	4,433.04
TOTAL		8,233.19	8,029.73

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**5. DEFERRED TAX LIABILITIES (NET)**

	2015 ₹ Crore	2014 ₹ Crore
Deferred Tax Liabilities arising on account of :		
Depreciation and amortisation differences	653.94	762.41
	653.94	762.41
Deferred Tax Assets arising on account of :		
Provision for Employee Benefits	27.57	81.02
Expenditure debited in Statement of Profit and Loss but allowed for tax purposes in the following years	101.32	67.88
Provision for obsolescence of Spare Parts	9.88	31.46
Others	44.75	41.07
	183.52	221.43
Net Deferred Tax Liabilities	470.42	540.98

6. LONG-TERM PROVISIONS

	2015 ₹ Crore	2014 ₹ Crore
Provision for employee benefits (Refer Note - 30)		
Provision for gratuity and staff benefit schemes	93.01	86.06
Long service award and other benefit plans	6.39	9.00
Other Provisions		
Provision for Mines Restoration	20.46	20.88
TOTAL	119.86	115.94

Movement of provision during the year as required by Accounting Standard 29:**Mines Restoration Expenditure**

	2015 ₹ Crore	2014 ₹ Crore
Opening provision	20.88	19.15
Add: Provision during the year	0.15	2.08
Less: Utilisation during the year	(0.57)	(0.35)
Closing provision	20.46	20.88

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**7. OTHER CURRENT LIABILITIES**

	2015	2014
	₹ Crore	₹ Crore
Investor Education and Protection Fund :- (Refer Note - (i) below)		
Unpaid dividend	33.44	31.87
Unpaid Matured Deposits	0.02	0.02
Statutory dues	378.58	324.40
Advance from customers	137.91	132.04
Security deposits and retention money	666.98	624.76
Liability for capital expenditure	115.73	133.39
Other payables	936.40	868.33
(including Rebates to customers, Employees dues, etc.)		
TOTAL	2,269.06	2,114.81

- i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at December 31, 2015

8. SHORT-TERM PROVISIONS

	2015	2014
	₹ Crore	₹ Crore
Provision for employee benefits (Refer Note - 30)		
Provision for gratuity and staff benefit schemes	9.87	16.74
Provision for compensated absences	38.44	109.22
Long service award and other benefit plans	0.78	0.88
Other Provisions		
Provision for Income Tax (Net of advance tax)	454.66	382.39
Proposed Final Dividend	112.65	356.72
Tax on proposed dividend	22.93	71.32
TOTAL	639.33	937.27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**9. FIXED ASSETS**

Particulars	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01-01-2015	Additions/ Adjustments	Deductions/ Adjustments	As at 31-12-2015	For the Year	Adjustment as disclosed under Exceptional item (Refer Note - 43)	As at 31-12-2015	As at 31-12-2014
Tangible Assets :								
Freehold Non Mining Land	118.88	5.87	32.06	92.69	-	-	92.69	118.88
Freehold Mining Land	166.98	132.11	-	299.09	1.99	0.25	2.24	164.99
Leasehold Land	77.36	8.70	-	86.06	41.29	4.72	46.01	36.07
Buildings	1,362.78	117.40	12.69	1,467.49	409.07	75.12	538.93	953.71
Plant and Equipment	8,899.96	298.90	130.69	9,068.17	4,769.75	527.11	5,304.75	4,130.21
Railway Sidings	178.50	4.58	1.41	181.67	58.88	13.23	72.64	119.62
Furniture & Fixtures	44.78	2.63	1.26	46.15	20.68	5.96	26.48	24.10
Vehicles	55.51	8.23	1.77	61.97	21.84	7.66	28.19	33.67
Office equipment	126.06	14.51	7.16	133.41	63.51	23.32	102.46	62.55
TOTAL	11,030.81	592.93	187.04	11,436.70	5,387.01	657.37	6,121.70	5,643.80
Intangible Assets:								
Computer Software	59.25	0.07	0.18	59.14	58.51	0.56	58.89	0.74
Goodwill	59.42	-	-	59.42	37.97	5.88	43.85	21.45
TOTAL	118.67	0.07	0.18	118.56	96.48	6.44	102.74	22.19

- Notes:- (i) 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 flat.
- (ii) Buildings include Gross block of ₹ 23.86 Crore (Previous Year - ₹ 23.86 Crore) and Net block of ₹ 20.87 Crore (Previous Year - ₹ 21.27 Crore) in respect of which the transfer of title deeds to the name of the Company is under process.
- (iii) 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).
- (iv) Depreciation charge for the year include ₹ 1.22 Crore (Previous Year - ₹ 0.12 Crore) capitalised as pre-operative expenses.
- (v) Goodwill is on account of investment in subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**9. FIXED ASSETS (Contd.)**

Particulars	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION				NET BLOCK		₹ Crore
	As at 01-01-2014	Additions/ Adjustments	Deductions/ Adjustments	As at 31-12-2014	As at 01-01-2014	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	1.79	0.20	-	164.99	150.62	
Leasehold Land	70.23	7.13	-	77.36	38.55	2.74	-	41.29	36.07	31.68
Buildings	1,247.42	127.43	12.07	1,362.78	371.72	47.42	10.07	409.07	953.71	875.70
Plant and Equipment	8,514.95	484.17	99.16	8,899.96	4,365.00	484.07	79.32	4,769.75	4,130.21	4,149.95
Railway Sidings	166.68	13.98	2.16	178.50	52.11	8.42	1.65	58.88	119.62	114.57
Furniture & Fixtures	42.66	3.21	1.09	44.78	19.08	2.37	0.77	20.68	24.10	23.58
Vehicles	47.43	10.08	2.00	55.51	17.87	5.49	1.52	21.84	33.67	29.56
Office equipment	120.96	12.52	7.42	126.06	59.31	10.75	6.55	63.51	62.55	61.65
TOTAL	10,467.17	687.55	123.91	11,030.81	4,925.43	561.46	99.88	5,387.01	5,643.80	5,541.74
Intangible Assets:										
Computer Software	60.09	0.24	1.08	59.25	59.19	0.39	1.07	58.51	0.74	0.90
Goodwill	59.42	-	-	59.42	32.08	5.89	-	37.97	21.45	27.34
TOTAL	119.51	0.24	1.08	118.67	91.27	6.28	1.07	96.48	22.19	28.24

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**10. NON-CURRENT INVESTMENTS**

(VALUED AT COST UNLESS STATED OTHERWISE)

	2015			2014	
	Numbers	₹ Crore		Numbers	₹ Crore
Trade Investments					
Unquoted equity instruments					
Investment in Associates					
Face value ₹ 10 each					
Alcon Cement Company Private Limited	4,08,001	17.83		4,08,001	20.67
{includes unamortised Goodwill of ₹ 3.61 Crore (Previous Year - ₹ 5.23 Crore)}					
Add : Share of Profit		3.30			2.86
Less: Dividend Received		(2.04)			(4.08)
Less: Amortisation of Goodwill		(1.62)			(1.62)
			17.47		17.83
Asian Concretes and Cements Private Limited	81,00,000	47.79		81,00,000	46.99
{includes unamortised Goodwill of ₹ 6.61 Crore (Previous Year - ₹ 8.16 Crore)}					
Add : Share of Profit		6.81			7.75
Less: Dividend Received		-			(5.40)
Less: Amortisation of Goodwill		(1.55)			(1.55)
			53.05		47.79
Aakaash Manufacturing Company Private Limited	4,401	8.97		4,401	8.82
{includes unamortised Goodwill of ₹ 1.51 Crore (Previous Year - ₹ 1.75 Crore)}					
Add : Share of Profit		1.66			0.77
Less: Dividend Received		-			(0.38)
Less: Amortisation of Goodwill		(0.24)			(0.24)
			10.39		8.97
			80.91		74.59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**10. NON-CURRENT INVESTMENTS (Contd.)**

(VALUED AT COST UNLESS STATED OTHERWISE)

	2015			2014	
	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
		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
Less: Current portion of long-term investments#		3.70			-
			-		3.70
TOTAL			86.70		84.08

Notes	(i) Aggregate amount of quoted Investments	5.79	5.79
	{Market value ₹ 17.05 Crore (Previous Year - ₹ 9.63 Crore)}		
	(ii) Aggregate amount of unquoted Investments	80.91	78.29
	(iii) Aggregate provision for diminution in value of investments	17.86	17.86
	(iv) * Denotes amount less than ₹ 50,000		
	(v) # Amount included under the head "Current investments" (Refer Note - 13)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**11. LONG-TERM LOANS AND ADVANCES**

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2015	2014
	₹ Crore	₹ Crore
Capital Advances	300.25	251.93
Security deposits	206.81	199.10
Deposits with Government Bodies and Others		
Considered good	250.23	199.94
Considered doubtful	9.78	8.33
	260.01	208.27
Less: Allowance for doubtful deposits	9.78	8.33
	250.23	199.94
Loans and advances to related parties {Refer Note - 33 (H) iv}	37.93	35.30
Advances recoverable in cash or kind	15.01	16.30
Advance tax (Net of provision for tax)	306.53	234.20
TOTAL	1,116.76	936.77

12. OTHER NON-CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2015	2014
	₹ Crore	₹ Crore
Incentives under Government schemes and other receivables		
Considered good	466.19	360.71
Considered doubtful	6.39	4.70
	472.58	365.41
Less: Provision for doubtful receivables	6.39	4.70
	466.19	360.71
Non-current bank balance (Refer Note - 16)	0.11	-
TOTAL	466.30	360.71

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**13. CURRENT INVESTMENTS**

(VALUED AT LOWER OF COST AND FAIR VALUE, UNLESS STATED OTHERWISE)

	2015			2014	
	Numbers	₹ Crore		Numbers	₹ Crore
Current Portion of Long Term Investment					
(valued at cost) (Refer Note - 10)					
Investment in Bonds (Unquoted)					
Face value ₹ 10,00,000 each					
5.13% Himachal Pradesh Infrastructure Development Board Bonds	37		3.70	-	-
Investment in Certificate of Deposits - Fully paid-up (unquoted)					
Unit of Face value ₹ 1,00,000 each					
IDBI Bank Limited	7,500	73.73		-	-
HDFC Bank Limited	7,500	74.02		-	-
Bank of Maharashtra	25,000	246.51		-	-
Kotak Mahindra Bank Limited	25,000	245.69		-	-
Andhra Bank	20,000	196.51		10,000	98.03
Corporation Bank	10,000	98.46		5,000	49.05
Oriental Bank	20,000	197.53		17,500	171.95
Allahabad Bank	-	-		10,000	98.21
Bank of India	-	-		20,000	196.12
Punjab National Bank	-	-		10,000	98.18
Canara Bank	-	-		17,500	171.50
Union Bank of India	-	-		5,000	49.04
			1,132.45		932.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**13. CURRENT INVESTMENTS (contd.)**

(VALUED AT LOWER OF COST AND FAIR VALUE, UNLESS STATED OTHERWISE)

	2015			2014	
	Numbers	₹ Crore		Numbers	₹ Crore
Investment in Mutual Funds - Fully paid-up (Unquoted)					
Unit of Face value ₹ 10 each					
HDFC Cash Management - Growth	-	-		1,93,28,505.655	55.00
Sundaram Money Fund - Growth	-	-		52,02,823.399	15.00
Unit of Face value ₹ 100 each					
DWS Insta Cash Plus Fund-Growth	4,31,498.475	8.30		-	-
Kotak Floater Short Term-Growth Regular Plan	57,578.996	14.00		-	-
ICICI Prudential Liquid Fund - Super IP - Growth	-	-		22,21,247.072	45.00
Birla Sunlife Cash Plus Fund - Growth	-	-		22,78,285.007	50.00
Unit of Face value ₹ 1,000 each					
Kotak Floater ST - Growth	1,02,648.091	25.00		-	-
Reliance Liquid Fund-Treasury plan - Growth	11,078.784	4.00		-	-
Religare Liquid Fund - Growth	1,95,736.947	40.00		2,12,611.831	40.00
SBI Premier Liquid Fund - Super IP - Growth	-	-		69,796.981	15.00
Reliance Liquid Fund - Growth	-	-		1,35,134.443	45.00
IDBI Liquid Fund - Growth	-	-		1,02,530.178	15.00
L & T Liquid Fund - Growth	-	-		1,06,529.922	20.00
Pramerica Liquid Fund- Direct - Growth	-	-		68,428.996	10.00
Principal Cash Management Fund - Growth	-	-		3,00,947.745	40.00
DSP Black rock Money Manager Fund-Regular Plan - Growth	-	-		5,403.060	1.00
Taurus Liquid Fund - Existing Plan - Super Institutional -Growth	-	-		20,269.957	3.00
Reliance Liquid Fund - Cash Plan-Growth	-	-		68,798.254	15.00
			91.30		369.00
TOTAL			1,227.45		1,301.08
Aggregate amount of unquoted Investments			1,227.45		1,301.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**14. INVENTORIES**

(AT COST OR NET REALISABLE VALUE WHICHEVER IS LOWER)

	2015 ₹ Crore	2014 ₹ Crore
Raw Materials	132.01	139.07
{Including in transit ₹ 3.83 Crore (Previous Year - ₹ 11.32 Crore)}		
Work-in-Progress	241.20	240.32
Finished Goods	152.90	154.11
Stock-in-trade	0.65	0.37
Stores & Spare Parts	266.31	262.96
{Including in transit ₹ 7.08 Crore (Previous Year - ₹ 15.68 Crore)}		
Packing Material	18.24	20.02
Fuels	378.12	439.53
{Including in transit ₹ 6.43 Crore (Previous Year - ₹ 16.17 Crore)}		
TOTAL	1,189.43	1,256.38

15. TRADE RECEIVABLES

	2015 ₹ Crore	2014 ₹ Crore
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	19.88	14.91
Considered doubtful	27.45	24.28
	47.33	39.19
Less: Provision for doubtful trade receivables	27.45	24.28
	19.88	14.91
Other Trade receivables		
Secured, considered good	77.88	57.90
Unsecured, considered good	386.67	337.79
Unsecured, considered doubtful	7.41	3.43
	471.96	399.12
Less: Provision for doubtful trade receivables	7.41	3.43
	464.55	395.69
TOTAL	484.43	410.60

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**16. CASH AND BANK BALANCES**

	2015 ₹ Crore	2014 ₹ Crore
Cash and cash equivalents		
Balances with banks:		
On current accounts	59.82	41.17
Deposits with original maturity of less than three months	0.43	107.02
#On unpaid dividend account	33.44	31.87
Cash on hand	0.11	0.12
	93.80	180.18
Other bank balances		
*Deposits with original maturity for more than 3 months but less than 12 months	0.22	129.59
Deposits with original maturity for more than 12 months	0.11	-
Less : Amount disclosed under other non-current asset (Refer Note - 12)	0.11	-
	-	-
Post office saving accounts	0.01	0.01
	0.23	129.60
TOTAL	94.03	309.78

*Includes fixed deposit with lien in favour of Competition Appellate Tribunal (COMPAT) of ₹ Nil (*Previous Year* - ₹129.27 Crore) (Refer Note - 36).

#These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

17. SHORT-TERM LOANS AND ADVANCES

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2015 ₹ Crore	2014 ₹ Crore
Security deposits	20.52	14.14
Advances recoverable in cash or kind	115.68	142.53
Other loans and advances		
Balances with statutory / government authorities	116.62	129.10
Deposit with HDFC Limited	100.00	100.00
TOTAL	352.82	385.77

18. OTHER CURRENT ASSETS

UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED

	2015 ₹ Crore	2014 ₹ Crore
Interest accrued on investments	6.53	4.78
Other Accrued Interest	1.25	1.30
Fixed assets held for sale	47.33	8.49
TOTAL	55.11	14.57

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**19. REVENUE FROM OPERATIONS**

	2015	2014
	₹ Crore	₹ Crore
Sale of products		
Finished goods	12,745.39	12,626.14
Traded goods	112.37	204.17
Sale of services	18.88	19.97
Sale of products and services (gross)	12,876.64	12,850.28
Less: Excise duty	1,443.88	1,369.97
Sale of products and services (net)	11,432.76	11,480.31
Other operating revenue	364.40	258.48
Revenue from operations (net)	11,797.16	11,738.79

i) Details of products sold	2015	2014
	₹ Crore	₹ Crore
Finished goods (Net of Excise duty)		
Cement	10,437.09	10,574.80
Ready Mix Concrete	851.47	664.01
Clinker	12.95	17.36
	11,301.51	11,256.17
Traded Goods		
Cement	15.22	128.12
Ready Mix Concrete	97.15	76.05
	112.37	204.17
ii) Details of sale of services		
Pumping and Conversion services	18.88	19.97
	18.88	19.97
iii) Detail of other operating revenue		
Provision no longer required written back	10.94	45.85
Sale of surplus generated power	5.39	0.90
Incentives and Subsidies	214.54	96.92
Miscellaneous Income	133.53	114.81
TOTAL	364.40	258.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**20. OTHER INCOME**

	2015 ₹ Crore	2014 ₹ Crore
Interest on Bank deposits	59.67	117.57
Interest on Income Tax	29.84	89.15
Other interest income	4.85	6.48
Gain on sale of current investments	23.95	43.43
Other	1.47	-
TOTAL	119.78	256.63

21. COST OF MATERIALS CONSUMED

	2015 ₹ Crore	2014 ₹ Crore
Opening Stock	139.07	132.90
Purchase and Incidental expenses	1,732.72	1,793.74
	1,871.79	1,926.64
Less: Closing Stock	132.01	139.07
TOTAL	1,739.78	1,787.57

Details of cost of materials consumed	2015 ₹ Crore	2014 ₹ Crore
Slag	198.64	284.19
Gypsum	368.29	362.59
Fly Ash	353.05	346.55
Aggregates	134.31	114.34
Cement	79.21	91.51
Others*	606.28	588.39
TOTAL	1,739.78	1,787.57

*includes no item which in value individually accounts for 10 percent or more of the total value of materials consumed.

22. PURCHASE OF TRADED GOODS

	2015 ₹ Crore	2014 ₹ Crore
Cement	13.71	121.91
Ready Mix Concrete	94.58	72.42
TOTAL	108.29	194.33

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

	2015	2014	(Increase) / decrease
	₹ Crore	₹ Crore	₹ Crore
Inventories at the end of the year			
Stock-in-trade	0.65	0.37	(0.28)
Finished Goods	152.90	154.11	1.21
Work-in-progress	241.20	240.32	(0.88)
	394.75	394.80	0.05
Inventories at the beginning 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)
TOTAL	0.05	(11.28)	

24. EMPLOYEE BENEFITS EXPENSE

	2015	2014
	₹ Crore	₹ Crore
Salaries and Wages	669.51	630.91
Contributions to Provident and other Funds	57.32	74.93
Staff Welfare Expenses	45.33	42.21
TOTAL	772.16	748.05

25. FREIGHT AND FORWARDING EXPENSE

	2015	2014
	₹ Crore	₹ Crore
On Clinker transfer	460.32	393.88
On finished products	2,243.89	2,184.54
TOTAL	2,704.21	2,578.42

26. FINANCE COST

	2015	2014
	₹ Crore	₹ Crore
Interest expenses	43.45	48.70
Interest on Income Tax	21.19	34.06
TOTAL	64.64	82.76

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**27. DEPRECIATION AND AMORTIZATION EXPENSE**

	2015 ₹ Crore	2014 ₹ Crore
Depreciation on tangible assets	656.15	561.34
Amortization of intangible assets	6.44	6.28
TOTAL	662.59	567.62

28. OTHER EXPENSES

	2015 ₹ Crore	2014 ₹ Crore
Consumption of stores and spare parts	378.84	363.82
Consumption of packing materials	404.44	483.67
Excise duty variation on opening and closing stock	1.07	2.73
Rent	30.37	33.87
Rates and taxes	146.23	142.04
Repairs to building	8.47	5.64
Repairs to machinery	134.45	144.46
Repairs to other Items	23.74	26.43
Insurance	25.63	24.83
Royalty on minerals	206.22	130.29
Discount on sales	90.80	93.27
Advertisement	110.13	106.82
Technology and Know-how fees	112.76	112.91
Miscellaneous expenses (Refer Note below)	874.74	830.82
TOTAL	2,547.89	2,501.60

Miscellaneous expenses includes:

- (a) Loss on sale / write off of Fixed Assets (Net) - ₹ 45.55 Crore (Previous Year - ₹ 15.88 Crore)
- (b) Non-current Investment written off of ₹ Nil (Previous Year - ₹ 0.69 Crore)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**29. EARNINGS PER SHARE - [EPS]**

	2015 ₹ Crore	2014 ₹ Crore
Net Profit as per Statement of Profit and Loss	587.60	1,161.82
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)	483,518	492,243
Number of Shares for Diluted Earnings Per Share	18,82,28,874	18,82,37,599
Earnings Per Share		
Face value per Share ₹	10.00	10.00
Basic ₹	31.30	61.88
Diluted ₹	31.22	61.72

30. EMPLOYEE BENEFITS:

- a) Defined Contribution Plans – Amount recognised and included in Note 24 “Contributions to Provident and other Funds” of Statement of Profit and Loss ₹ 18.28 Crore (*Previous Year - ₹ 14.82 Crore*).
- b) Defined Benefit Plans – As per actuarial valuation on December 31, 2015

The Company has a defined benefit gratuity, additional gratuity, post retirement medical benefit plans and Trust managed provident fund plan 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. Every employee who has joined before 1st December 2005 and separates from service of the Company on Superannuation and on medical grounds is entitled to additional gratuity. The scheme is Non Funded.
- iii. 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.
- iv. 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.

The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The ASB Guidance on Implementing AS-15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefit plans involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund and there is no shortfall as at December 31, 2015 and December 31, 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**30. EMPLOYEE BENEFITS (Contd.)****Defined Benefit Plans as per Actuarial valuation on December 31, 2015**

	Gratuity (Including additional gratuity)		Post Employment Medical benefits (PEMB)	Provident fund
	Funded	Non Funded		
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
I Expense recognised in the Statement of Profit & Loss – for the year ended December 31, 2015				
1 Current Service cost	10.71	5.76	0.03	19.54
	<i>10.05</i>	<i>4.57</i>	<i>0.04</i>	<i>19.97</i>
2 Interest Cost	14.01	6.51	0.47	38.65
	<i>13.71</i>	<i>6.03</i>	<i>0.36</i>	<i>39.07</i>
3 Employee Contributions	-	-	(0.31)	-
	-	-	<i>(0.32)</i>	-
4 Expected return on plan assets	(14.80)	-	-	(48.54)
	<i>(12.36)</i>	-	-	<i>(40.51)</i>
5 Net Actuarial (Gains) / Losses	4.25	3.08	0.01	20.43
	<i>18.99</i>	<i>8.51</i>	<i>2.58</i>	<i>(25.04)</i>
6 Total expense	14.17	15.35	0.20	30.08
	<i>30.39</i>	<i>19.11</i>	<i>2.66</i>	<i>(6.51)</i>
II Amount recognised in Balance Sheet				
1 Present value of Defined Benefit Obligation	(188.74)	(96.03)	(5.72)	(557.29)
	<i>(188.36)</i>	<i>(85.42)</i>	<i>(6.26)</i>	<i>(492.22)</i>
2 Fair value of plan assets	187.61	-	-	574.31
	<i>177.24</i>	-	-	<i>520.19</i>
3 Funded status {Surplus/(Deficit)}	(1.13)	(96.03)	(5.72)	17.02
	<i>(11.12)</i>	<i>(85.42)</i>	<i>(6.26)</i>	<i>27.97</i>
4 Net asset/(liability) as at December 31, 2015	(1.13)	(96.03)	(5.72)	17.02
	<i>(11.12)</i>	<i>(85.42)</i>	<i>(6.26)</i>	<i>27.97</i>
III Present Value of Defined Benefit Obligation				
1 Present value of Defined Benefit Obligation at beginning of the year	188.36	85.42	6.26	492.22
	<i>165.88</i>	<i>71.18</i>	<i>4.18</i>	<i>445.67</i>
2 Current Service cost	10.71	5.76	0.03	19.54
	<i>10.05</i>	<i>4.57</i>	<i>0.04</i>	<i>19.97</i>
3 Interest Cost	14.01	6.51	0.47	38.65
	<i>13.71</i>	<i>6.03</i>	<i>0.36</i>	<i>39.07</i>
4 Employee Contributions	-	-	(0.31)	48.11
	-	-	<i>(0.32)</i>	<i>41.68</i>
5 Actuarial (Gains) / Losses	6.00	3.08	0.01	19.24
	<i>21.32</i>	<i>8.51</i>	<i>2.58</i>	<i>(3.96)</i>
6 Benefits Payments	(30.34)	(4.74)	(0.74)	(14.64)
	<i>(22.60)</i>	<i>(4.87)</i>	<i>(0.58)</i>	<i>(15.43)</i>
7 Net transfer in / (out)	-	-	-	(45.83)
	-	-	-	<i>(34.78)</i>
8 Present value of Defined Benefit Obligation at the end of the year	188.74	96.03	5.72	557.29
	<i>188.36</i>	<i>85.42</i>	<i>6.26</i>	<i>492.22</i>

(Figures in italics pertain to previous year)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**30. EMPLOYEE BENEFITS (Contd.)**

	Gratuity (Including additional gratuity)		Post Employment Medical benefits (PEMB)	Provident fund
	Funded	Non Funded		
	₹ Crore	₹ Crore	₹ Crore	₹ Crore
IV Fair Value of Plan Assets				
1 Plan assets at the beginning of the year	177.24	-	-	520.19
	149.80	-	-	447.55
2 Expected return on plan assets	14.80	-	-	48.54
	12.36	-	-	40.51
3 Contributions by Employer	11.84	-	-	19.13
	12.75	-	-	19.60
4 Contributions by Employee	-	-	-	48.11
	-	-	-	41.68
5 Actual benefits paid	(18.02)	-	-	(14.64)
	-	-	-	(15.45)
6 Net transfer in / (out)	-	-	-	(45.83)
	-	-	-	(34.78)
7 Actuarial Gains / (Losses)	1.75	-	-	(1.19)
	2.33	-	-	21.08
8 Plan assets at the end of the year	187.61	-	-	574.31
	177.24	-	-	520.19
9 Actual return on plan assets	16.55	-	-	47.35
	14.69	-	-	61.59
V The major categories of plan assets as a percentage of total plan	Gratuity		Provident fund	
	2015	2014	2015	2014
	%	%	%	%
Government securities	50	51	50	50
Debentures and Bonds	29	30	50	50
Equity Shares	9	5	-	-
Fixed Deposits	12	14	-	-
	100	100	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 0.03		(0.03) (0.02)	
Increase/(Decrease) on Present value of Defined Benefit Obligation as at December 31, 2015	0.56 0.32		(0.57) (0.31)	

(Figures in italics pertain to previous year)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**30. EMPLOYEE BENEFITS (Contd.)****VII Actuarial Assumptions:****a) Financial Assumptions**

1	Discount Rate	7.80 % p.a. (P.Y.- 7.90 % p.a.)
2	Expected rate of return on plan assets (Gratuity)	8.50% p.a. (P.Y.- 8.50% p.a.)
3	Expected rate of return on plan assets (Provident fund)	9.31% p.a. (P.Y.- 9.27% p.a.)
4	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 <i>Indian Assured Lives Mortality (2006-08) (Modified) Ultimate</i>
2	Mortality post-retirement	Mortality for annuitants LIC (1996-98) ultimate <i>Mortality for annuitants LIC (1996-98) ultimate</i>
3	Turnover rate	5% p.a. (P.Y. - 5% p.a.)
4	Medical premium inflation	12% p.a. for the first 4 years and thereafter 8% p.a. <i>12% p.a. for the first 5 years and thereafter 8% p.a.</i>

(Figures in italics pertain to previous year)

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.

The Trust formed by the Company manages the investments of provident fund plan.

- 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 ₹ 11.00 Crore (*Previous Year - ₹ 9.00 Crore*) to Gratuity fund and ₹ 18.84 Crore (*Previous Year - ₹ 19.12 Crore*) to trust managed provident fund in the year 2016.
- 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)**

	2015	2014	2013	2012	2011
Defined benefit obligation	(188.74)	(188.36)	(165.88)	(160.11)	(134.32)
Plan assets	187.61	177.24	149.80	137.12	118.77
Surplus / (deficit)	(1.13)	(11.12)	(16.08)	(22.99)	(15.55)
Experience adjustments on plan assets	(1.75)	(2.42)	(1.17)	(1.29)	(0.43)
Experience adjustments on plan liabilities	5.72	8.62	11.76	16.89	19.94

₹ Crore

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**30. EMPLOYEE BENEFITS (Contd.)**

(ii) Gratuity (Non funded)

₹ Crore

	2015	2014	2013	2012	2011
Defined benefit obligation	(96.03)	(85.42)	(71.18)	(65.54)	(52.05)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(96.03)	(85.42)	(71.18)	(65.54)	(52.05)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	0.26	3.17	5.05	7.33	9.49

(iii) Post Employment Medical Benefits

₹ Crore

	2015	2014	2013	2012	2011
Defined benefit obligation	(5.72)	(6.26)	(4.18)	(3.50)	(2.58)
Plan assets	-	-	-	-	-
Surplus / (deficit)	(5.72)	(6.26)	(4.18)	(3.50)	(2.58)
Experience adjustments on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustments on plan liabilities	(0.26)	2.25	1.33	1.38	1.02

(iv) Provident Fund

₹ Crore

	2015	2014	2013	2012	2011
Defined benefit obligation	(557.29)	(492.22)	(445.67)	(392.76)	(364.56)
Plan assets	574.31	520.19	447.55	400.31	365.63
Surplus / (deficit)*	17.02	27.97	1.88	7.55	1.07
Experience adjustments on plan assets	(1.19)	21.08	4.92	(5.15)	#
Experience adjustments on plan liabilities	19.75	(1.19)	(4.88)	(4.58)	#

*Since there is surplus, the same has not been recognised in Balance Sheet, only liability recognised in Balance Sheet.

Experience adjustments information for the year 2011 is not available, hence not disclosed.

- h) Amount recognised as an expense under employee benefit expenses in the statement of Profit and Loss in respect of other long term benefits is ₹ 22.29 Crore (Previous Year - ₹ 39.89 Crore).
- i) Present value of compensated absences at year end is ₹ 38.44 Crore (Previous year ₹ 109.22 Crore). During the year, the Company has contributed ₹ 75 Crore to the fund against provision for compensated absences.
- j) Present value of Long service award and other benefit plan obligation at year end is ₹ 7.17 Crore (Previous Year ₹ 9.88 Crore). This scheme is non funded.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**31. 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.

INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

₹ Crore

	Cement		Ready Mix Concrete		Total	
	2015	2014	2015	2014	2015	2014
REVENUE						
External sales	10,465.26	10,720.28	967.50	760.03	11,432.76	11,480.31
Other operating revenue	352.80	249.70	11.60	8.78	364.40	258.48
Inter-segment sales	187.34	122.54	7.34	9.77	194.68	132.31
	11,005.40	11,092.52	986.44	778.58	11,991.84	11,871.10
Less : Elimination	(187.34)	(122.54)	(7.34)	(9.77)	(194.68)	(132.31)
Total revenue	10,818.06	10,969.98	979.10	768.81	11,797.16	11,738.79
RESULT						
Segment result	864.73	933.23	25.09	16.17	889.82	949.40
Unallocated corporate income net off					10.44	39.70
Unallocated (expenditure)						
Operating Profit					900.26	989.10
Finance Costs					(64.64)	(82.76)
Interest and Dividend income					94.36	213.20
Exceptional item (Refer Note - 43)					(164.45)	-
Tax expenses					(189.98)	31.13
Profit after tax					575.55	1,150.67
OTHER INFORMATION						
Segment assets	10,608.78	10,331.51	283.31	271.10	10,892.09	10,602.61
Unallocated Corporate assets					1,907.87	2,079.02
Total assets					12,799.96	12,681.63
Segment liabilities	2,973.34	2,818.89	178.42	149.74	3,151.76	2,968.63
Unallocated Corporate liabilities					1,227.06	1,495.32
Total liabilities					4,378.82	4,463.95
Capital expenditure (including capital work-in-progress)	886.31	1,639.55	14.70	17.03	901.01	1,656.58
Depreciation and Amortization (Including exceptional item)	796.71	549.14	30.33	18.48	827.04	567.62
Other non-cash expenses	35.28	33.05	10.01	5.97	45.29	39.02

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**32. OPERATING LEASE**

	2015 ₹ Crore	2014 ₹ Crore
a) Future minimum rental payables under non-cancellable operating lease		
(i) Not later than one year	24.75	29.18
(ii) Later than one year and not later than five years	94.09	98.31
(iii) Later than five years	1.16	21.07
b) Operating lease payment recognised in Statement of Profit and Loss amounting to ₹ 174.11 Crore (Previous Year - ₹ 133.82 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.		

33. RELATED PARTY DISCLOSURE

(A) Names of the Related parties where control exists:	Nature of Relationship
1 LafargeHolcim Ltd (Formerly known as 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
8 Oneindia BSC Private Limited	Joint venture Company (w.e.f 13th August 2015)
(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 Lafarge India Private Limited	Fellow Subsidiary (w.e.f 10 July 2015)
5 Ambuja Cements Limited	Fellow Subsidiary
6 Holcim Technology (Singapore) Pte Ltd	Fellow Subsidiary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

Names of other Related parties		Nature of Relationship
7	Holcim (Lanka) Ltd	Fellow Subsidiary
8	P T Holcim Indonesia Tbk	Fellow Subsidiary
9	Holcim Services (South Asia) Limited	Fellow Subsidiary
10	Holcim Cement (Bangladesh) Ltd	Fellow Subsidiary
11	Holcim (Vietnam) Ltd	Fellow Subsidiary
12	Holcim (Malaysia) SDN Bhd	Fellow Subsidiary
13	Holcim Foundation	Entity controlled by LafargeHolcim Ltd
14	Holcim Philippines	Fellow Subsidiary
15	Holcim Services (Asia) Ltd	Fellow Subsidiary
16	Holcim Group Services Ltd	Fellow Subsidiary
17	Holcim Technology Ltd	Fellow Subsidiary
18	Holcim Trading Pte Ltd	Fellow Subsidiary
19	AL Jabor Cement Industries Co.	Fellow Subsidiary
20	National Cement Factory	Associate Company of Fellow Subsidiary
21	Holcim (Romania) S.A.	Fellow Subsidiary
22	Holcim Azerbaijan	Fellow Subsidiary
23	Holcim (Canada) Inc.	Fellow Subsidiary
(b) Key Management Personnel:		
Name of the Related Party		Nature of Relationship
1	Mr. Harish Badami	CEO & Managing Director (w.e.f 13th August 2014)
2	Mr. Kuldip K. Kaura	CEO & Managing Director (Upto 12th August 2014)
3	Mr. Sunil K. Nayak	Chief Financial Officer
4	Mr. Burjor D. Nariman	Company Secretary

(C) Transactions with Associate Companies

	2015	2014
	₹ Crore	₹ Crore
(i) Purchase of Finished Goods	175.66	138.24
Alcon Cement Company Private Limited (Refer Note - 41)	81.62	71.40
Aakaash Manufacturing Company Private Limited	94.04	66.84
(ii) Purchase of Raw Materials	29.82	31.40
Asian Concretes and Cements Private Limited	29.82	31.40
(iii) Sale of Unfinished Goods	30.13	23.64
Alcon Cement Company Private Limited (Refer Note - 41)	30.13	23.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(C) Transactions with Associate Companies (contd.)**

	2015	2014
	₹ Crore	₹ Crore
(iv) Sale of Finished Goods	22.91	10.80
Aakaash Manufacturing Company Private Limited	22.91	10.80
(v) Dividend Received	2.04	9.86
Alcon Cement Company Private Limited	2.04	4.08
Aakaash Manufacturing Company Private Limited	-	0.38
Asian Concretes and Cements Private Limited	-	5.40
(vi) Reimbursement of Expenses Received / Receivable	10.48	6.87
Alcon Cement Company Private Limited	10.46	6.87
Aakaash Manufacturing Company Private Limited	0.02	-
(vii) Rendering of Services	1.11	1.16
Alcon Cement Company Private Limited	1.11	1.16
(viii) Receiving of Services	60.16	51.96
Asian Concretes and Cements Private Limited	60.16	51.96
(ix) Other recoveries (Net)	1.74	1.17
Aakaash Manufacturing Company Private Limited	1.74	1.17
(x) Outstanding balance included in Trade receivables	13.99	8.34
Alcon Cement Company Private Limited	10.32	6.41
Aakaash Manufacturing Company Private Limited	3.67	1.93
(xi) Outstanding balance included in Trade payables	27.54	24.38
Alcon Cement Company Private Limited	3.60	3.80
Aakaash Manufacturing Company Private Limited	14.24	10.31
Asian Concretes and Cements Private Limited	9.70	10.27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(D) Details of Transactions relating to Holding Companies**

	2015	2014
	₹ Crore	₹ Crore
Dividend paid	283.28	321.06
Holcim (India) Private Limited	281.66	319.22
Holderind Investments Ltd	1.62	1.84

(E) Details of Transactions relating to Fellow Subsidiary Companies

	2015	2014
	₹ Crore	₹ Crore
(i) Purchase of Raw Materials	7.43	126.72
Holcim Trading Pte Ltd	4.18	120.48
Ambuja Cements Limited	3.25	6.24
(ii) Purchase of Finished / Unfinished Goods	59.45	168.37
Ambuja Cements Limited	55.41	168.37
Lafarge India Private Limited	4.04	-
(iii) Purchase of Stores & Spare Parts	0.26	1.14
Ambuja Cements Limited	0.26	1.14
(iv) Sale of Finished / Unfinished Goods	8.92	44.92
Ambuja Cements Limited	4.22	44.92
Lafarge India Private Limited	4.70	-
(v) Sale of Stores & Spare Parts	0.56	2.24
Ambuja Cements Limited	0.56	2.24
(vi) Sale of Raw Material	-	0.81
Ambuja Cements Limited	-	0.81
(vii) Rendering of Services	38.19	15.26
Ambuja Cements Limited	38.19	14.92
Others	-	0.34

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(E) Details of Transactions relating to Fellow Subsidiary Companies (contd.)**

	2015	2014
	₹ Crore	₹ Crore
(viii) Reimbursement of Expenses Paid / Payable	2.04	4.84
Ambuja Cements Limited	2.04	4.82
Others	-	0.02
(ix) Reimbursement of Expenses Received / Receivable	7.07	4.88
Ambuja Cements Limited	5.77	3.35
Holcim Technology (Singapore) Pte Ltd	0.53	0.32
Holcim (Lanka) Ltd	0.35	0.40
Holcim (Malaysia) SDN Bhd	-	0.35
Others	0.42	0.46
(x) Receiving of Services	76.53	68.76
Ambuja Cements Limited	29.36	10.28
Holcim Group Services Ltd	2.19	2.19
Holcim Services (South Asia) Limited	43.96	52.19
Holcim Technology Ltd	1.02	3.88
Others	-	0.22
(xi) Technology and Know-how fees	112.76	112.91
Holcim Technology Ltd	112.76	112.91
(xii) Outstanding balance included in Trade receivables	27.46	13.01
Ambuja Cements Limited	24.49	11.71
Lafarge India Private Limited	2.07	-
Holcim (Lanka) Ltd	0.35	0.51
Others	0.55	0.79
(xiii) Outstanding balance included in Short-term loans and advances	0.18	1.07
Ambuja Cements Limited	0.18	1.07

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(E) Details of Transactions relating to Fellow Subsidiary Companies (contd.)**

	2015	2014
	₹ Crore	₹ Crore
(xiv) Outstanding balance included in Trade payables	62.82	52.89
Ambuja Cements Limited	27.68	17.08
Holcim Technology Ltd	26.80	25.09
Holcim Services (South Asia) Limited	7.26	9.45
Lafarge India Private Limited	0.71	-
Holcim Group Services Ltd	0.37	0.11
Holcim Trading Pte Ltd	-	0.84
Others	-	0.32

(F) Details of Transaction relating to Associate Company of Fellow Subsidiary

	2015	2014
	₹ Crore	₹ Crore
Rendering of Services	-	0.01
National Cement Factory	-	0.01

(G) Details of Transaction with Key Management Personnel

	2015	2014
	₹ Crore	₹ Crore
(i) Remuneration*	9.46	10.69
Mr. Kuldip K. Kaura (Upto 12th August 2014)	-	4.33
Mr. Harish Badami (w.e.f 13th August 2014)	5.70	3.11
Mr. Sunil K. Nayak	2.51	2.03
Mr. Burjor D. Nariman	1.25	1.22
(ii) Outstanding balance included in Other Current Liabilities	0.38	0.99
Mr. Kuldip K. Kaura	-	0.45
Mr. Harish Badami	0.38	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 CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**(H) Details of Transactions with Joint Venture Companies***

	2015	2014
	₹ Crore	₹ Crore
(i) Advances given	3.82	44.22
MP AMRL(Semaria) Coal Company Limited	0.02	0.09
MP AMRL(Bicharpur) Coal Company Limited	3.75	40.04
MP AMRL(Marki Barka) Coal Company Limited	0.04	4.06
MP AMRL(Morga) Coal Company Limited	0.01	0.03
(ii) Interest on Inter Corporate Deposit / Other advances received	1.33	2.77
MP AMRL(Semaria) Coal Company Limited	0.03	0.12
MP AMRL(Bicharpur) Coal Company Limited	1.10	2.17
MP AMRL(Marki Barka) Coal Company Limited	0.20	0.48
MP AMRL(Morga) Coal Company Limited	-	-
(iv) Outstanding balance in Long-term loans and advances	74.37	69.22
MP AMRL(Semaria) Coal Company Limited	2.09	2.04
MP AMRL(Bicharpur) Coal Company Limited	61.60	56.75
MP AMRL(Marki Barka) Coal Company Limited	10.64	10.40
MP AMRL(Morga) Coal Company Limited	0.04	0.03

*Transactions with Joint Ventures have been disclosed at full value

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**34. CAPITAL AND OTHER COMMITMENTS**

	2015 ₹ Crore	2014 ₹ Crore
A) Estimated value of contracts in capital account remaining to be executed	293.31	719.84
B) For commitments relating to lease arrangements {Refer Note - 32 (a)}		

35. (A) CONTINGENT LIABILITIES NOT PROVIDED FOR -

	2015 ₹ Crore	2014 ₹ Crore
a) Claims not acknowledged by the Company		
Sales tax	28.16	31.43
Customs demand	30.97	30.97
Claim by Suppliers	36.79	36.79
Labour related	0.70	29.57
Claims for mining Lease rent	73.46	73.46
Mines and Geology	19.87	19.87
Others	33.79	28.27
TOTAL	223.74	250.36

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
- | | | |
|--|--------|--------|
| | 279.18 | 341.73 |
|--|--------|--------|
- # includes proportionate share of guarantee amounting to ₹ 0.45 Crore (*Previous Year – Nil*) given by an associate company on behalf of other for the purpose of taking loan.
- c) The Company had filed writ / appeal petitions against the orders / notices of various authorities demanding ₹ 114.24 Crore (*Previous Year – ₹ 106.59 Crore*) 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. The Madhya Pradesh High Court has decided this 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 by the Company based on the actual quantity of limestone extracted, 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, directly on this issue, the Company does not expect any liability in above matter .

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**35. (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.

The Division Bench of the Jharkhand High Court, while dealing with appeals by both the Company and the State of Government, against a single bench order only partially allowing the Companies claim, in its order dated February 24, 2015, has allowed the Companies Appeal in totality while dismissing the Governments Appeal, thereby confirming that the entire amount claimed by the Company is correct and hence payable immediately. Pursuant to this order, a cumulative amount of ₹ 235 Crore stand accrued in the books upto December, 2015.

The Government of Jharkhand has filed an SLP in the Supreme Court against the order of the division bench, which has been admitted. In its interim order, the Supreme Court had, while not staying the Division Bench Order, has only stayed disbursement of 40% of the amount due.

The Company has also pursued a contempt petition filed in the High Court of Jharkhand against non disbursement of amounts due by the Government. Consequently, as of date, the company has received ₹ 64 Crore in part disbursement from the Government of Jharkhand.

The Company is pursuing the matter of disbursement of further amounts outstanding. The Company is of the view, and also has been advised, that the merits are strongly in its favour and it expects that the SLP shall be rejected upholding the order of the Division bench of the Jharkhand HC by the Apex Court.

- 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

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.

- 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. The 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 ₹ 106 Crore till December 31, 2015 (₹ 73 Crore till December 31, 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) Consequent upon the Supreme Court's judgement in Goa Foundation case, restricting the "deemed renewal" provision of captive mining leases to the first renewal period, the Company had received demand from District Mining Officer for ₹ 881 Crore for being penalty for alleged illegal mining activities carried out by the Company during January 1991 to September 2014. The aforesaid demands were challenged by the Company and Writ Petition with High Court of Jharkhand. The petition has been admitted subject to a token deposit of ₹ 48 Crore which shall be refundable in case the matter is decided in the Companies favour.

The Company is of the considered view based on legal advice, that this demand does not have merit, and shall not stand the test of judicial scrutiny, considering that the said mining, leases pending State Government's approval, have been automatically extended upto March 31, 2030 by Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 without any recourse being made available to the State Government.

36. The Competition Commission of India (CCI) in 2012 had imposed a penalty of ₹ 1,147.59 Crore for alleged contravention of the provisions of the Competition Act, 2002 (the Act). On the Company's appeal, Competition Appellate Tribunal (COMPAT), vide its interim order, stayed the penalty with a condition to deposit 10% of the penalty amount, which was deposited. The amount of penalty was disclosed as a contingent liability in the financial statements up to the previous year.

On December 11, 2015 the COMPAT, vide its final order, set aside the order of the CCI and remitted the matter to the CCI for fresh adjudication of the issues relating to the alleged violation of relevant provisions of the Act, for passing a fresh order. Further, in terms of the order, the Company has received the refund of deposit, along-with accumulated interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006***

	2015 ₹ Crore	2014 ₹ Crore
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	4.12	1.76
Interest due on above	-	-
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

- 38.** ACC Mineral Resources Limited (AMRL), a wholly-owned subsidiary of the Company, through its joint-venture had secured development and mining rights for four coal blocks allotted to Madhya Pradesh State Mining Corporation Ltd. These allocations stand cancelled pursuant to the order of the Supreme Court ruling that allocation of various coal blocks, including these, was arbitrary and illegal. The Government of India has commenced auctioning process for all such blocks in a phased manner. The auctioning for Bicharpur, being one of the four blocks, is completed, with the block being awarded to the successful bidder. Pursuant to a vesting order in this regard, possession of the coal mine has been handed over to the successful bidder, with which the Company is in discussions for transfer of remaining assets. In respect of other three blocks, auctioning dates have not yet been announced.

39. PARTICULARS OF UN HEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE

Particulars	Currency	2015			2014		
		Foreign currency in Crore	Exchange rate	₹ Crore	Foreign currency in Crore	Exchange rate	₹ Crore
Trade Payable and Other current liabilities	CHF	0.03	66.77	2.25	0.01	64.05	0.95
	USD	0.10	66.27	6.60	0.20	63.43	12.47
	GBP	0.006	98.11	0.61	0.0001	98.79	0.01
	EUR	0.14	72.29	9.82	0.27	77.02	20.75

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)

40. In the previous year, 'Tax adjustments for earlier years' aggregating ₹ 309.23 Crore comprises write-back of provision for income tax arising on conclusion of assessment of a year, and upon a consequential review of tax provisions for unassessed 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 ₹ 26.29 Crore (*Previous Year - ₹ 22.84 Crore*) has not been recognized as a part of the Turnover but has been adjusted against cost of purchase of cement so converted.

42. CAPITALIZATION OF EXPENDITURE:

During the year, the Company has capitalized the following expenses of revenue nature to the cost of fixed asset/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

	2015 ₹ Crore	2014 ₹ Crore
Opening balance	133.79	74.06
Expenditure during construction for projects:		
Employee benefits expense	30.10	22.33
Insurance	0.02	0.02
Rates and taxes	0.15	-
Depreciation	1.22	0.12
Miscellaneous expenses	41.00	52.73
TOTAL	206.28	149.26
Less : Capitalised during the year	8.85	15.47
Balance included in capital work-in-progress	197.43	133.79

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

Had this change in the useful life of fixed assets not been made, depreciation for the year ended December 31, 2015 would have been lower by ₹ 111.81 Crore and the profit after tax would have been higher by ₹ 180.65 Crore.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**44. CORPORATE SOCIAL RESPONSIBILITY EXPENSES:**

The aggregate amount of expenditure incurred on Corporate Social Responsibility and shown in the respective heads of account is as follows:

Particulars	2015 ₹ Crore	2014 ₹ Crore
Employee benefits expense (Refer Note - 24)	2.80	1.26
Miscellaneous expenses (Refer Note - 28)	28.36	26.19
TOTAL	31.16	27.45

45. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities				Share in profit / (loss)			
	As % of consolidated net assets		Amount ₹ Crore		As % of consolidated profit or loss		Amount ₹ Crore	
	2015	2014	2015	2014	2015	2014	2015	2014
Parent								
ACC Limited	100.31	100.25	8,446.86	8,237.89	100.78	99.57	592.15	1,156.85
Subsidiaries								
Indian								
Bulk Cement Corporation (India) Limited	0.12	0.18	9.88	14.63	(0.95)	0.35	(5.58)	4.06
ACC Mineral Resources Limited	(0.04)	(0.06)	(3.46)	(5.15)	(0.01)	0.05	(0.04)	0.61
Lucky Minmat Limited	(0.37)	(0.34)	(31.49)	(27.54)	(0.67)	(0.37)	(3.95)	(4.29)
National Limestone Company Private Limited	(0.09)	(0.07)	(7.61)	(5.81)	(0.31)	(0.16)	(1.80)	(1.84)
Singhania Minerals Private Limited	(0.02)	(0.01)	(1.73)	(1.23)	(0.09)	(0.04)	(0.53)	(0.52)
Minority interest in subsidiary	(0.03)	(0.04)	(2.65)	(2.93)	0.05	(0.02)	0.28	(0.23)
Associates (Investment as per the equity method)								
Indian								
Alcon Cement Company Private Limited	(0.06)	(0.05)	(4.78)	(4.42)	0.29	0.11	1.68	1.24
Asian Concretes and Cements Private Limited	0.19	0.13	16.24	10.98	0.90	0.53	5.26	6.20
Aakaash Manufacturing Company Private Limited	0.05	0.04	4.38	2.96	0.24	0.04	1.42	0.53
Joint Ventures (as per proportionate consolidation)								
Indian								
Oneindia BSC Private Limited	(0.01)	-	(1.09)	-	(0.19)	-	(1.09)	-
MP AMRL(Bicharpur) Coal Company Limited	(0.03)	(0.01)	(2.42)	(1.05)	(0.03)	(0.06)	(0.19)	(0.73)
MP AMRL(Marki Barka) Coal Company Limited	(0.01)	-	(0.52)	(0.25)	-	-	(0.01)	(0.05)
MP AMRL(Morga) Coal Company Limited	-	-	(0.17)	(0.16)	-	-	-	-
MP AMRL(Semaria) Coal Company Limited	-	-	(0.30)	(0.24)	-	-	-	(0.01)
TOTAL	100.00	100.00	8,421.14	8,217.68	100.00	100.00	587.60	1,161.82

Note : The above figures are after eliminating intra group transactions and intra group balances as at December 31, 2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended December 31, 2015 (contd.)**46. THE AGGREGATE AMOUNTS OF ASSETS, LIABILITIES, INCOME AND EXPENSES RELATED TO THE COMPANY'S INTEREST IN THE FIVE JOINT VENTURES COMPANIES ARE AS UNDER:**

Particulars	2015 ₹ Crore	2014 ₹ Crore
Assets		
Fixed Assets	31.85	30.30
Long-term loans and advances	3.59	2.55
Cash and bank balances	0.84	-
Short-term loans and advances	0.24	-
Other current assets	0.02	0.02
Liabilities		
Other current liabilities	0.84	0.19
Short-term provisions	0.03	-
Income	-	-
Expenses	2.02	2.31

Note:

During the year, the company subscribed 25,01,000 (*Previous Year – Nil*) equity shares for a total consideration of ₹ 2.50 Crore (*Previous Year – Nil*) in Oneindia BSC Private Limited, which is a jointly controlled entity with an equal equity participation with Ambuja Cements Limited, a fellow subsidiary Company, with aim to provide back office services with respect to routine processes.

47. PROPOSED DIVIDEND

The final dividend proposed for the year is as follows :

	2015	2014
On Equity Shares of ₹ 10 each		
Amount of dividend proposed (₹ Crore)	112.65	356.72
Dividend per Equity Share (₹)	6	19

48. The Company has received approval from the Company Law Board under Section 2(41) of the Companies Act, 2013 permitting the Company to continue having 1st January - 31st December as its Financial Year.**49. 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 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

HARISH BADAMI
CEO & Managing Director
DIN: 02298385

N.S.SEKHSARIA
Chairman
DIN: 00276351

BERNARD TERVER
Deputy Chairman
DIN: 06771125

ARUNKUMAR R GANDHI
Director
DIN: 00007597

per RAVI BANSAL
Partner
Membership No. 49365

SUNIL K. NAYAK
Chief Financial Officer

SHAILESH V. HARIBHAKTI
Director
DIN: 00007347

ASHWIN DANI
Director
DIN: 00009126

FARROKH K. KAVARANA
Director
DIN: 00027689

BURJOR D. NARIMAN
Company Secretary

FALGUNI NAYAR
Director
DIN: 00003633

ERIC OLSEN
Director
DIN: 07238383

CHRISTOF HASSIG
Director
DIN: 01680305

Mumbai, February 10, 2016

CONSOLIDATED GROUP OPERATING RESULTS for the year ended December 31, 2015

	2015 ₹ Crore	2014 ₹ Crore
ACC's Net Profit	591.57	1,168.29
Add: Pro-rata share of profits / (losses) of subsidiaries -		
Bulk Cement Corporation (India) Limited	(5.31)	4.33
ACC Mineral Resources Limited	2.42	(5.85)
Lucky Minmat Limited	(0.45)	(0.79)
National Limestone Company Private Limited	(0.22)	(0.23)
Singhania Mineral Private Limited	(0.04)	(0.02)
	(3.60)	(2.56)
Add: Pro-rata share of (loss) of Joint venture		
Oneindia BSC Private Limited	(1.09)	-
Add: Pro-rata share of profit of Associates	11.77	11.38
Less: Minority Interest of Subsidiary (BCCI)	(0.28)	0.23
Less: Amortisation of Goodwill on acquisition of Subsidiary and		
Investment in Associates	9.30	9.30
Less: Dividend received from Associates	2.04	9.86
Add: Other adjustments (Net)	0.01	4.10
	587.60	1,161.82

CONSOLIDATED GROUP NET WORTH As At December 31, 2015

	2015 ₹ Crore	2014 ₹ Crore
ACC's Net Worth	8,443.04	8,235.61
Add: Net worth as per Balance Sheet of Subsidiary Companies -		
Bulk Cement Corporation (India) Limited	48.17	53.48
ACC Mineral Resources Limited	117.52	115.10
Lucky Minmat Limited	0.19	0.64
National Limestone Company Private Limited	1.05	1.27
Singhania Mineral Private Limited	(0.10)	(0.06)
	166.83	170.43
Add: Net worth as per Balance Sheet of Joint venture -		
Oneindia BSC Private Limited	1.41	-
Less: Pro-rata share of Minority shareholders interest in		
the Net Worth of Subsidiary Company	2.65	2.93
Less: ACC's share in pre-acquisition Net Worth of		
Subsidiary Companies / Joint venture	159.90	157.40
	5.69	10.10
Less: Amortisation of Goodwill in Subsidiary Companies	43.85	37.96
Less: Unrealised profit on purchase of Fixed Assets	(0.53)	(0.53)
Add: Decrease in Net Worth of Alcon Cement Company Private Limited	(4.78)	(4.42)
Add: Increase in Net Worth of Asian Concretes and Cements Private Limited	16.24	10.98
Add: Increase in Net Worth of Aakaash Manufacturing Company Private Limited	4.38	2.96
Less: Other adjustments (Net)	0.11	0.12
	8,421.14	8,217.68

ACC MINERAL RESOURCES LIMITED (AMRL)

BOARD'S REPORT

TO THE MEMBERS OF ACC MINERAL RESOURCES LIMITED

The Directors take pleasure in presenting the Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended December 31, 2015.

1. FINANCIAL HIGHLIGHTS (Standalone)

The financial highlights of your Company for the year ended December 31, 2015 is summarized below:

PARTICULARS	2015 ₹	2014 ₹
Total Operational Income	-	-
Other Income	4,15,26,365	3,24,77,978
Total Income	4,15,26,365	3,24,77,978
Less: Operating Expenditure	14,52,536	1,07,96,438
Profit before interest, Depreciation, Amortization Tax	4,00,73,829	2,16,81,540
Less: Depreciation & Amortization	14,17,810	4,69,174
Less: Finance Cost	-	5,66,70,460
Profit before Tax and Exceptional Item	3,86,56,019	(3,54,58,094)
Exceptional Items	-	-
Profit before Tax	3,86,56,019	(3,54,58,094)
Less: Provision for Taxation (incl. liability for earlier years)	52,23,427	-
Net Profit for the year	3,34,32,592	(3,54,58,094)
EPS - Basic & Diluted	2.74	(26.06)

2. OPERATIONS

The Company had entered into Joint Venture Agreements with Madhya Pradesh State Mining Corporation Limited (MPSMC) for development of four coal blocks (viz. Bicharpur, Marki Barka, Morga IV and Semaria / Piparia) which were originally allocated by the Ministry of Coal to MPSMC. Pursuant to the Orders of the Supreme Court passed in August 2014 and September 2014, the allocation of the aforesaid coal blocks by the Ministry of Coal, Government of India to MPSMC were cancelled. The Ministry of Coal, Government of India has completed the auction of Bicharpur Coal Block in February, 2015 and the Block was allotted to the successful bidder. In terms of the

Government of India directives, claims have been filed for reimbursement of expenses incurred by the Company for mines development.

In accordance with the vesting order, the Bicharpur Coal mine has been handed over to the successful bidder on April 6, 2015. The Company is in discussion with the successful bidder for realization of the investment made in Bicharpur Coal Block.

The re-auction / allocation process of other three coal blocks viz. Marki Barka, Morga IV and Semaria / Piparia Coal Blocks is yet to be carried out by the Ministry of Coal, Government of India.

Except for the interest earned on inter corporate deposit, the Company does not have any income.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2015.

4. TRANSFER TO RESERVE

No transfer to reserves has been made during the year under review.

5. DEPOSITS

The Company has not accepted any deposits from the public or the Directors during the year under review.

6. CONTINUANCE OF THE EXISTING FINANCIAL YEAR

Pursuant to a favourable Order from the Company Law Board, the Company will continue to have the calendar year (1st January - 31st December) as its financial year.

7. MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in the Report, there have been no material changes and commitments made between the end of the financial year of the Company and the date of this Report.

8. 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 impacting the going concern status of the Company.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has given loans to its Joint Venture Companies as well as its Holding Company under

the provisions of Section 186 of the Companies Act, 2013, the details of which are mentioned in the Notes forming part of the Financial Statements.

10. INTERNAL FINANCIAL CONTROLS

The Company being a wholly owned subsidiary of ACC Limited, the internal financial controls of ACC are applicable to the Company. These are adequate and commensurate with the requirements of the Company.

11. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Companies Act, 2013 and Rules framed thereunder, the transactions entered into with Related Parties are in the ordinary course of business and on an arms length pricing basis. There are no material related party transactions. Accordingly, there is no requirement to furnish any information in Form AOC 2.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment of Directors

The Board of Directors had appointed Mr Noshir H Italia and Dr I B De as Additional Directors of the Company in the category of Non-Executive / Independent Directors with effect from March 31, 2015, each for a term of five years respectively. Pursuant to the provisions of Section 152(2) and Section 161 of the Companies Act, 2013, the candidature of Mr N H Italia and Dr I B De for appointment as Directors in the category of Non-Executive / Independent Director have been included in the Notice convening the Annual General Meeting of the Company.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Board of Directors has appointed a woman director, Mrs Jer N Dhondy as an Additional Director of the Company with effect from August 13, 2015. Mrs Dhondy holds office up to the date of the forthcoming Annual General Meeting. Accordingly, her candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Naveen Chadha as an Additional Director of the Company with effect from October 15, 2015. Mr Naveen Chadha holds office upto the date of the Annual

General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

Cessation of Directorship

Mr Harish Badami who was appointed as a Director of the Company with effect from October 20, 2014, ceased to be a Director of the Company with effect from April 01, 2015.

Mr Rajiv Prasad who was appointed as a Director of the Company with effect from October 24, 2011, ceased to be a Director of the Company with effect from April 09, 2015.

Mr Rajendra Singh Rathore who was appointed as a Director of the Company with effect from April 21, 2011, ceased to be a Director of the Company with effect from April 09, 2015.

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 April 09, 2015.

Mr Madan Lall Narula who was appointed as a Director of the Company with effect from April 21, 2014, ceased to be a Director of the Company with effect from August 03, 2015.

The Board has placed on record its appreciation of the valuable contribution made by Mr Harish Badami, Mr Rajiv Prasad, Mr Rajendra Singh Rathore, Mr Burjor D Nariman and Mr Madan Lall Narula during their respective tenures as Directors of the Company.

Directors Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013, Mr Sunil Nayak retires by rotation and being eligible offers himself for re-appointment as a Director of the Company. Accordingly, the proposal for his re-appointment has been included in the Notice convening the Annual General Meeting of the Company.

Independent Directors

a. Declaration of Independence by Directors

The Independent Directors of the Company, viz. Mr Noshir H Italia and Dr I B De have given a declaration to the Company confirming that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

b. Independent Directors Meeting

During the year under review, the Independent Directors met once on October 15, 2015. Both the Independent Directors were present for the Meeting.

Appointment and Remuneration of Directors

For the appointment of Directors, the Board considers the qualification, experience, expertise of the candidates in their respective fields, their professional business standing and diversity of the Board. For appointment of Directors other than Independent Directors, in addition to the above criteria, the recommendation, if any, received from the Holding Company would also be considered.

During the year, the Board of Directors decided to pay sitting fees to the Independent Directors of ₹ 5,000/- for each meeting of the Board and Audit Committee attended by them. The representatives of ACC on the Board of Directors of the Company are not paid sitting fees. No other remuneration is paid to the Directors.

Evaluation of the Board and its Committees

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Audit and Nomination and Remuneration Committees.

Appointment of Key Managerial Personnel

During the year 2015, the Company appointed Mr Sariputta Mishra as Manager and Mr Dinesh Sonthalia as Chief Financial Officer and Company Secretary. Both Mr Mishra and Mr Sonthalia are employees of ACC Limited, the Holding Company, deputed as Key Managerial Personnel in the Company and no remuneration is being drawn by them separately from the Company.

13. 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:

- i. that in the preparation of the annual financial statements for the year ended December 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- ii. 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, 2015 and of the profit of the Company for the year ended on that date;
- iii. 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;
- iv. that the annual financial statements have been prepared on a going concern basis;
- v. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

14. MEETINGS

Board Meetings

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2015, six Board Meetings were held on January 20, 2015, March 31, 2015, April 08, 2015, July 14, 2015, August 13, 2015 and October 15, 2015.

Audit Committee

The Audit Committee comprises the following Members:

- Mr Noshir Italia, (Chairman), Non-Executive / Independent Director
- Dr I B De, Non-Executive/ Independent Director
- Mr Sunil Nayak, Non-Executive Director

During the year, Audit Committee Meetings were held on April 08, 2015, July 14, 2015 and October 15, 2015.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises the following Members:

- Mr Noshir Italia (Chairman), Non-Executive / Independent Director
- Dr I B De, Non-Executive / Independent Director
- Mr Sunil Nayak, Non-Executive Director

During the year, Nomination & Remuneration Committee Meetings were held on April 08, 2015, July 14, 2015, August 13, 2015 and October 15, 2015.

The Company is not required to constitute a Corporate Social Responsibility Committee.

15. DETAILS OF SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES

The Company does not have Subsidiary or Associate Companies. The following are the Joint Venture Companies:

MP AMRL (Bicharpur) Coal Company Limited
MP AMRL (Marki Barka) Coal Company Limited
MP AMRL (Semaria / Piparia) Coal Company Limited
MP AMRL (Morga IV) Coal Company Limited

The Company holds 49% equity in each of the four joint venture companies and the balance 51% equity is held by MPSMC.

16. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, (ICAI Firm Registration No. 100186W) who are 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 2016.

17. VIGIL MECHANISM

As per the provisions of Section 177(9) of the Companies Act, 2013, the Company is required to establish an effective vigil mechanism. The vigil mechanism viz. EthicalView Reporting Policy of ACC Limited, the Holding Company, has been extended to the Company.

18. ANNUAL RETURN

The Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with

The Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT-9 is enclosed as "Annexure A".

19. SECRETARIAL AUDIT

Pursuant to 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 Secretarial Audit Report is enclosed as "Annexure B".

20. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As no business activity was carried out, the information on conservation of energy, technology absorption and foreign exchange earnings & outgo, during the year is Nil.

21. PARTICULARS OF EMPLOYEES

There are no employees on the rolls of the Company, hence there is no disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation of the assistance and co-operation received from the Government authorities. Your Directors also acknowledge the unstinted assistance received from ACC Limited, the Holding Company.

For and on behalf of the Board

Sunil K. Nayak
Director
DIN: 00081466

Jer N Dhondy
Director
DIN: 07254019

Mumbai
January 25, 2016

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

ACC MINERAL RESOURCES LIMITED (AMRL)

ANNEXURE 'A' TO BOARD'S REPORT

FORM No. MGT- 9
EXTRACT OF ANNUAL RETURN as on December 31, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details

CIN	U10100MH1930PLC001612
Registration Date	July 26, 1930
Name of the Company	ACC Mineral Resources Limited
Category / Sub Category of the Company	Indian Non Government - Limited by shares - Public Company
Address of the Registered Office and contact details	Cement House, 121, Maharshi Karve Road, Mumbai 400 020 Tel. No: 022-33024321
Whether Listed Company	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

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 the main Product / Services	NIC Code of the Product / Service	% to total turnover of the Company
Mining and development of coal blocks	1010	NIL

III. Particulars of Holding, Subsidiary and Associate Companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
ACC Limited Cement House 121, Maharshi Karve Road, Mumbai 400 020	L26940MH1936PLC002515	Holding	100%	2(46)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	-	10	10	0	-	20	20	0	100
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate		12194970	12194970	100	-	12194970	12194970	100	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (specify) Directors	-	20	20	0	-	10	10	0	50
Sub-Total (A)(1)	-	12195000	12195000	100	-	12195000	12195000	100	0

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters & Promoter Group (A)=(A)(1)+(A)(2)	-	12195000	12195000	100	-	12195000	12195000	100	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	-	12195000	12195000	100	-	12195000	12195000	100	0

ACC MINERAL RESOURCES LIMITED (AMRL)

ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (January 1, 2015)			Shareholding at the end of the year (December 31, 2015)			% 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	
1	ACC Limited	12194970	100	0	12194970	100	0	0
2	Mr Harish Badami jointly with ACC Limited	05	0	0	05	0	0	0
3	Mr Sunil Nayak jointly with ACC Limited	05		0	05		0	0
4	Mr Burjor D Nariman jointly with ACC Limited	05		0	05		0	0
5	Mr Rajendra Singh Rathore jointly with ACC Limited	05		0	05		0	0
6	Mrs J N Dhondy jointly with ACC Limited	05		0	05		0	0
7	Mr S Viswanathan jointly with ACC Limited	05		0	05		0	0
	Total	12195000	100	0	12195000	100	0	0

iii) Change in Promoters' (including Promoter Group) Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ACC Limited				
	At the beginning of the year	12194970	100		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			12194970	100
2	Mr Harish Badami jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0
3	Mr Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Mr Burjor D Nariman jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0
5	Mr Rajendra Singh Rathore jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0
6	Mrs J N Dhondy jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0
7	Mr S Viswanathan jointly with ACC Limited				
	At the beginning of the year	05	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			05	0

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2015: Not Applicable.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr Harish Badami jointly with ACC Limited (ceased to be a Director with effect from 01.04.2015)				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0
2	Mr Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0

ACC MINERAL RESOURCES LIMITED (AMRL)

Sr. No.	Name of the Director	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
3	Mr Burjor D Nariman jointly with ACC Limited <i>(resigned with effect from 09.04.2015)</i>				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0
4	Mr Rajendra Singh Rathore jointly with ACC Limited <i>(resigned with effect from 09.04.2015)</i>				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0
5	Mrs J N Dhondy jointly with ACC Limited <i>(appointed Director with effect from 13.08.2015)</i>				
	At the beginning of the year	05	0		
	Date wise Increase / (transfer):	No change			
	At the end of the year			05	0

Note: None of the Key Managerial Personnel hold shares in the Company.

V. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness ₹ Crore
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

B. Remuneration to Other Directors:

Sr No.	Particulars of Remuneration	Names of Directors		Total Amount ₹
		Mr N H Italia	Dr I B De	
1	Independent Directors			
	• Fee for attending Board / Committee Meetings	30,000	35,000	65,000
	• Commission	0	0	0
	• Others, please specify	0	0	0
	Total (1)	30,000	35,000	65,000
2	Other Non-Executive Directors			
	• Fee for attending Board / Committee Meetings	0	0	0
	• Commission	0	0	0
	• Others, please specify	0	0	0
	Total (2)	0	0	0
	Total = (1)+(2)	30,000	35,000	65,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM:

Kindly refer to paragraph on Key Managerial Personnel appearing at Point No. 12 of the Board's Report.

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties / punishments / compounding of offences for the year ended December 31, 2015.

For and on behalf of the Board

Sunil K. Nayak
Director

Jer N Dhondy
Director

Mumbai
January 25, 2016

ACC MINERAL RESOURCES LIMITED (AMRL)

ANNEXURE 'B' TO BOARD'S REPORT

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2015

[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 Mineral Resources Limited

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

Based on our verification of the Company'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on December 31, 2015, 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.

We 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, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 & SS-2).

We 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.

During the period, all the decisions in the Board Meetings were carried out unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure 1.

We 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. (As mentioned above and listed in Annexure 1).

We further report that during the audit period there were no specific events / actions having a major bearing on the Company's affairs.

Pramod S. Shah
Partner

PRAMOD S. SHAH & ASSOCIATES
FCS No.: 334
C P No.: 3804

Place: Mumbai
Date: January 22, 2016

Annexure I

- | | |
|--|---|
| 1. Employees' Provident Fund Act, 1952 and Rules | 8. Employees Provident Fund & Misc provisions Act, 1952 |
| 2. Professional Tax Act, 1975 and Rules | 9. Equal Remuneration Act, 1976 |
| 3. Payment of Gratuity Act, 1972 | 10. Minimum Wages Act, 1948 |
| 4. Apprentices Act, 1961 | 11. Payment of Bonus Act, 1965 |
| 5. Contract Labour (R&A) Act, 1970 | 12. Shop and Establishment Act |
| 6. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959 | 13. Income Tax Act, 1961 |
| 7. Employees State Insurance Act, 1947 | 14. Finance Act, 1994 |

INDEPENDENT AUDITORS' REPORT

The Board of Directors of ACC MINERAL RESOURCES LIMITED

Report on the Consolidated Financial Statements for the year ended December 31, 2015

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 31st December, 2015, 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 (hereinafter referred to as "the consolidated financial statements").

Management's responsibility for the consolidated financial statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its 4 joint venture companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Consolidated Financial Statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation 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 whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Company as at 31st December, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

The financial statements of 4 joint venture companies that are consolidated have been audited by us only for the purpose of preparing these consolidated financial statements by the Company and not as Statutory Auditors of those 4 joint venture companies.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors of the Company as on 31st December, 2015 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31st December, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the pending litigations and its impact, if any, on consolidated financial position in Note 20 & 21 to its consolidated financial statements;
 - ii. The Company or the 4 joint venture companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company or any of the 4 joint venture companies.

For K.S.AIYAR & Co
Chartered Accountants
ICAI Firm's Registration No. 100186W

RAJESH S. JOSHI
Partner
Membership No. 38526

Place of Signature: Mumbai
Date: 25th January, 2016

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report.

- (i) (a) The Company and 4 joint venture companies have maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals during the year. In our opinion the same is reasonable having regard to the size of the Company and 4 joint venture companies and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (ii) The Company and 4 joint venture companies did not have any inventory so Clauses (ii) a, b and c are not applicable.
- (iii) The Company and 4 joint venture companies have not granted any secured or unsecured loans to any party covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the requirements of sub-clause (a) and (b) of clause (iii) are not applicable to the Company and 4 joint venture companies.
- (iv) There is an adequate internal control system commensurate with the size of the Company and 4 joint venture companies and the nature of its business for purchase of fixed assets. There is a no continuing failure to correct major weaknesses in internal control system.
- (v) The Company and 4 joint venture companies have not accepted any deposits from public therefore the provisions of section 73 to 76 of the Companies Act, 2013 are not applicable.
- (vi) The Company and 4 joint venture companies did not engage in any manufacturing activities. Therefore the requirement of maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable.
- (vii) (a) During the year there were no employees in the employment of the Company and 4 joint venture companies. Accordingly the Provident Fund and Employees' State Insurance are not applicable to the Company. Further, based on our examination of the records maintained during the year, the Company and 4 joint venture companies are not liable to make any payments towards Investor Education Protection Fund, Sales tax, Wealth tax, Custom duty, Service tax, Excise duty and cess. The Company and 4 joint venture companies have been depositing Profession Tax and Income tax dues with the appropriate authority and there were no undisputed amounts payable thereof which are outstanding, as at December 31, 2015 for the period of more than six months from the date they became payable.
- (b) According to the records of the Company and 4 joint venture companies, 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.
- (c) There is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company in its standalone financial statements has accumulated loss at the end of the current financial year. The Company in its standalone financial statements has not incurred cash loss during the current financial year. During the immediately preceding financial year the Company in its standalone financial statements had accumulated losses as at the year end and also had incurred cash losses during the year. 4 joint venture companies have accumulated losses as at year end in current financial year as well as in the preceding financial year and have also incurred cash losses during current financial year as well as in preceding financial year.
- (ix) The Company and 4 joint venture companies have not taken any loans from any financial institution or bank or by way of debentures.
- (x) The Company and 4 joint venture companies have not given any guarantees for loans taken by others from any bank or financial institution.
- (xi) The Company and 4 joint venture companies did not raise any term loans during the year.
- (xii) No fraud on or by the Company and 4 joint venture companies have been noticed or reported during the year.

For K.S.AIYAR & Co.

Chartered Accountants

ICAI Firm's Registration No. 100186W

RAJESH S. JOSHI

Partner

Membership No. 38526

Place of Signature: Mumbai

Date: 25th January, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER, 2015

Particulars	Note No.	As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
I Equity and Liabilities			
(1) Shareholders' Funds			
(a) Share Capital	3	1,21,95,00,000	1,21,95,00,000
(b) Reserves and Surplus	4	(4,43,41,623)	(6,84,94,411)
(2) Current Liabilities			
Other Current Liabilities	5	4,36,17,283	12,23,86,091
TOTAL		1,21,87,75,660	1,27,33,91,680
II Assets			
(1) Non Current Assets			
(a) Fixed Assets	6		
(i) Tangible assets		2,35,90,486	2,74,59,180
(ii) Capital work-in-progress		23,29,09,049	24,58,92,506
(iii) Intangible Assets under development		16,66,65,827	16,66,65,828
(b) Long term Loans & Advances			
-Long term Loans to JV Companies		37,93,36,654	35,30,65,631
-Capital Advances		1,62,28,391	45,22,78,620
-Rent in Advance		14,000	34,000
-Security Deposit With MPPKV & others		1,05,97,920	1,06,03,170
(2) Current Assets			
(a) Cash and Bank Balances	7	54,79,977	1,25,26,392
(b) Short term loans & advances	8	37,90,47,408	-
(c) Other Current Assets	9	49,05,948	48,66,353
TOTAL		1,21,87,75,660	1,27,33,91,680
Refer Significant Accounting Policies & Other Explanatory information	2		

The notes referred to above form an integral part of the Consolidated Financial Statements

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 **SUNIL NAYAK** **N H ITALIA**
Partner Director Director
Membership No. 038526 DIN: 00081466 DIN: 00191611

Mumbai,
25th January, 2016 **DINESH KUMAR SONTALIA**
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST DECEMBER 2015

Particulars	Note No.	For the year ended 31st December, 2015 (₹)	For the year ended 31st December, 2014 (₹)
I Revenue from Operations		-	-
II Other Income			
(i) Interest on Loans & Advances		3,42,69,641	1,57,89,361
(ii) Interest Received on Deposit with Bank		-	16,12,877
(iii) Other income		8,002	-
III Total Revenue		3,42,77,643	1,74,02,238
IV Expenses			
Depreciation and Amortization Expenses	6	14,88,151	4,96,971
Other Expenses			
-Interest		-	5,66,70,460
-Rent		1,05,179	3,83,516
-Rates & Taxes		4,900	4,900
-Audit Fees		3,25,691	2,90,021
-Bank Charges		1,556	1,803
-Consultancy & legal Charges		1,78,369	4,02,140
-Printing & Stationery		3,780	4,29,377
-Security Service Expenses		9,05,670	11,71,914
-Travelling & Conveyance		2,04,881	7,80,508
-General Charges		13,07,387	1,16,54,280
-Diesel for DG set		3,48,644	-
-Tele-Communication & Electricity charges		25,893	1,31,993
-CSR Expenditure		-	27,54,053
-Safety Materials & Site Infrastructure		1,327	6,29,427
-Miscellaneous Expenditure Written off		-	99,250
Total Expenses		49,01,428	7,59,00,613
V Profit / (Loss) before Tax		2,93,76,215	(5,84,98,375)
VI Tax Expenses			
-Current Year Tax	10	52,23,427	-
VII Profit / (Loss) for the year		2,41,52,788	(5,84,98,375)
VIII Earning per Share	13	1.98	(44.47)
Refer Significant Accounting Policies & Other Explanatory information	2		

The notes referred to above form an integral part of the Consolidated Financial Statements

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 **SUNIL NAYAK** **N H ITALIA**
Partner Director Director
Membership No. 038526 DIN: 00081466 DIN: 00191611

Mumbai,
25th January, 2016 **DINESH KUMAR SONTALIA**
Company Secretary

ACC MINERAL RESOURCES LIMITED (AMRL)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31ST, 2015

Particulars	For the year ended 31st December, 2015 (₹)	For the year ended 31st December, 2014 (₹)
A. Cash flow from operating activities		
1 Net Profit before Tax	2,93,76,215	(5,84,98,375)
Adjustments for :		
2 Depreciation	14,88,151	4,96,971
3 Interest Income	(3,42,69,641)	(1,74,02,238)
4 Interest Expense	-	5,66,70,460
5 Miscellaneous Expenditure	-	99,250
Operating profit before working capital changes	(34,05,275)	1,61,70,544
Adjustments for :		
6 Other receivables	(37,21,34,727)	(16,28,87,729)
7 Other current liabilities	(7,87,68,808)	12,15,53,984
Cash generated from operations	(45,43,08,810)	(5,99,67,677)
8 Direct Taxes - (Net)	(41,51,836)	(32,47,797)
Net Cash flow from operating activities	(45,84,60,646)	(6,32,15,474)
B. Cash flow from investing activities		
9 Purchase of Fixed Assets	(28,301)	(33,62,76,596)
10 Sale / Adjustments of fixed assets	1,53,92,303	-
11 (Increase)/decrease in capital advances	43,60,50,229	(36,18,91,419)
12 Interest received	-	16,12,877
Net cash used in investing activities	45,14,14,231	(69,65,55,138)
C. Cash flow from financing activities		
13 Interest paid	-	(5,66,70,460)
14 Proceeds from issue of Share Capital	-	1,17,00,00,000
15 Loan to Joint Ventures	-	(34,48,34,000)
Net cash used in financing activities-	-	76,84,95,540
Net increase/(decrease) in cash and cash equivalents	(70,46,415)	87,24,928
Cash and cash equivalents - Opening Balance	1,25,26,392	38,01,464
- Closing Balance	54,79,977	1,25,26,392

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.

The notes referred to above form an integral part of the 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

SUNIL NAYAK

Director

DIN: 00081466

N H ITALIA

Director

DIN: 00191611

Mumbai,
25th January, 2016

DINESH KUMAR SONTALIA

Company Secretary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015**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 provisions of the Companies Act, 2013 and comply with the mandatory Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- (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 II of the Companies Act, 2013 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, 2015

NOTE 3: SHARE CAPITAL :

	As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
(a) Shares authorized:		
1,30,00,000 Equity Shares of ₹100/- each (Prev. Year 1,30,00,000 Equity shares of ₹100/- each)	1,30,00,00,000	1,30,00,00,000
(b) Shares issued, subscribed and fully paid :		
1,21,95,000 Equity Shares of ₹100/- each (Prev. Year 1,21,95,000 Equity shares of ₹100/- each)	1,21,95,00,000	1,21,95,00,000
(All the Shares are held by ACC Limited, the Holding Company and its nominees)		
	1,21,95,00,000	1,21,95,00,000

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period ;

	Numbers	As at 31-12-2015 (₹)	Numbers	As at 31-12-2014 (₹)
At the beginning of the period	1,21,95,000	1,21,95,00,000	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	1,21,95,000	1,21,95,00,000

(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	31.12.2015 Numbers	% held	31.12.2014 Numbers	% held
ACC Limited	1,21,95,000	100%	1,21,95,000	100%
	1,21,95,000	100%	1,21,95,000	100%

NOTE 4 : RESERVES AND SURPLUS

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
Surplus				
Balance as per last accounts	(3,63,71,878)	(3,21,22,533)	(6,84,94,411)	(99,96,036)
Profit / (Loss) for the year	2,61,81,072	(20,28,284)	2,41,52,788	(5,84,98,375)
TOTAL	(1,01,90,806)	(3,41,50,817)	(4,43,41,623)	(6,84,94,411)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015**NOTE 5 : OTHER CURRENT LIABILITIES**

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
(a) Audit Fees Payable	1,58,158	-	1,58,158	1,63,805
(b) Payable to Others	4,19,05,841	15,53,284	4,34,59,125	12,22,22,286
TOTAL	4,20,63,999	15,53,284	4,36,17,283	12,23,86,091

NOTE 6 : FIXED ASSETS

Nature of fixed assets	Gross Block					Depreciation / Amortisation		Net Block		Amount in ₹ As at 31-12-2014
	As at 01-01-2015	Additions during the Period	Deductions/ Adjustments	As at 31-12-2015	As at 01-01-2015	Provided during the Period	Deductions/ Adjustments	As at 31-12-2015	As at 31-12-2015	
TANGIBLE ASSETS										
Furniture, Fixtures & Equipments	47,73,941	-	4,66,150	43,07,791	3,32,413	6,46,350	91,188	8,87,575	34,20,216	44,41,528
Plant & Machinery	80,00,000	-	-	80,00,000	95,781	5,40,818	-	6,36,599	73,63,401	79,04,219
Land	1,26,40,165	-	-	1,26,40,165	-	-	-	-	1,26,40,165	1,26,40,165
Digital Camera	6,272	-	-	6,272	2,107	4,165	-	6,272	-	4,165
Gps- Oregon	48,000	-	-	48,000	6,597	3,458	-	10,055	37,945	41,403
Printer	3,53,806	-	-	3,53,806	1,18,927	1,06,120	-	2,25,047	1,28,759	2,34,879
Vehicle	23,33,676	28,301	23,61,977	-	1,40,855	1,87,240	3,28,095	-	-	21,92,821
TOTAL	2,81,55,860	28,301	28,28,127	2,53,56,034	6,96,680	14,88,151	4,19,283	17,65,548	2,35,90,486	2,74,59,180
Previous year	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	
Capital Work-In-Progress									23,29,09,049	24,58,92,506
INTANGIBLE ASSETS UNDER DEVELOPMENT										
Mine and Infrastructure Development Expenses									16,66,65,827	16,66,65,828
Total									16,66,65,827	16,66,65,828
Grand Total									42,31,65,362	44,00,17,514

NOTE 7 : CASH & BANK BALANCES

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 1-12-2015 (₹)	As at 31-12-2014 (₹)
Cash & Cash Equivalent				
Cash in hand	1,743	-	1,743	9,016
Bank Balance - Current Account & TDR	54,46,073	32,161	54,78,234	1,25,17,376
TOTAL	54,47,816	32,161	54,79,977	1,25,26,392

ACC MINERAL RESOURCES LIMITED (AMRL)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 8 : SHORT TERM LOANS & ADVANCES

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
Short term loan to ACC limited (Unsecured, considered good)	37,90,47,408	-	37,90,47,408	-
TOTAL	37,90,47,408	-	37,90,47,408	-

NOTE 9 : OTHER CURRENT ASSETS

	AMRL As at 31-12-2015 (₹)	JVC Total As at 31-12-2015 (₹)	Total As at 31-12-2015 (₹)	As at 31-12-2014 (₹)
Advances to others	25,29,561	1,96,099	27,25,660	16,09,633
Advance tax (Net of provision for Tax)	21,76,207	-	21,76,207	32,47,798
TDS Receivable	-	4,081	4,081	8,922
TOTAL	47,05,768	2,00,180	49,05,948	48,66,353

10. TAXATION

₹ 52,23,427 (Previous year - Nil) provision for current tax is made as at 31st December, 2015.

11. During the previous year, Company had changed its accounting policy in respect of share issue expenses which hitherto were written off over a period of 60 months were being written off in the year in which same is incurred. Consequently Loss for the previous year was higher by ₹ 102,75,833 and Reserves and surplus were lower by a like amount as compared to its previous policy. There is no change during the Current year.

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 (MarkiBarka) 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, 2015 ₹	For the year ended December 31, 2014 ₹
1	Opening Balance of Inter Corporate Deposit	-	34,48,34,000
2	Inter Corporate Deposits Received During the Year	-	75,25,00,000
3	Inter Corporate Deposits paid during the year	-	109,73,34,000
4	Inter Corporate Deposits as at the end of the year	-	-
5	Investment in equity shares received	-	1,17,00,00,000
6	Short term loan to ACC Limited	35,50,00,000	-
7	Interest on Loan (Net of TDS)	2,40,47,408	-
8	Closing balance of Short term loan to ACC Limited	37,90,47,408	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015**(C) Transactions with Joint Venture Companies (*)**

Particulars		For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
1	MP AMRL (Semaria) Coal Company Ltd.		
	Opening Balance	2,03,21,935	1,82,93,973
	Transactions during the year		
	-Advance given for expenses	1,56,607	8,67,887
	-Interest Charged on the above (Net of TDS)	3,83,299	11,60,075
	-Advance for Expenses Repaid	-	-
	Outstanding balance included in Long-term loans and advances	2,08,61,841	2,03,21,935
2	MP AMRL (Bicharpur) Coal Company Ltd.		
	Opening Balance	56,76,00,376	14,54,14,169
	Transactions during the year		
	-Advance given for expenses	3,75,41,073	40,04,70,200
	-Interest Charged on the above (Net of TDS)	1,09,46,130	2,17,15,486
	-Advance for Expenses Repaid	-	-
	Outstanding balance included in Long-term loans and advances	61,60,87,579	56,76,00,376
3	MP AMRL (MarkiBarka) Coal Company Ltd.		
	Opening Balance	10,40,88,206	5,85,58,515
	Transactions during the year		
	- Advance given for expenses	4,09,858	4,06,46,504
	-Interest Charged on the above (Net of TDS)	19,84,536	48,83,187
	-Advance for Expenses Repaid	-	-
	Outstanding balance included in Long-term loans and advances	10,64,82,600	10,40,88,206
4	MP AMRL (Morga) Coal Company Ltd.		
	Opening Balance	2,75,033	-
	Transactions during the year		
	- Advance given for expenses	85,153	2,55,190
	-Interest Charged on the above (Net of TDS)	5,154	19,843
	-Advance for Expenses Repaid	-	-
	Outstanding balance included in Long-term loans and advances	3,65,340	2,75,033

(*) Transactions with joint venture companies have been disclosed at full value.

13. EARNINGS PER SHARE - [EPS]

Particulars	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Profit/(Loss) after taxation as per Statement of Profit and Loss	2,41,52,788	(58,498,375)
Weighted average number of Equity shares outstanding	1,21,95,000	13,15,479
Basic earnings per Share (Weighted Average) (face value - ₹ 100 per share)	1.98	(44.47)

(There are no diluted equity shares and hence there is no working for diluted earnings per share)

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 : ₹ 34,42,11,658
- b. Liabilities : ₹ 15,53,284
- c. Income : ₹ 2,798
- d. Expenses : ₹ 92,82,598

ACC MINERAL RESOURCES LIMITED (AMRL)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

15. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities				Share in profit / (loss)			
	As % of consolidated net assets		Amount ₹		As % of consolidated profit or loss		Amount ₹	
	2015	2014	2015	2014	2015	2014	2015	2014
Parent								
ACC Mineral Resources Limited	102.91	101.48	1,20,93,09,194	1,16,80,04,225	108.19	86.47	2,61,81,072	(5,05,81,993)
Joint Ventures (as per proportionate consolidation)								
Indian								
MP AMRL(Bicharpur) Coal Company Limited	(2.06)	(0.92)	(2,42,32,546)	(1,05,43,399)	(7.71)	12.49	(18,66,272)	(73,08,796)
MP AMRL(Marki Barka) Coal Company Limited	(0.44)	(0.22)	(52,06,137)	(24,90,307)	(0.24)	0.89	(57,207)	(5,22,884)
MP AMRL(Morga) Coal Company Limited	(0.14)	(0.14)	(16,62,207)	(16,03,341)	(0.01)	0.03	(48,063)	(15,840)
MP AMRL(Semaria) Coal Company Limited	(0.27)	(0.20)	(30,49,927)	(23,61,589)	(0.23)	0.12	(56,742)	(68,862)
TOTAL	100.00	100.00	1,17,51,58,377	1,15,10,05,589	100.00	100.00	2,41,52,788	(5,84,98,375)

Note : The above figures are after eliminating intra group transactions and intra group balances as at December 31, 2015

16. Non-current investment of ₹ 196,00,000 and Long term loans and advances of ₹ 37,93,36,654 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 allocate 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.
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.
18. The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Nil (Previous Year - ₹ 1,51,53,00,000).
19. Pursuant to the enactment of the Companies Act, 2013 (the Act), the Company has, effective 1st January 2015, adopted specified useful life of its fixed assets as per Schedule II to the Act. The Company has also chosen the option of considering residual value, post expiry of life of the asset, to be nil. Had the Company followed the earlier practice, the charge for the depreciation for the year would have been lower by ₹ 6,43,805.
20. Pending litigations by or against the Company are as under:
- Writ Petition filed at Delhi High Court by the Company, in relation to compensation receivable upon cancellation of Bicharpur Coal Block.
 - Writ Petition filed at Delhi High Court by the Company, in relation to compensation receivable upon vesting of land situated outside mining lease area of Bicharpur Coal Block.
 - Writ Petition filed at Jabalpur High Court by MP AMRL (Semaria) Coal Company Limited against invocation of Bank Guarantee by Ministry of Coal pertaining to Semaria / Piparia Coal Block. The court has granted stay against the said invocation of Bank Guarantee.
The impact of above petitions could not be determined as the matter is subjudice.
21. The Company had entered into Joint Venture Arrangements with MPSMCL for development and extraction of coal in relation to four coal blocks (namely Bicharpur, Marki Barka, Morga IV and Semaria/Piparia coal blocks) which were originally allocated to MPSMCL. The allocations stand cancelled as per Supreme Court's decision dated 25th August 2014 read with its order dated 24th September 2014 and fresh Auctioning of the blocks were proposed. In case of Bicharpur coal block, where the Company had progressed with the development of the mine substantially, and invested considerable amounts under the JVA towards tangible and investment assets, the auction has been completed in favour of other successful bidder (Ultratech Cement Limited (UTCL)) and the vesting order for Bicharpur coal mine has been issued by Nominated Authority. In accordance with the vesting order, the Bicharpur JV Company has handed over the Bicharpur Coal mine to the new allottee on 6th April 2015. Subsequent to handing over the mines, the discussion with new allottee is going on for realization of the recorded net assets amount of that JV Company. The Re-auction/allocation process of other three coal blocks namely Marki Barka, Morga IV and Semaria/Piparia coal blocks has not yet been carried out by the Ministry of Coal, Government of India.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

In view of the cancellation of coal blocks and proposed re-auctioning of the same, the JV companies can no longer work towards its intended objects, now that MPSMCL has ceased to hold any mining rights in such blocks. Consequently, the JV Cos shall continue to only oversee the realization of the value of assets created and other expenses incurred, if any, and handing over those assets to the new allottee's. Hence the four JV Companies can no longer be considered to be operating as 'Going Concerns'.

In respect of Bicharpur coal block, the Company has filed a writ petition in Delhi High Court in the month of March 2015, claiming compensation based on actual expenditure incurred till 31st March 2015 as against the compensation amount fixed by Ministry of coal till 31st March 2014. The Company has also filed a separate writ petition in Delhi High Court in the month of October 2015 against the issue of corrigendum to the said vesting order by Ministry of Coal dated 6th August 2015 wherein the Ministry of Coal has further vested the remaining land of Bicharpur coal block which is outside the mining lease area. In respect of the said corrigendum to the vesting order, Delhi High Court in its interim order dated 20th October 2015 has said that "no equities can be made in favour of UTCL, if comes into possession of or does any other works over the said land". The final decision of the Hon'ble court is awaited.

Further, the Company has also communicated to MPSMCL/ Ministry of Coal its claim for being compensated for the entire amount invested in the JV.

No change in the classification of the assets or adjustments in the carrying value of the assets standing in the books of Company, have been made, as the company does not expect any significant reduction in the value it may realise towards such assets.

Expert opinions on the relevant accounting aspects involved, have been sought.

- 22.** 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,

25th January, 2016

For and on behalf of the Board of ACC Mineral Resources Limited

SUNIL NAYAK

Director

DIN: 00081466

DINESH KUMAR SONTALIA

Company Secretary

N H ITALIA

Director

DIN: 00191611

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

BOARD'S REPORT

TO THE MEMBERS OF BULK CEMENT CORPORATION (INDIA) LIMITED

The Directors take pleasure in presenting the Twenty fourth Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended December 31, 2015.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2015 is summarized below:

PARTICULARS	2015 ₹ Lakh	2014 ₹ Lakh
Revenue from operations (net) and Other Income	2090.06	2331.36
Profit / (Loss) Before Tax	(824.27)	629.21
Provision for Tax		
-Current Tax	121.01	212.04
-Deferred Tax	(414.57)	(15.82)
Profit / (Loss) After Tax	(530.71)	432.99
Balance brought forward from previous year	1984.15	1551.16
Balance carried forward to Balance Sheet	1453.44	1984.15

2. OPERATIONS

During the year under review, BCCI handled cement volumes of 10.02 lakh tonnes as against 10.30 lakh tonnes in 2014. The Profit Before Tax and Exceptional Items for the year 2015 was ₹ 304 lakh as against ₹ 629 lakh in the year 2014.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2015.

4. TRANSFER TO RESERVE

No transfer to reserves has been made during the year under review.

5. DEPOSITS

The Company has not accepted any deposits from the public or the directors during the year under review.

6. MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in the Report, there have been no material changes and commitments made between the end of the financial year of the Company and the date of this Report, which can affect the financial position of the Company.

7. CONTINUANCE OF THE EXISTING FINANCIAL YEAR

Pursuant to a favourable Order from the Company Law Board, the Company will continue to have the calendar year (1st January - 31st December) as its financial year.

8. INDUSTRIAL RELATIONS

During the year under review, industrial relations at the Company's unit continued to remain cordial and peaceful.

9. 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 impacting the going concern status of your Company.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no loans / guarantees given or investments made under the provisions of Section 186 of the Companies Act, 2013.

11. INTERNAL FINANCIAL CONTROLS

The Company being subsidiary of ACC Limited, the Internal Financial Controls of ACC are applicable to the Company. These are adequate considering the nature and size of the Company's operations and are commensurate with the requirements of the Company.

12. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Companies Act, 2013 and Rules framed thereunder, the transactions entered into with Related Parties are in the ordinary course of business and on an arms length pricing basis. There are no material related party transactions. Accordingly,

there is no requirement to furnish any information in Form AOC2.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment of Directors

The Board of Directors had appointed Mr Noshir H Italia and Dr I B De as Additional Directors of the Company in the category of Non-Executive / Independent Directors with effect from March 30, 2015, each for a term of 5 years. Pursuant to the provisions of Section 152(2) and Section 161 of the Companies Act, 2013, the candidature of Mr Noshir H Italia and Dr I B De for appointment as Directors in the category of Non-Executive Director / Independent Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Naveen Chadha and Mr Raju Misra as Additional Directors of the Company with effect from October 15, 2015 and January 25, 2016 respectively. Mr Naveen Chadha and Mr Raju Misra hold office upto the date of the forthcoming Annual General Meeting. Pursuant to the provisions of Section 152(2) and Section 161 of the Companies Act, 2013 their respective candidatures for appointment as Directors has been included in the Notice convening the forthcoming Annual General Meeting of the Company.

Cessation of Directorship

Mr Burjor D Nariman who was appointed as a Director of the Company with effect from January 29, 2010, ceased to be a Director of the Company with effect from October 15, 2015.

Mr Joydeep Mukherjee who was appointed as a Director of the Company with effect from July 23, 2013, ceased to be a Director of the Company with effect from December 11, 2015.

The Board has placed on record its appreciation of the valuable contribution made by Mr Burjor D Nariman and Mr Joydeep Mukherjee during their respective tenures as Directors of the Company.

Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013, Mr Sunil Nayak and Mr Jayanta Datta Gupta retire by rotation and being eligible offer themselves for re-appointment as Directors of the Company. Accordingly, the proposals for their re-appointment have been included in the Notice convening the Annual General Meeting of the Company.

Independent Directors

a. Declaration of Independence by Directors

The Independent Directors of the Company, viz. Mr Noshir H Italia and Dr I B De have given a declaration to the Company confirming that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

b. Independent Directors Meeting

As mandated under Schedule IV of the Companies Act, 2013, the Company held one Independent Directors Meeting on October 15, 2015. Both the Independent Directors were present at the Meeting.

Appointment and Remuneration of Directors

The Board comprises five representatives of ACC Limited, the Holding Company, one Director each to be nominated by the Development Commissioner of Cement Industry, the Ministry of Industry, and by the Ministry of Railways and two Independent Directors.

For the appointment of Independent Directors, the Board considered the qualifications, experience, expertise of the candidates in their respective fields, professional and business standings and diversity of the Board. As regards the appointment of ACC's representatives on the Board, employees of the Holding Company in senior leadership positions viz. CEO&MD and Executive Committee members having expertise and experience in the field of manufacturing, sales & marketing and finance and who also oversee the operations of the Company as a dotted line reporting are generally recommended by ACC for appointment as Directors of the Company.

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

During the year, the Board of Directors decided to pay sitting fees of ₹ 5,000/- for each meeting of the Board and Audit Committee attended by the Independent Directors and the nominees of the Government on the Board. The representatives of ACC are not paid sitting fees. No other remuneration is paid to the Directors.

Evaluation of the Board and its Committees

Pursuant to the provisions of the Companies Act, 2013, 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 and Nomination & Remuneration Committees.

Appointment of Key Managerial Personnel

During the year 2015, the Company appointed Mr Jitendra Kumar as Manager, Ms Malini Menon as Chief Financial Officer and Ms Binita Khory as Company Secretary. Mr Jitendra Kumar, Ms Malini Menon and Ms Binita Khory are employees of ACC Limited, the Holding Company, deputed as Key Managerial Personnel in the Company and no remuneration is being drawn by them separately from the Company.

14. 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:

- i. that in the preparation of the annual financial statements for the year ended December 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. that such accounting policies as mentioned in Note 2 of the Notes to the financial statements have been selected and applied consistently and judgments 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, 2015 and of the loss of the Company for the year ended on that date;
- iii. 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;
- iv. that the annual financial statements have been prepared on a going concern basis;
- v. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. MEETINGS

Board Meetings

The Company held a minimum of one board meeting in each quarter. During the year ended December 31, 2015, five Board Meetings were held on January 20, 2015, March 30, 2015, April 07, 2015, July 14, 2015 and October 15, 2015.

Audit Committee

As per provisions of Section 177 of the Companies Act, 2013, and The Companies (Meetings of Board and its Powers) Rules 2014, the Company was required to re-constitute its Audit Committee so that the Independent Directors form a majority on the Committee. Pursuant thereto, Mr Noshir H Italia and Dr I B De, Independent Directors were appointed as Members of the Audit Committee.

Further, the Company appointed Mr Noshir H Italia as the Chairman of the Audit Committee. The Audit Committee presently comprises the following Members:

Mr Noshir Italia, Chairman, Non-Executive / Independent Director

Mr J K Mehra, Non-Executive Director

Dr I B De, Non-Executive / Independent Director

Mr Sunil Nayak, Mr Burjor D Nariman and Mr Joydeep Mukherjee ceased to be Members of the Audit Committee.

Mr Sunil Nayak is a permanent invitee to the Committee.

During the year four Audit Committee Meetings were held on January 20, 2015, April 07, 2015, July 14, 2015 and October 15, 2015.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises the following Members:

Mr Noshir Italia (Chairman), Non-Executive / Independent Director

Dr I B De, Non-Executive / Independent Director

Mr Harish Badami, Non-Executive Director

During the year one Nomination & Remuneration Committee Meeting was held on October 15, 2015.

The Company is not required to constitute a Corporate Social Responsibility Committee.

16. AUDITORS

Messrs. K S Aiyar & Co, Chartered Accountants, (ICAI Firm Registration No 100186W) who are 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 2016.

17. COST RECORDS AND AUDIT

As per The Companies (Cost Records and Audit) Amendments Rules, 2014, the Company is not required to maintain cost records.

18. VIGIL MECHANISM

As per the provisions of Section 177(9) of the Companies Act, 2013, the Company is required to establish a vigil mechanism. The vigil mechanism viz. EthicalView Reporting Policy of ACC Limited, the Holding Company has been extended to the Company.

19. ANNUAL RETURN

The Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT-9 is enclosed as "Annexure A".

20. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & 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 & outgo are mentioned herein below:

Conservation of Energy:

During the year, the following measures were interalia taken in the area of conservation of energy

- Energy efficient screw Compressors were installed in place of reciprocating Compressors and the HPMV/SV Lamps were replaced with LED Lights.
- Timer circuits were installed for Plant Lighting to optimise energy usage.

There was no technology absorption and no foreign exchange earnings and outgo, during the year under review.

21. PARTICULARS OF EMPLOYEES

There are no employees on the rolls of the Company, hence there is no disclosure under Section 197(12) read with Rule 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. DETAILS OF SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES

Your Company has no subsidiaries / joint ventures / associate companies. Hence there is no requirement to furnish the details of companies which have become or ceased to be its subsidiaries / joint ventures / associate companies, during the year.

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

23. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation for the 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. Your Directors also thank those employees of the Holding Company who are on deputation to the Company and others for their valuable service and support during the year.

For and on behalf of the Board

Sunil K. Nayak
Director
DIN: 00081466

Jayanta DattaGupta
Director
DIN: 01571321

Mumbai
January 25, 2016

Registered Office:
Plot No. W7,
KWC Kalamboli,
Dist. Raigad 410 218

ANNEXURE 'A' TO BOARD'S REPORT**FORM No. MGT- 9****EXTRACT OF ANNUAL RETURN as on December 31, 2015**

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

I. Registration and other details

CIN	U99999MH1992PLC066679
Registration Date	May 7, 1992
Name of the Company	Bulk Cement Corporation (India) Limited
Category / Sub Category of the Company	Indian - Non Government - Limited by shares - Public Company
Address of the Registered Office and contact details	Plot No W-7, K W C Kalamboli, District Raigad, Maharashtra Tel. No: 022 - 2742 4285
Whether Listed Company	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

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 the main Product / Services	NIC Code of the Product / Service	% to total turnover of the Company
Handling & Distribution of Cement	99671900	70.43%

III. Particulars of Holding, Subsidiary and Associate Companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
ACC Limited Cement House 121, Maharshi Karve Road, Mumbai 400 020	L26940MH1936PLC002515	Holding Company	94.65%	2(46)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	-	0	0	0	-	10	10	0	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	31,842,000	31,842,000	94.65	-	31,842,000	31,842,000	94.65	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (specify) Directors	-	50	50	0	-	40	40	0	0
Sub-Total (A)(1)	-	31,842,050	31,842,050	94.65	-	31,842,050	31,842,050	94.65	0

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters & Promoter Group (A)=(A)(1)+(A)(2)	-	31,842,050	31,842,050	94.65	-	31,842,050	31,842,050	94.65	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	1,800,020	1,800,020	5.35	-	1,800,020	1,800,020	5.35	0
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	1,800,020	1,800,020	5.35	-	1,800,020	1,800,020	5.35	0
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	1,800,020	1,800,020	5.35	-	1,800,020	1,800,020	5.35	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	-	33,642,070	33,642,070	100	-	33,642,070	33,642,070	100	0

ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (January 1, 2015)			Shareholding at the end of the year (December 31, 2015)			% 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	
1	ACC Limited	31,842,000	94.65	0	31,842,000	94.65	0	0
2	Mr. Sunil Nayak jointly with ACC Limited	10	0	0	10	0	0	0
3	Mr. Harish Badami jointly with ACC limited	10	0	0	10	0	0	0
4	Mr. Burjor D Nariman jointly with ACC limited	10	0	0	10	0	0	0
5	Mr. Jayanta DattaGupta jointly with ACC limited	10	0	0	10	0	0	0
6	Mr. Joydeep Mukherjee jointly with ACC limited	10	0	0	10	0	0	0
	Total	31,842,050	94.65	0	31,842,050	94.65	0	0

iii) Change in Promoters' (including Promoter Group) Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ACC Limited				
	At the beginning of the year	31,842,000	94.65		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			31,842,000	94.65
2	Mr. Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			10	0
3	Mr. Harish Badami jointly with ACC Limited				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			10	0

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Mr. Burjor D Nariman jointly with ACC Limited				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			10	0
5	Mr. Jayanta DattaGupta jointly with ACC Limited				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			10	0
6	Mr. Joydeep Mukherjee jointly with ACC Limited				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			10	0

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2015:

Name of Shareholder	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
	No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
Central Government:				
The President of India The Development commission for Cement Industry	1,800,000	5.35	1,800,000	5.35
Deputy Secretary Ministry of Industry	10	0	10	0
Joint Secretary Minstry of Industry & Development Commission for Cement Industry	10	0	10	0
Total	1,800,020	5.35	1,800,020	5.35

v) Shareholding of Directors & Key Managerial Personnel:

Sr. No.	Name of Director	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Mr. Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding	No Change			
	At the end of the year			10	0

Sr. No.	Name of Director	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
2	Mr. Harish Badami jointly with ACC Limited				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding	No Change			
	At the end of the year			10	0
3	Mr. Burjor D Nariman jointly with ACC Limited <i>(resigned as Director with effect from October 15, 2015)</i>				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding	No Change			
	At the end of the year			10	0
4	Mr. Jayanta DattaGupta jointly with ACC Limited				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding	No Change			
	At the end of the year			10	0
5	Mr. Joydeep Mukherjee jointly with ACC Limited <i>(resigned as Director with effect from December 11, 2015)</i>				
	At the beginning of the year	10	0		
	Datewise increase / decrease in Promoters Shareholding	No Change			
	At the end of the year			10	0

Note: None of the Key Managerial Personnel hold shares in the Company.

V. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness ₹ Crore
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount ₹
1	Gross Salary	-	-	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act					

B. Remuneration to Other Directors:

Sr No.	Particulars of Remuneration	Names of Directors		Total Amount ₹
		Mr N H Italia	Dr I B De	
1	Independent Directors			
	• Fee for attending Board / Committee Meetings	30,000	30,000	60,000
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total (1)	30,000	30,000	60,000
2	Other Non-Executive Directors			
	• Fee for attending Board / Committee Meetings	-	-	-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)= (1)+(2)	30,000	30,000	60,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Kindly refer to paragraph on Key Managerial Personnel appearing at Point No. 13 of the Board's Report.

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Sunil K. Nayak
Director

Jayanta DattaGupta
Director

Mumbai
January 25, 2016

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

AUDITOR'S 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, 2015, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act

and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st December, 2015 and its profit and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st December, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st December, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has one legal case pending at the Bombay High Court with respect to Service Tax and Penalty amounting to ₹ 333.65 Lakhs. (Refer Note No. 21).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For K.S.AIYAR & CO

Chartered Accountants

ICAI Firm Registration Number: 100186W

RAJESH S. JOSHI

Partner

Membership Number: 38526

Place: Mumbai
January 25, 2016

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report.

1. a. The Company is maintaining 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.
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. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clause (a) and (b) 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, we did not observe any continuing failure to correct major weakness in internal control system.
5. The Company has not accepted any deposits from the public. Therefore, the provisions of section 73 to 76 of the Companies Act, 2013 are not applicable.
6. The Company has made and maintained cost accounts and records as specified under sub- section (1) of section 148 of the Companies Act, 2013.
7. (a) According to the records of the Company, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues 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, 2015 for a period of more than six months from the date they became payable.
(b) According to the records of the Company, Income Tax or Sales Tax or Wealth Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax or Cess that 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
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 2013-14	₹ 128.08 Lakhs (Excl. interest and penalty)	CESTAT – ₹ 69.39 Lakhs and Commissioner Appeals ₹ 58.69 Lakhs
Cenvat availed on cement returned in bulkers.	Apr 07 to Nov 08	₹ 64.96 Lakhs	CESTAT ordered de-novo adjudication

- | | |
|---|---|
| <p>(c) During the year, there was no amount required to be transferred to investor Education and Protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.</p> <p>8. 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.</p> <p>9. There are no dues to banks or financial institutions or debenture holders.</p> <p>10. The Company has not given any guarantee for loans taken by others from banks or financial institutions.</p> | <p>11. The Company has not taken any term loans during the year.</p> <p>12. No fraud on or by the company has been noticed or reported during the year.</p> |
|---|---|

For K.S.AIYAR & CO

Chartered Accountants

ICAI Firm Registration Number: 100186W

RAJESH S. JOSHI

Partner

Membership Number: 38526

Place: Mumbai
January 25, 2016

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

BALANCE SHEET AS AT DECEMBER 31, 2015

Particulars	Note No.	2015 ₹ Lakhs	2014 ₹ Lakhs
EQUITY AND LIABILITIES :			
Shareholders Fund:			
Share Capital	3	3,364.21	3,364.21
Reserves & Surplus	4	1,453.44	1,984.15
TOTAL		4,817.65	5,348.36
Non Current Liabilities			
Deferred Tax Liabilities(Net)	5	126.12	540.69
Current Liabilities			
Trade payables	6	497.82	452.51
Other Current Liabilities	7	545.30	507.29
TOTAL		1,043.12	959.80
TOTAL		5,986.89	6,848.85
ASSETS:			
Non Current Assets			
Fixed Assets:			
Tangible Assets	8 (A)	2,775.60	4,319.56
Intangible Assets	8(B)	5.53	11.07
Capital work in progress		34.46	0.59
Long Term Loans & Advances	9	104.29	104.71
Total		2,919.88	4,435.93
Current Assets:			
Current Investment	10	2,630.00	1,900.00
Inventories	11	46.87	43.01
Trade Receivable	12	174.97	259.94
Cash and Bank Balances	13	34.43	23.31
Short Term Loans and Advances	9	176.99	186.41
Assets held for Disposal		3.75	0.25
TOTAL		3,067.01	2,412.92
TOTAL		5,986.89	6,848.85
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
Firm Registration
Number 100186 W

JAYANTA DATTAGUPTA
Director
DIN : 01571321

SUNIL K. NAYAK
Director
DIN : 00081466

RAJESH S. JOSHI
Partner
Membership Number 38526

BINITA KHORY
Company Secretary

MALINI MENON
Chief Financial
Officer

Mumbai, January 25, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 2015

Particulars	Note No.	2015 ₹ Lakhs	2014 ₹ Lakhs
INCOME:			
Sale of Services & other operating Income	14	1,912.34	2,129.92
Other Income	15	177.72	201.44
Total Revenue		2,090.06	2,331.36
EXPENSE :			
Employee benefits expense	16	190.47	146.30
Operating and Other Expenses	17	1,145.12	1,145.86
Depreciation		450.34	409.99
Total Expenses		1,785.93	1,702.15
Profit/(loss) before tax and Exceptional items		304.13	629.21
Less: Exceptional item-Depreciation of prior years charged off on implementation of transitional provisions of 7(b) of Schedule II of Companies Act, 2013		1,128.40	-
Profit/(loss) before tax		(824.27)	629.21
Tax Expenses :			
Current Tax		121.01	221.06
Less: MAT Set Off Availed		-	(9.02)
Net Current Tax		121.01	212.04
Deferred Tax	19	(414.57)	(15.82)
		(293.56)	196.22
Profit /(Loss) for the year		(530.71)	432.99
Earnings Per Equity Share (Face Value of ₹ 10 each) (Previous Year ₹ 10 each)			
Basic and Diluted Earnings per Share (₹)	20	(1.58)	1.29
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
Firm Registration
Number 100186 W

JAYANTA DATTAGUPTA
Director
DIN : 01571321

SUNIL K. NAYAK
Director
DIN : 00081466

RAJESH S. JOSHI
Partner
Membership Number 38526

BINITA KHORY
Company Secretary

MALINI MENON
Chief Financial
Officer

Mumbai, January 25, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Particulars	2015 ₹ Lakhs	2014 ₹ Lakhs
A. Cash Flow from Operating Activities		
1 Net Profit/ (loss) before tax	(824.27)	629.21
Adjustments For:		
Depreciation (including Exceptional item)	1,578.74	409.99
Interest Received	(1.26)	(2.75)
Provision written back	(27.98)	-
Loss/ (Profit) on sale of assets	(4.69)	0.94
Loss/ (Profit) on sale of Investment	(171.77)	(198.69)
Operating profit before working capital changes	548.77	838.70
2 Trade Receivables	84.97	(33.17)
3 Inventories	(3.86)	4.30
4 Other receivables	(1.12)	(116.13)
5 Trade payables & Other Current Liabilities	111.30	(282.03)
Cash generated from Operations	740.06	411.67
6 Direct Taxes refund/ (paid)	(110.04)	(198.22)
Net Cash from Operating Activities	630.02	213.45
B. Cash Flow from Investing Activities		
7 Interest received	1.26	2.75
8 Purchase of Investments	(9,772.33)	(10,505.00)
9 Sale Proceeds From Investments	9,214.10	10,973.69
10 Purchase of Fixed Assets & Increase in Capital work in Progress & Capital Advance	(63.12)	(667.58)
11 Sales of Fixed Assets	1.19	0.96
Net Cash from Investing Activities	(618.90)	(195.18)
Net increase / (decrease) in cash & cash equivalents	11.12	18.27
Opening Balance	23.31	5.04
Closing Balance	34.43	23.31

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

Firm Registration No. 100186 W

JAYANTA DATTAGUPTA

Director

DIN : 01571321

SUNIL K. NAYAK

Director

DIN : 00081466

RAJESH S. JOSHI

Partner

Membership Number 38526

BINITA KHORY

Company Secretary

MALINI MENON

Chief Financial Officer

Mumbai, January 25, 2016

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

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). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Sec 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014.

(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 basis of useful life of the asset as prescribed in Schedule II of the Companies Act, 2013.

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) 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER , 2015**NOTE -3 : SHARE CAPITAL**

	2015 ₹ Lakhs	2014 ₹ 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

	2015		2014	
	No of Shares	% of Holding	No 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 ACC Ltd -Holding Company	3,18,42,050	94.65	3,18,42,050	94.65

(b) Reconciliation of No of Equity shares

	2015		2014	
	No of Shares	Amount ₹ Lakhs	No 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.

(d) Equity shares held by holding company / ultimate holding and their subsidiaries

	2015		2014	
	Number of shares	Amount ₹ Lakhs	Number of shares	Amount ₹ Lakhs
Holding company				
ACC Limited	3,18,42,050	3,184.21	3,18,42,050	3,184.21
	3,18,42,050	3,184.21	3,18,42,050	3,184.21

NOTE-4 : RESERVES & SURPLUS

	2015 ₹ Lakhs	2014 ₹ Lakhs
Surplus in the statement of profit and loss :		
Balance as per last Financial statements	1,984.15	1,551.16
Add: Profit/(Loss) of the year	(530.71)	432.99
TOTAL	1,453.44	1,984.15

NOTE -5 : DEFERRED TAX LIABILITIES (NET)

	2015 ₹ Lakhs	2014 ₹ Lakhs
Deferred Tax Liabilities arising on account of :		
Depreciation differences	128.82	540.69
Deferred Tax Asset/40(a)(ia)	2.70	-
TOTAL	126.12	540.69

NOTE 6 : TRADE PAYABLES

	2015 ₹ Lakhs	2014 ₹ Lakhs
Trade Payables	497.82	452.51
Due to The Holding Company: ACC Limited ₹ 17.17 lakhs (Previous year ₹ 12.29 lakhs)		
TOTAL	497.82	452.51

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

	2015 ₹ Lakhs	2014 ₹ Lakhs
Statutory Dues	7.61	12.57
Retention Deposit from Contractors/ Vendors	12.40	19.42
Liability For Capital Expenditure	260.11	230.52
Other Current Liabilities	265.18	244.78
TOTAL	545.30	507.29

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER , 2015

NOTE 8 (A) : TANGIBLE ASSETS

₹ Lakhs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01-01-2015	Additions/ Adjustments	Deletions	As at 31-12-2015	As at 01-01-2015	For the Year	Transfer to Profit & Loss account due to change in the useful life of Asset	Adjustments	As at 31-12-2015	As at 31-12-2015	As at 31-12-2014
Building	376.80	-	-	376.80	133.83	29.03	5.01	-	167.87	208.93	242.97
Plant & Equipment	4,105.92	1.46	(346.87)	3,760.51	3,331.11	113.55	308.92	(346.87)	3,406.71	353.80	774.81
Roads, Bridges	552.49	8.58	-	561.07	51.08	45.36	128.55	-	224.99	336.08	501.41
Rails & Sidings	711.24	-	-	711.24	307.74	79.67	-	-	387.41	323.83	403.50
Wagon & Loco	4,685.01	8.22	(57.10)	4,636.13	2,330.41	169.19	685.42	(57.10)	3,127.92	1,508.21	2,354.60
Furniture & Fixtures	36.85	6.16	-	43.01	7.11	4.81	-	-	11.92	31.09	29.74
Office Equipments	11.90	4.83	-	16.73	4.51	2.08	0.50	-	7.09	9.64	7.39
Vehicles	7.62	-	-	7.62	2.48	1.12	-	-	3.60	4.02	5.14
TOTAL	10,487.83	29.25	(403.97)	10,113.11	6,168.27	444.81	1,128.40	(403.97)	7,337.51	2,775.60	4,319.56
<i>Previous Year</i>	<i>9,481.36</i>	<i>1,006.47</i>	<i>-</i>	<i>10,487.83</i>	<i>5,762.41</i>	<i>405.86</i>	<i>-</i>	<i>-</i>	<i>6,168.27</i>	<i>4,319.56</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 01-01-2015	Additions/ Adjustments	Deletions	As at 31-12-2015	As at 01-01-2015	For The Year	On Deletion/ Disposals	Adjustments	As at 31-12-2015	As at 31-12-2015	As at 31-12-2014
Software	16.61	-	-	16.61	5.54	5.54	-	-	11.08	5.53	11.07
TOTAL	16.61	-	-	16.61	5.54	5.54	-	-	11.08	5.53	11.07
<i>Previous Year</i>	<i>10.03</i>	<i>6.58</i>	<i>-</i>	<i>16.61</i>	<i>1.41</i>	<i>4.13</i>	<i>-</i>	<i>-</i>	<i>5.54</i>	<i>11.07</i>	

Note 9 : LOANS & ADVANCES

	2015		2014	
	Non Current ₹ Lakhs	Current ₹ Lakhs	Non Current ₹ Lakhs	Current ₹ Lakhs
(Unsecured Considered Good)				
(a) Capital Advances	-	5.00	-	-
(b) Other Deposits	24.63	1.26	18.17	1.40
(c) Advances recoverable in cash or in kind or for value to be received	-	7.67	-	5.64
(d) Freight Rebate Recoverable From Railways	-	141.98	-	153.22
(e) Advance Tax Paid (Net of provision for Taxation, Amt ₹ 605.55 Lakhs : <i>Previous year ₹ 484.54 Lakhs</i>)	73.91	-	84.88	-
(f) Advance Fringe Benefit Tax (Net of provision for Taxation, Amt ₹ 1.95Lakhs : <i>Previous year ₹ 1.95 Lakhs</i>)	0.01	-	0.01	-
(g) Balance with Excise, Customs and Port Trust Authorities on Current accounts	5.63	3.49	-	7.97
(h) Prepaid Expenses	0.11	17.59	1.65	18.18
TOTAL	104.29	176.99	104.71	186.41

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015**Note 10: CURRENT INVESTMENTS** (Valued at Lower of Cost and Fair Value)

	2015		2014	
	Amount ₹ Lakhs	Number of Units	Amount ₹ Lakhs	Number of Units
Investment in Mutual Funds - Fully paid-up (Unquoted)				
Unit of Face Value ₹ 1,000 each DSP Black rock Money Manager Fund-Regular Plan-(Growth Option)	-	-	100	5,403.06
Unit of Face Value ₹ 1,000 each Taurus Liquid Fund - Existing Plan - Super Institutional(Growth Option)	-	-	300	20,269.96
Unit of Face Value ₹ 1,000 each Reliance Liquid Fund-Treasury plan-Growth Option	400.00	11,078.78	-	-
Unit of Face Value ₹ 1,000 each Reliance Liquid Fund - Cash Plan-Growth Option	-	-	1,500	68,798.25
Unit of Face Value ₹ 100 each DWS Insta Cash Plus Fund-Growth	830.00	4,31,498.48	-	-
Unit of Face Value ₹ 1,000 each Kotak Floater Short Term-Growth Regular Plan	1,400.00	57,579.00	-	-
TOTAL	2,630.00		1,900.00	
Aggregate amount of Unquoted Investments	2,630.00		1,900.00	

NOTE 11 : INVENTORIES

(At Cost or Net Realisable value whichever is lower)

	2015 ₹ Lakhs	2014 ₹ Lakhs
Stores & Spare Parts	55.18	43.01
Less: Allowance for Slow moving inventory	(8.31)	-
TOTAL	46.87	43.01

NOTE 12 : TRADE RECEIVABLE

	2015 ₹ Lakhs	2014 ₹ Lakhs
Others		
Unsecured Considered Good	174.97	259.94
<i>Due from The Holding Company: ACC Limited ₹ 174.97 Lakhs; (Previous year ₹259.94 Lakhs), Maximum Outstanding Balance during the Period ₹ 484.15 Lakhs : (Previous year ₹ 525.02 Lakhs)</i>		
TOTAL	174.97	259.94

NOTE 13: CASH & BANK BALANCES

	2015 ₹ Lakhs	2014 ₹ Lakhs
Cash and Cash Equivalent		
Cash on Hand	0.17	0.09
Balances with Scheduled Banks in Current Accounts	34.26	23.22
TOTAL	34.43	23.31

NOTE 14 : REVENUE FROM OPERATIONS

	2015 ₹ Lakhs	2014 ₹ Lakhs
SALE OF SERVICES		
Bulk Handling Charges	1,346.83	1,538.11
Freight Rebate		
Recovered from ACC limited	533.78	459.89
Received from Railways	-	118.25
	1,880.61	2,116.25
OTHER OPERATING REVENUE		
Miscellaneous Income	3.75	13.67
Provision no longer required written back	27.98	-
	31.73	13.67
REVENUE FROM OPERATIONS(NET)	1,912.34	2,129.92

NOTE 15 : OTHER INCOME

	2015 ₹ Lakhs	2014 ₹ Lakhs
Profit on sale of Current Investment	171.77	198.69
Interest on deposits	1.26	2.75
Profit on Sale of Fixed Assets	4.69	-
TOTAL	177.72	201.44

BULK CEMENT CORPORATION (INDIA) LTD (BCCI)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2015

NOTE 16 : EMPLOYEE BENEFITS EXPENSES

	2015 ₹ Lakhs	2014 ₹ Lakhs
Staff welfare	1.56	1.06
Deputation charges	188.91	145.24
TOTAL	190.47	146.30

NOTE 17 : OPERATING AND OTHER EXPENSES

	2015 ₹ Lakhs	2014 ₹ Lakhs
Power & fuel	261.78	264.69
Rates & taxes	65.93	48.78
Insurance	19.16	20.79
Consumption of stores and spares	84.81	182.96
Repairs and maintenance - plant	477.72	368.11
Repairs and maintenance - buildings	48.38	103.44
Repairs and maintenance - others	16.87	28.45
Security charges	59.83	67.88
Legal services	8.78	17.77
Remuneration to auditors		
Statutory audit	2.50	2.50
Tax audit	1.50	1.50
Other services	3.00	3.00
Out-of-pocket expenses	0.10	0.48
Provision for slow moving inventory	8.31	-
Other expenses	86.45	34.57
Loss on fixed assets scrapped/retired (Net)	-	0.94
TOTAL	1,145.12	1,145.86

18 Related Party Disclosures

(I) Particulars of Related Parties:

Name of the Related Party	Nature of Relationship
ACC Ltd.	Holding Company

(II) Key Management Personnel:

Name of the Related Party	Nature of Relationship
Mr Jitendra Kumar	Head BCCI
Miss Malini Menon	Chief Financial Officer
Mrs Binita Khory	Company Secretary

(III) Transactions with Related Parties during the year:

		Holding Company ACC Limited	
		2015 ₹ Lakhs	2014 ₹ Lakhs
a)	Rendering of Services (inclusive of Service tax)	1,524.69	1,728.22
b)	Deputation Charges Paid	212.40	163.46
c)	Purchase of Cement	-	3.14
d)	Purchase of Concrete	-	69.86
e)	Reimbursement of Freight Rebate	533.78	459.89
f)	Outstanding balance included in Current assets	174.97	259.94
g)	Outstanding balance included in Current liabilities	17.17	12.29
h)	Reimbursement of expenses paid (Net of Reversal)		
	Power Expenses	37.82	31.42
	Others	21.87	1.97
i)	Reimbursement of expenses received	2,334.97	2,985.16

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" notified under Section 133 of the Companies Act 2013 read with Rule No 7 of Companies (Accounts) Rules 2014. During the year, the Company has credited to the Statement of Profit & Loss, a reversal of Deferred Tax liability of ₹ 414.57 Lakhs (*Previous Year reversal ₹ 15.82 Lakhs*).

20. EARNING PER SHARE:

Particulars	2015	2014
Profit/(Loss) after taxation as per Statement of Profit and loss (₹ in Lakhs)	(530.71)	432.99
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)	(1.58)	1.29

(There are no potential equity shares and hence there is no working for diluted earning per share).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER , 2015**21. CONTINGENT LIABILITIES NOT PROVIDED FOR:**

Sr. No.	Particulars	2015 ₹ Lakhs	2014 ₹ Lakhs
	CLAIMS NOT ACKNOWLEDGED BY THE COMPANY		
1.	Railways	43.35	43.35
2.	Service Tax and Penalty	461.73	125.37
3.	Central Excise	74.36	74.36

Pending Litigations by or against the Company is as under :

An appeal has been filed by the Commissioner of Service tax in the Bombay High Court against the order earlier passed by the CESTAT in favour of the company in relation to Service tax and penalty ₹ 333.65 Lakhs

- 22.** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) ₹ 43.17 Lakhs (Previous Year ₹ 134.21 Lakhs).

- 23.** During the year, with effect from 01.01.2015 , the Company has revised the charging of depreciation based on the prescribed life as per schedule II to the Companies Act 2013 . Consequently ,

- The charge of depreciation for the year is higher by ₹ 19.57 Lakhs.
- The Charge of depreciation in respect of earlier years has been charged off to the profit and Loss account as permitted and is disclosed as an exceptional item in the Statement of Profit and Loss.- ₹ 1,128.40 Lakhs
- 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.

- 24.** Previous year's figures have been regrouped/ rearranged wherever necessary to make them comparable with the current year's figure.

As Per our report of even date

FOR K. S. AIYAR & CO.

Chartered Accountants

ICAI Firm Registration Number : 100186 W

For and on behalf of the Board Of Directors of Bulk Cement Corporation(India) Limited

JAYANTA DATTAGUPTA

Director

DIN : 01571321

SUNIL K. NAYAK

Director

DIN : 00081466

RAJESH S.JOSHI

Partner

Membership Number 38526

BINITA KHORY

Company Secretary

MALINI MENON

Chief Financial Officer

Mumbai, January 25, 2016

LUCKY MINMAT LIMITED (LML)

BOARD'S REPORT

TO THE MEMBERS OF LUCKY MINMAT LIMITED

The Directors take pleasure in presenting the Fortieth Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended December 31, 2015.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2015 is summarized below:

PARTICULARS	2015 ₹	2014 ₹
Revenue from operations (net) and Other Income	3,28,912	12,99,452
Profit / (Loss) Before Tax	(45,31,381)	(78,55,388)
Provision for Taxation	-	-
Profit / (Loss) after Tax	(45,31,381)	(78,55,388)
Balance brought forward from previous year	(2,68,86,292)	(1,90,30,904)
Balance carried forward to Balance Sheet	(3,14,18,123)	(2,68,86,292)

2. OPERATIONS

There was no production and despatches during the year 2015. The Government of Rajasthan has cancelled both the minor mineral lease and the major mineral leases with effect from January 29, 2014 and March 05, 2014 respectively and taken possession of the Mines. A Writ Petition was filed in the High Court for withdrawal of the Order cancelling the mining leases. The Writ Petition was heard and the Court whilst setting aside the aforesaid Order directed the Company to represent its case before the Ministry of Mines, Government of Rajasthan. The Company has accordingly made representations before the appropriate Mining Authorities. The matter was heard and the decision of the Mining Authorities in this regard is awaited.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2015.

4. CONTINUANCE OF THE EXISTING FINANCIAL YEAR

Pursuant to a favourable Order from the Company Law Board, the Company will continue to have the

calendar year (1st January - 31st December) as its financial year.

5. MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in the Report, there have been no material changes and commitments made between the end of the financial year of the Company and the date of this Report.

6. 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 impacting the going concern status of your Company.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no loans / guarantees given and investments made under the provisions of Section 186 of the Companies Act, 2013.

8. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Companies Act, 2013 and Rules framed thereunder, the transactions entered into with Related Parties are in the ordinary course of business and on an arms length pricing basis. There are no material related party transactions. Accordingly, there is no requirement to furnish any information in Form AOC2.

9. DIRECTORS

Appointment of Directors

The Board of Directors has appointed Mr Ramnik Gupta as an Additional Director of the Company with effect from April 08, 2015. Mr Gupta holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Rajat Kumar Prusty as an Additional Director of the Company with effect from May 04, 2015. Mr Prusty holds office upto the date of the Annual General Meeting. Accordingly,

his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Naveen Chadha as an Additional Director of the Company with effect from October 16, 2015. Mr Chadha holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

Cessation of Directorship

Mr Umesh Pratap who was appointed as a Director of the Company with effect from April 13, 2012, ceased to be a Director of the Company with effect from April 08, 2015.

Mr Rajiv Prasad who was appointed as a Director of the Company with effect from February 01, 2013, ceased to be a Director of the Company with effect from May 15, 2015.

Mr Madhav G Damle who was appointed as a Director of the Company with effect from February 01, 2013, ceased to be a Director of the Company with effect from September 04, 2015.

The Board has placed on record its appreciation for the valuable contribution made by Mr Umesh Pratap, Mr Rajiv Prasad and Mr M G Damle during their respective tenures as Directors of the Company.

Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013, Mr S Viswanathan retires by rotation and being eligible offers himself for re-appointment as a Director of the Company. Accordingly, his appointment has been included in the Notice convening the 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:

- i. that in the preparation of the annual financial statements for the year ended December 31,

2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- ii. that such accounting policies as mentioned in Note 2 of the Notes to the financial statements have been selected and applied consistently and judgments 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, 2015 and of the loss of the Company for the year ended on that date;
- iii. 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;
- iv. that the annual financial statements have been prepared on a going concern basis;
- v. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

11. MEETINGS

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2015, five meetings were held on January 21, 2015, April 08, 2015, May 04, 2015, July 14, 2015 and October 16, 2015.

The Company is not required to constitute an Audit Committee, Nomination & Remuneration Committee or Corporate Social Responsibility Committee.

12. AUDITORS

Messrs K S Aiyar & Co, Chartered Accountants, (ICAI Firm Registration No 100186W) who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment. Members of the Company at the Company's 39th Annual General Meeting had approved the appointment of Messrs K S Aiyar & Co. for a term of five financial years i.e. upto the financial

LUCKY MINMAT LIMITED (LML)

year ending December 31, 2019. As required under the provision of the Companies Act, 2013, the appointment of the Auditor is required to be ratified by the Members each year at the Annual General Meeting. Accordingly, requisite resolution forms part of the Notice of the Annual General Meeting. 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 2016.

13. ANNUAL RETURN

The Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT-9 is enclosed and marked "Annexure A".

14. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As no business activity was carried out, the information on conservation of energy, technology absorption and foreign exchange earnings & outgo, during the year is Nil.

15. PARTICULARS OF EMPLOYEES

There are no employees on the rolls of the Company. Hence, there is no disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of the excellent co-operation received from the Government Authorities 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

Naveen Chadha Director DIN:00191181	S Viswanathan Director DIN:02787215
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Mumbai
January 27, 2016

Registered Office:
G-9/C, Kabir Marg
Bani Park
Jaipur 302 106
Rajasthan

ANNEXURE 'A' TO BOARD'S REPORT**FORM No. MGT- 9**
EXTRACT OF ANNUAL RETURN as on December 31, 2015**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]****I. Registration and other details**

CIN	U14219RJ1976PLC001697
Registration Date	September 8, 1976
Name of the Company	Lucky Minmat Limited
Category / Sub Category of the Company	Indian Non Government - Limited by shares - Public Company
Address of the Registered Office and contact details	G-9/C Kabir Marg, Bani Park, Jaipur 302 016, Rajasthan Tel. No: 0141-2200608
Whether Listed Company	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

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 the main Product / Services	NIC Code of the Product / Service	% to total turnover of the Company
Mining / quarrying of limestone, limeshell, kankar and other calcareous minerals including calcite, chalk and shale	14107	NIL

III. Particulars of Holding, Subsidiary and Associate Companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
ACC Limited Cement House 121, Maharshi Karve Road, Mumbai 400 020	L26940MH1936PLC002515	Holding	100%	2(46)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	-	4	4	0.001	-	4	4	0.001	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate		324994	324994	99.999	-	324994	324994	99.999	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (specify Directors)	-	2	2	0	-	2	2	0	0
Sub-Total (A)(1)	-	325000	325000	100	-	325000	325000	100	0

LUCKY MINMAT LIMITED (LML)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters & Promoter Group (A)=(A)(1)+(A)(2)	-	325000	325000	100	-	325000	325000	100	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	-	325000	325000	100	-	325000	325000	100	0

ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (January 1, 2015)			Shareholding at the end of the year (December 31, 2015)			% 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	
1	ACC Limited	324994	99.999	0	324994	99.999	0	0
2	Mr Sunil Nayak jointly with ACC Limited	01	0.001	0	01	0.001	0	0
3	Mr Ramnik Gupta jointly with ACC Limited	01		0	01		0	0
4	Mr Burjor D Nariman jointly with ACC Limited	01		0	01		0	0
5	Mr S Viswanathan jointly with ACC Limited	01		0	01		0	0
6	Mr Rajesh Seth jointly with ACC Limited	01		0	01		0	0
7	Mr Rajiv Prasad jointly with ACC Limited	01		0	00		0	0
8	Mr Rajendra Singh Rathore jointly with ACC Limited	00		0	01		0	0
	Total	325000	100	0	325000	100	0	0

iii) Change in Promoters' (including Promoter Group) Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ACC Limited				
	At the beginning of the year	324994	99.999		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			324994	99.999
2	Mr Sundarapandian Viswanathan jointly with ACC Limited				
	At the beginning of the year	01	0.000		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.000
3	Mr Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	01	0.000		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.000

LUCKY MINMAT LIMITED (LML)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Mr Burjor D Nariman jointly with ACC Limited				
	At the beginning of the year	01	0.000		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.000
5	Mr Rajesh Seth jointly with ACC Limited				
	At the beginning of the year	01	0.000		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.000
6	Mr Ramnik Gupta jointly with ACC Limited				
	At the beginning of the year	01	0.000		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.000
7	*Mr Rajiv Prasad jointly with ACC Limited				
	At the beginning of the year	01	0.000		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease			01 (Transfer on July 14, 2015)	0.000
	At the end of the year			00	0.000
8	*Mr Rajendra Singh Rathore jointly with ACC Limited				
	At the beginning of the year	00	0.000		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease			01 (Transfer on July 14, 2015)	0.000
	At the end of the year			01	0.000

*Shares of Mr Rajiv Prasad jointly with ACC Limited have been transferred to Mr Rajendra Singh Rathore jointly with ACC Limited on July 14, 2015.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2015: Not Applicable.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Directors	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr S Viswanathan jointly with ACC Limited				
	At the beginning of the year	01	0.000		
	Date wise Increase / (transfer):	No change			
	At the end of the year			01	0.000

Sr. No.	Name of the Directors	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
2	Mr Ramnik Gupta jointly with ACC Limited (<i>appointed with effect from 08.04.2015</i>)				
	At the beginning of the year	01	0.000		
	Date wise Increase / (transfer):	No change			
	At the end of the year			01	0.000
3	Mr Rajiv Prasad jointly with ACC Limited (<i>resigned with effect from 15.05.2015</i>)				
	At the beginning of the year	01	0.000		
	Date wise Increase / (transfer):			01 (Transfer on July 14, 2015)	0.000
	At the end of the year			01	0.000

V. Indebtedness

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

	Secured Loans excluding deposits ₹	Unsecured Loans ₹	Deposits ₹	Total indebtedness ₹
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	1,18,11,744	-	1,18,11,744
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1,18,11,744	-	1,18,11,744
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	1,18,11,744	-	1,18,11,744
Net Change	-	1,18,11,744	-	1,18,11,744
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

B. Remuneration to Other Directors: Not Applicable

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM: Not Applicable

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties / punishments / compounding of offences for the year ended December 31, 2015.

For and on behalf of the Board

Naveen Chadha
Director

S Viswanathan
Director

Mumbai
January 27, 2016

INDEPENDENT AUDITOR'S 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, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at December 31, 2015, and its loss and its 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, 2015 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on December 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 23 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.*Chartered Accountants*

ICAI Firm Registration No. 100186W

Sachin A. Negandhi*Partner*

Membership No: 112888

Place: Mumbai**Date:** January 27, 2015

ANNEXURE TO THE AUDITOR'S 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, 2015, 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.
 - (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 accounts.
 - (iii) 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 189 of the Companies Act, 2013. Accordingly, sub-clause (a) and (b) of the Order 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) The Company has not accepted any deposits from the public to which the provisions of section 73 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules 2014 apply.
 - (vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.
 - (vii) (a) According to the records of the Company, the Company has been generally regular in depositing Provident Fund, Employees' State Insurance, Income tax, Sales tax, Value Added tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and other material statutory dues applicable to it 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.
- (c) 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.
- (viii) The accumulated losses of the Company exceed fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank or debenture holder, and hence clause 3 (ix) of the Order is not applicable to the Company.
- (x) 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.
- (xi) The Company has not raised any term loans during the year.
- (xii) 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 27, 2015

Membership No: 112888

LUCKY MINMAT LIMITED (LML)

BALANCE SHEET

AS AT DECEMBER 31, 2015

Particulars	Note No.	2015 ₹	2014 ₹
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	3,25,00,000	3,25,00,000
Reserves and Surplus	4	(3,05,83,205)	(2,60,51,374)
		19,16,795	64,48,626
Non-Current liabilities			
Long term borrowing	5	-	1,31,58,995
Current liabilities			
Current liabilities	6	76,04,701	38,39,361
Short-term provisions	7	-	-
		76,04,701	38,39,361
TOTAL		95,21,496	2,34,46,982
Assets			
Non-current assets			
Fixed Assets:			
Tangible assets	8	18,841	33,089
Non-current investments	9	20,850	20,850
Long-term loans and advances	10	30,87,786	30,40,741
		31,27,477	30,94,680
Current assets			
Trade receivables	11	-	-
Cash and bank balances	12	63,97,547	2,00,06,524
Short-term loans and advances	13	(3,528)	13,067
Other current assets	14	-	3,32,711
		63,94,019	2,03,52,302
TOTAL		95,21,496	2,34,46,982
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

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 27, 2016

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Note No.	2015 ₹	2014 ₹
Revenue from operations (gross)	15	-	-
Less - Excise duty		-	-
Revenue from operations (net)		-	-
Other Income	16	3,28,912	12,99,452
Total revenue		3,28,912	12,99,452
EXPENSES			
Depreciation and amortization expense	8	14,248	4,291
Other expenses	17	48,34,815	91,50,549
Interest on Inter corporate deposit		11,680	-
Total Expenses		48,60,743	91,54,840
Profit / (Loss) before Tax		(45,31,831)	(78,55,388)
Tax expenses		-	-
Profit / (Loss) for the year		(45,31,831)	(78,55,388)
Earnings per equity share (Face value of ₹ 100 each) (Previous Year - ₹ 100 each) (Refer Note - 19)			
Basic & Diluted Before Prior Period Item		(13.94)	(14.34)
Basic & Diluted After Prior Period item		(13.94)	(24.17)
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

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 27, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Particulars	2015 ₹	2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
1. Net Profit/(Loss) before taxation	(45,31,831)	(78,55,388)
Adjustments for:		
Depreciation	14,248	4,291
Interest Received	(3,28,912)	(12,99,452)
Operating profit before working capital changes	(48,46,495)	(91,50,549)
Movement in Working Capital		
2. Decrease/(Increase) in Long term deposit	(71,542)	-
3. Decrease/(Increase) in Other Current Assets	3,49,306	52,79,462
4. Increase/(Decrease) in Other Liabilities & Provisions	37,65,340	24,32,646
Cash generated from operations	(8,03,391)	(14,38,441)
5. Direct Taxes paid - (Net of Refunds)-	(47,045)	(1,30,005)
NET CASH FROM OPERATING ACTIVITIES	(8,50,436)	(15,68,446)
B. CASH FLOW FROM INVESTING ACTIVITIES		
6. Interest Received	3,28,912	12,99,452
NET CASH FROM INVESTING ACTIVITIES	3,28,912	12,99,452
C. CASH FLOW FROM FINANCING ACTIVITIES		
7. Inter Corporate Deposits from Holding company	(1,31,58,995)	18,11,744
NET CASH USED IN FINANCING ACTIVITIES	(1,31,58,995)	18,11,744
Net increase / (decrease) in cash & cash equivalents	(1,36,80,519)	15,42,750
Cash & cash equivalents at the beginning of the year	1,84,52,729	1,69,09,979
Cash & cash equivalents at the end of the year	47,72,210	1,84,52,729
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

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 27, 2016

LUCKY MINMAT LIMITED (LML)

Notes to Financial Statement for the year ended December 31, 2015

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 in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.
- (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.

(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 II (Part-C) of the Companies Act, 2013, 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) 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.

(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.

Notes to Financial Statement for the year ended Dec 31, 2015 (Contd.)**(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 Schedule III of the Companies Act, 2013. 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

	2015 ₹	2014 ₹
AUTHORISED SHARES		
325,000 (previous year: 325,000) 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	3,25,00,000	3,25,00,000
(All shares are held by ACC limited, the holding company & its Nominee)		
TOTAL	3,25,00,000	3,25,00,000

Notes :**(a) Reconciliation of number of equity shares**

	2015		2014	
	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

	2015		2014	
	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

	2015		2014	
	Number of shares	% held	Number of shares	% held
Equity shares				
ACC Limited	3,25,000	100	3,25,000	100

LUCKY MINMAT LIMITED (LML)

Notes to Financial Statement for the year ended Dec 31, 2015 (Contd.)

4. RESERVES AND SURPLUS

	2015 ₹	2014 ₹
General Reserves	8,34,918	8,34,918
Surplus in the statement of profit and loss		
Balance as per last Financial statements	(2,68,86,292)	(1,90,30,904)
Add: Profit / (Loss) for the year	(45,31,831)	(7,855,388)
	(3,14,18,123)	(2,68,86,292)
TOTAL	(3,05,83,205)	(2,60,51,374)

5. LONG TERM BORROWING

	2015 ₹	2014 ₹
Inter corporate deposit from Holding Company	-	13,158,995
TOTAL	-	13,158,995

6. CURRENT LIABILITIES

	2015 ₹	2014 ₹
Other Payables	58,748	64,113
Provision for Environmental Cess on Limestone	10,63,120	10,63,120
Provision for Expenses	64,82,833	27,12,128
TOTAL	76,04,701	38,39,361

7. SHORT TERM PROVISIONS

	2015 ₹	2014 ₹
Others	-	-
TOTAL	-	-

NOTE - 8- FIXED ASSETS

Amount in ₹

FIXED ASSETS	GROSS BLOCK AT COST		TOTAL DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01.01.2015	As at 31.12.2015	As at 01.01.2015	For the Year	As at 31.12.2015	As at 31.12.2015	As at 31.12.2014
Tangible Assets :							
1. Buildings	3,88,076	3,88,076	3,88,076	-	3,88,076	-	-
2. Plant and Machinery	43,680	43,680	11,738	13,101	24,839	18,841	31,942
3. Office equipment	13,700	13,700	12,553	1,147	13,700	-	1,147
TOTAL	4,45,456	4,45,456	4,12,367	14,248	4,26,615	18,841	33,089
Previous Year	4,45,456	4,45,456	4,08,076	4,291	4,12,367	33,089	

9. NON-CURRENT INVESTMENTS

	2015 ₹	2014 ₹
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

	2015 ₹	2014 ₹
Other loans and advances		
Advances Payment against taxes -	30,87,786	30,40,741
TOTAL	30,87,786	30,40,741

Notes to Financial Statement for the year ended Dec 31, 2015 (Contd.)**11. TRADE RECEIVABLES**

	2015 ₹	2014 ₹
Unsecured, considered good unless stated otherwise		
Receivable from holding company:		
Over six months	-	-
Others	-	-
TOTAL	-	-

12. CASH AND BANK BALANCES

	2015 ₹	2014 ₹
Cash and cash equivalents		
Balances with banks:		
On current accounts	5,11,348	10,89,482
Deposits with original maturity of less than three months	42,60,862	1,73,63,247
	47,72,210	1,84,52,729
Other bank balances		
Fixed deposit (receipts are in the custody of mining department as security towards mines)	16,25,337	15,53,795
	16,25,337	15,53,795
TOTAL	63,97,547	2,00,06,524

13. SHORT - TERM LOANS AND ADVANCES

	2015 ₹	2014 ₹
Unsecured , considered Good , unless otherwise stated		
Advances recoverable in cash or kind		
Unsecured considered good	(12,528)	4,062
	(12,528)	4,062
Other loans and advances		
Advances recoverable or value to be received	9,000	9,005
TOTAL	(3,528)	13,067

14. OTHER CURRENT ASSETS

	2015 ₹	2014 ₹
Unsecured, considered good unless stated otherwise		
Accrued Interest	-	3,32,711
TOTAL	-	3,32,711

15. REVENUE FROM OPERATIONS

	2015 ₹	2014 ₹
Sale of Products :		
Finished goods- Sale of Limestone	-	-
Revenue from operations (gross)	-	-
Less: Excise duty	-	-
Revenue from operations (net)	-	-

16. OTHER INCOME

	2015 ₹	2014 ₹
Interest on Bank deposits	3,28,912	12,99,452
TOTAL	3,28,912	12,99,452

17.1 OTHER EXPENSES

	2015 ₹	2014 ₹
Travelling Expenses	35,208	3,56,698
Power and fuel	5,941	8,104
Repairs to other Items	-	300
Stationary Expenses	4,630	14,231
Royalties/dead Rent	40,27,415	35,65,286
Other mining expenses	1,19,776	3,86,133
Prior Period Item-Demand For extraction	-	31,94,853
Legal Expenses	2,68,257	1,35,308
Professional Expenses	12,540	33,779
Miscellaneous expenses	7,387	52,784
Rates & Taxes	-	10,71,430
Interest & Penalty	50,639	-
TOTAL (A)	45,31,793	88,18,906

17.2 PAYMENT TO STATUTORY AUDITORS (EXCLUDING SERVICE TAX)

	2015 ₹	2014 ₹
As auditors		
Audit fees	1,10,000	1,00,000
Audit fees for tax financial statements	38,500	70,000
Out of pocket expenses	17,022	36,643
For other services	1,37,500	1,25,000
TOTAL (B)	3,03,022	3,31,643
TOTAL (A +B)	48,34,815	91,50,549

LUCKY MINMAT LIMITED (LML)

Notes to Financial Statement for the year ended Dec 31, 2015 (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 with Holding Company	2015 ₹	2014 ₹
(i) Inter corporate deposit received	-	18,11,744
(ii) TDS / VAT/ Service Tax / Royalty Paid on behalf of Lucky Minmat Limited By ACC Limited	-	12,13,070

(C) Closing Balances of Related Parties

Holding Co- ACC Limited	2015 ₹	2014 ₹
ICD Taken	-	1,18,11,744
Other Payables	-	13,47,251

(D) Bank Guarantee has been given by the holding company to Indian Bureau of Mines of ₹ 11,58,000.

19. EARNINGS PER SHARE (EPS)

Particulars	2015 ₹	2014 ₹	2014 ₹
		After Prior period item	Before Prior Period Item
Profit /(Loss) after taxation as per Statement of Profit & Loss	(45,31,831)	(78,55,388)	(46,60,535)
Weighted average number of Equity Shares Outstanding	3,25,000	3,25,000	3,25,000
Basic earnings per share (weighted average) (Face Value – ₹ 100 per share)	(13.94)	(24.17)	(14.34)

(Basic and Diluted EPS are same.)

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 minor lease for production capacity 120,643 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 a 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 re-possession of mines – major lease and minor lease vide orders dated 05.03.2014 and 29.01.14 respectively. The Company has filed two writ petitions in the High Court of Rajasthan for cancellation of orders and The Hon'able High Court has set aside the orders on 21.08.2014. In the opinion of the management, as Mining Engineer Sikar has not passed the lease restoration orders and physical possession of leases remain with them till date, no dues are payable on account of leases, and any further course of action will be determined after receipt of orders from them in this respect.

24. Additional information pursuant to the provisions of paragraph 5(viii) of Part B of schedule III of The Companies Act, 2013 is either Nil or not applicable.

25. 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
Lucky Minmat Limited

For K.S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration
No :- 100186W

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner

Membership No. 112888

Mumbai, January 27, 2016

BOARD'S REPORT

TO THE MEMBERS OF NATIONAL LIMESTONE COMPANY PRIVATE LIMITED

The Directors take pleasure in presenting the Thirty Fifth Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended December 31, 2015.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2015 is summarized below:

PARTICULARS	2015 ₹	2014 ₹
Revenue from operations (net) and Other Income	2,01,183	-
Profit / (Loss) Before Tax	(21,87,246)	(22,94,305)
Provision for Taxation	-	-
Profit / (Loss) after Tax	(21,87,246)	(22,94,305)
Balance brought forward from previous year	(76,89,500)	(53,95,195)
Balance carried forward to Balance Sheet	(98,76,746)	(76,89,500)

2. OPERATIONS

There was no production and despatches during the year 2015. 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, 2015.

4. CONTINUANCE OF THE EXISTING FINANCIAL YEAR

Pursuant to a favourable Order from the Company Law Board, the Company will continue to have the calendar year (1st January - 31st December) as its financial year.

5. MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in the Report, there have been no material changes and commitments made between the end of the financial year of the Company and the date of this Report.

6. 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 impacting the going concern status of your Company.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no loans / guarantees given and investments made under the provisions of Section 186 of the Companies Act, 2013.

8. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Companies Act, 2013 and Rules framed thereunder, the transactions entered into with Related Parties are in ordinary course of business and are on an arms length pricing basis. There are no material related party transactions. Accordingly, there is no requirement to furnish any information in Form AOC2.

9. DIRECTORS

Appointment of Directors

The Board of Directors has appointed Mr Ramnik Gupta as an Additional Director of the Company with effect from April 08, 2015. Mr Gupta holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Rajat Kumar Prusty as an Additional Director of the Company with effect from May 04, 2015. Mr Prusty holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Naveen Chadha as an Additional Director of the Company with effect from October 16, 2015. Mr Chadha holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

Director has been included in the Notice convening the Annual General Meeting of the Company.

Cessation of Directorship

Mr Umesh Pratap who was appointed as a Director of the Company with effect from April 13, 2012, ceased to be a Director of the Company with effect from April 08, 2015.

Mr Rajiv Prasad who was appointed as a Director of the Company with effect from February 01, 2013, ceased to be a Director of the Company with effect from May 15, 2015.

Mr Madhav G Damle who was appointed as a Director of the Company with effect from February 01, 2013, ceased to be a Director of the Company with effect from September 04, 2015.

The Board has placed on record its appreciation for the valuable contribution made by Mr Umesh Pratap, Mr Rajiv Prasad and Mr Madhav G Damle during their tenures as Directors of the Company.

Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013, Mr S Viswanathan retires by rotation and being eligible offers himself for appointment as a Director of the Company. Accordingly his appointment has been included in the Notice convening the 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:

- i. that in the preparation of the annual financial statements for the year ended December 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. that such accounting policies as mentioned in Note 2 of the Notes to the financial statements have been selected and applied consistently and judgments 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, 2015 and of the loss of the Company for the year ended on that date;

- iii. 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;
- iv. that the annual financial statements have been prepared on a going concern basis;
- v. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

11. MEETINGS

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2015 six meetings were held on January 21, 2015, April 08, 2015, May 04, 2015, July 14, 2015, September 04, 2015 and October 16, 2015.

The Company is not required to constitute an Audit Committee, Nomination & Remuneration Committee or Corporate Social Responsibility Committee.

12. AUDITORS

Messrs K S Aiyar & Co, Chartered Accountants, (ICAI Firm Registration No 100186W) who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment. Members of the Company at the Company's 34th Annual General Meeting had approved the appointment of Messrs K S Aiyar & Co. for a term of five financial years i.e. upto the financial year ending December 31, 2019. As required under the provision of the Companies Act, 2013, the appointment of the Auditor is required to be ratified by the Members each year at the Annual General Meeting. Accordingly, requisite resolution forms part of the Notice of the Annual General Meeting. 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 2016.

13. ANNUAL RETURN

The Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT-9 is enclosed and marked as “Annexure A”.

14. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As no business activity was carried out, the information on conservation of energy, technology absorption and foreign exchange earnings & outgo, during the year is Nil.

15. PARTICULARS OF EMPLOYEES

There are no employees on the rolls of the Company. Hence there is no disclosure under Section 197 (12) read with Rules 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of co-operation received from the Government Authorities 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

Naveen Chadha
Director
DIN:00191181

S Viswanathan
Director
DIN:02787215

Mumbai
January 27, 2016

Registered Office:
G-9/C, Kabir Marg
Bani Park
Jaipur 302 106
Rajasthan

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

ANNEXURE 'A' TO BOARD'S REPORT

FORM No. MGT- 9
EXTRACT OF ANNUAL RETURN as on December 31, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details	
CIN	U26944RJ1981PTC002227
Registration Date	April 23, 1981
Name of the Company	National Limestone Company Private Limited
Category / Sub Category of the Company	Indian Non Government - Limited by shares - Private Company
Address of the Registered Office and contact details	G-9/C Kabir Marg, Bani Park, Jaipur 302 016, Rajasthan Tel. No: 0141-2200608
Whether Listed Company	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

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 the main Product / Services	NIC Code of the Product / Service	% to total turnover of the Company
Mining / quarrying of limestone, limeshell, kankar and other calcareous minerals including calcite, chalk and shale	14107	NIL

III. Particulars of Holding, Subsidiary and Associate Companies				
Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
ACC Limited Cement House 121, Maharshi Karve Road, Mumbai 400 020	L26940MH1936PLC002515	Holding	100%	2(46)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	-	2	2	0.001	-	2	2	0.001	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	199998	199998	99.999	-	199998	199998	99.999	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (specify) Directors	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	200000	200000	100	-	200000	200000	100	0

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters & Promoter Group (A)=(A)(1)+(A)(2)	-	200000	200000	100	-	200000	200000	100	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	-	200000	200000	100	-	200000	200000	100	0

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (January 1, 2015)			Shareholding at the end of the year (December 31, 2015)			% 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	
1	ACC Limited	199998	99.999	0	199998	99.999	0	0
2	Mr Sunil Nayak jointly with ACC Limited	01	0.0005	0	01	0.0005	0	0
3	Mr Jayanta DattaGupta jointly with ACC Limited	01	0.0005	0	01	0.0005	0	0
	Total	200000	100	0	200000	100	0	0

iii) Change in Promoters' (including Promoter Group) Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ACC Limited				
	At the beginning of the year	199998	99.999		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			199998	99.999
2	Mr Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	01	0.0005		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.0005
3	Mr Jayanta DattaGupta jointly with ACC Limited				
	At the beginning of the year	01	0.0005		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.0005

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2015: Not Applicable.

v) Shareholding of Directors and Key Managerial Personnel: Not Applicable.

V. Indebtedness

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

	Secured Loans excluding deposits ₹	Unsecured Loans ₹	Deposits ₹	Total indebtedness ₹
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	2,09,34,564.00	-	2,09,34,564.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	2,09,34,564.00	-	2,09,34,564.00
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	1,69,33,236.00	-	1,69,33,236.00
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	40,01,328.00	-	40,01,328.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	3,31,450.00	-	3,31,450.00
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

B. Remuneration to Other Directors: Not Applicable

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: Not Applicable

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties / punishments / compounding of offences for the year ended December 31, 2015.

For and on behalf of the Board

Naveen Chadha
Director

S Viswanathan
Director

Mumbai
January 27, 2016

INDEPENDENT AUDITOR'S 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, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at December 31, 2015, and its loss and its 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, 2015 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on December 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer notes 25 to 27 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.*Chartered Accountants*

ICAI Firm Registration No. 100186W

Sachin A. Negandhi*Partner***Place:** Mumbai**Date:** January 27, 2016

Membership No: 112888

ANNEXURE TO THE AUDITOR'S 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, 2015, 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.
- (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 accounts.
- (iii) 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 189 of the Companies Act, 2013. Accordingly, sub-clause (a) and (b) of the Order 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) The Company has not accepted any deposits from the public to which the provisions of section 73 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules 2014 apply.
- (vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.
- (vii) (a) According to the records of the Company, the Company has been generally regular in depositing Provident Fund, Employees' State Insurance, Income tax, Sales tax, Value Added tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and other material statutory dues applicable to it 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.
- (c) 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.

- | | |
|---|--|
| <p>(viii) The accumulated losses of the Company exceed fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.</p> <p>(ix) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank or debenture holder, and hence clause 3 (ix) of the Order is not applicable to the Company.</p> <p>(x) 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.</p> <p>(xi) The Company has not raised any term loans during the year.</p> | <p>(xii) 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.</p> |
|---|--|

For K. S. Aiyar & Co.
Chartered Accountants
 ICAI Firm Registration No. 100186W

Sachin A. Negandhi
Partner
 Membership No: 112888

Place: Mumbai
Date: January 27, 2016

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

BALANCE SHEET AS AT DECEMBER 31, 2015

Particulars	Note No.	As at Dec 31, 2015 ₹	As at Dec 31, 2014 ₹
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	2,00,00,000	2,00,00,000
Reserves and Surplus	4	(94,54,621)	(72,67,375)
		1,05,45,379	1,27,32,625
Non current liabilities			
Long Term Borrowing	5 (A)	40,01,328	1,70,22,085
Current liabilities			
Short Term Borrowing	5 (B)	-	39,12,469
Other current liabilities	6	31,33,066	32,50,537
Short-term provisions	7	-	-
		31,33,066	71,63,006
TOTAL		1,76,79,773	3,69,17,716
Assets			
Non-current assets			
Fixed Assets:			
Tangible assets	8	5,34,720	5,72,901
Long-term loans and advances	9	10,43,086	9,83,210
		15,77,806	15,56,111
Current assets			
Inventories	10	36,31,906	36,31,906
Trade receivables	11	6,90,713	6,90,713
Cash and bank balances	12	6,38,334	1,99,81,905
Short-term loans and advances	13	1,11,41,014	1,10,54,218
Other current assets	14	-	2,863
		1,61,01,967	3,53,61,605
TOTAL		1,76,79,773	3,69,17,716
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 National Lime Stone Company Private Limited

For K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration
No :- 100186W

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 27, 2016

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED DECEMBER 31, 2015

Particulars	Note No.	For the year ended Dec 31, 2015 ₹	For the year ended Dec 31, 2014 ₹
Revenue from operations	15	-	-
Other Income	16	2,01,183	-
Total revenue		2,01,183	-
EXPENSES			
Cost of material Consumed	17	-	-
(Increase) / decrease in inventories of finished goods	18	-	-
Depreciation and amortization expense	8	38,181	25,620
Other expenses	19	20,18,798	22,68,685
Interest on ICD		3,31,450	-
Total Expenses		23,88,429	22,94,305
Profit /(Loss) before Tax		(21,87,246)	(22,94,305)
Tax expenses		-	-
Profit / (Loss) for the year		(21,87,246)	(22,94,305)
Earnings per equity share (Face value of ₹ 100 each) (PY ₹ 100 each) (Refer Note - 21)			
Basic		(10.94)	(100.61)
Diluted		(10.94)	(100.61)
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 National Limestone Company Private Limited

For K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration
No :- 100186W

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 27, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Particulars	For the year ended Dec 31, 2015 ₹	For the year ended Dec 31, 2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
1. Net Profit/(Loss) before taxation	(21,87,246)	(22,94,305)
Adjustments for:		
Depreciation	38,181	25,620
Interest Received	-	-
Operating profit before working capital changes	(21,49,065)	(22,68,685)
Movement in Working Capital		
2. Decrease/(Increase) in Other Current assets	(1,01,607)	2,68,396
3. Decrease/(Increase) in Loans & Advances	(59,876)	5,051
4. Increase/(Decrease) in Other Liabilities & Provisions	(1,17,471)	1,70,375
Cash generated from operations	(24,28,019)	(18,24,863)
5. Direct Taxes paid - (Net of Refunds)	-	-
NET CASH USED FROM OPERATING ACTIVITIES	(24,28,019)	(18,24,863)
B CASH FLOW FROM INVESTING ACTIVITIES		
6. Interest Received	-	-
NET CASH FROM INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
7. Inter Corporate Deposits repaid to Holding Company	(1,69,33,226)	19,12,469
8. Proceeds from issue of equity shares	-	1,91,35,000
NET CASH FROM FINANCING ACTIVITIES	(1,69,33,226)	2,10,47,469
Net increase / (decrease) in cash & cash equivalents	(1,93,61,245)	1,92,22,606
Cash & cash equivalents at the beginning of the year	1,93,72,222	1,49,616
Cash & cash equivalents at the end of the year	10,977	1,93,72,222

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 National Limestone Company Private Limited

For K.S.AIYAR & CO.

Chartered Accountants

ICAI Firm Registration No :- 100186W

Ramnik Gupta

Director

Rajat Prusty

Director

SACHIN A. NEGANDHI

Partner

Membership No. 112888

Mumbai, January 27, 2016

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

Notes to Financial Statement for the year ended December 31, 2015

1. 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 in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention..
- (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.

(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 II (Part-C) of the Companies Act, 2013, 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.

Notes to Financial Statement for the year ended December 31, 2015**(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 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.

(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 Schedule III of the Companies Act, 2013. 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 Dec 31, 2015 ₹	As at Dec 31, 2014 ₹
AUTHORISED SHARES		
2,00,000 (previous year: 2,00,000) equity shares of ₹ 100 each	2,00,00,000	2,00,00,000
ISSUED		
2,00,000 (previous year: 2,00,000) equity shares of ₹ 100 each	2,00,00,000	2,00,00,000
SUBSCRIBED & PAID-UP		
2,00,000 (previous year: 2,00,000) equity shares of ₹ 100 each (All shares are held by ACC limited, the holding company & its Nominee)	2,00,00,000	2,00,00,000
TOTAL	2,00,00,000	2,00,00,000

Notes :**(a) Reconciliation of number of equity shares**

	2015		2014	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Equity Shares				
Number of shares outstanding at the beginning of the year	2,00,000	2,00,00,000	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	2,00,000	2,00,00,000

(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

	2015		2014	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Holding company	2,00,000	2,00,00,000	2,00,000	2,00,00,000
ACC Limited				
	2,00,000	2,00,00,000	2,00,000	2,00,00,000

ACC limited is group company of LafargeHolcim Ltd Switzerland (the ultimate holding company)

(d) Details of shareholders holding more than 5% shares

	2015		2014	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
ACC Limited	2,00,000	100	2,00,000	100

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

Notes to Financial Statement for the year ended Dec 31, 2015

4. RESERVES AND SURPLUS

	As at Dec 31, 2015 ₹	As at Dec 31, 2014 ₹
General Reserves	4,22,125	4,22,125
Surplus in the statement of profit and loss		
Balance as per last Financial statements	(76,89,500)	(53,95,195)
Add: Profit / (Loss) for the year	(21,87,246)	(22,94,305)
	(98,76,746)	(76,89,500)
TOTAL	(94,54,621)	(72,67,375)

5-A . LONG TERM BORROWINGS

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Inter corporate deposit from Holding Company	40,01,328	1,70,22,085
TOTAL	40,01,328	1,70,22,085

5 -B . SHORT TERM BORROWINGS

Current maturities of long-term borrowings	-	39,12,469
TOTAL	-	39,12,469
Grand TOTAL	40,01,328	2,09,34,554

6 . CURRENT LIABILITIES

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Security deposits	8,62,689	8,62,689
Other Payables	12,00,016	11,76,206
Advance from customers	9,68,413	9,68,413
Provision for expenses	1,01,948	2,43,229
TOTAL	31,33,066	32,50,537

7. PROVISIONS

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Other Provision	-	-
TOTAL	-	-

Note - 8- FIXED ASSETS

Amount in ₹

	GROSS BLOCK AT COST		DEPRECIATION / AMORTISATION		NET BLOCK		
	As at 01.01.2015	As at 31-12-2015	As at 01.01.2015	For the Year	As at 31-12-2015	As at 31-12-2015	As at 31-12-2014
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	6,32,290	18,839	6,51,129	68,462	87,301
4- Office Equipment	1,94,457	1,94,457	1,36,988	19,342	1,56,330	38,127	57,469
Total	13,42,179	13,42,179	7,69,278	38,181	8,07,459	5,34,720	5,72,901
Previous Year	13,42,179	13,42,179	7,43,658	25,620	7,69,278	5,72,901	

9. LONG - TERM LOANS AND ADVANCES

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Other loans and advances		
Advances Payment against taxes -	10,43,086	9,83,210
TOTAL	10,43,086	9,83,210

10. INVENTORIES

(At cost or net realisable value whichever is lower)

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
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

Notes to Financial Statement for the year ended Dec 31, 2015**11. TRADE RECEIVABLES**

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
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

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Cash and cash equivalents		
Balances with banks:		
On current accounts	10,977	2,37,222
Cheques on hand	-	1,91,35,000
	10,977	1,93,72,222
Other bank balances		
Fixed deposit (receipts are in the custody of mining department as security towards mines)	6,27,357	6,09,683
	6,27,357	6,09,683
TOTAL	6,38,334	1,99,81,905

13. SHORT-TERM LOANS AND ADVANCES

unsecured, considered Good, unless otherwise stated

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Security deposit		
Deposit with Mining department	1,04,25,437	1,04,25,437
Advances recoverable in cash or kind		
Unsecured considered good	4,10,402	4,10,802
Prepaid Expenses	3,05,175	2,17,979
TOTAL	1,11,41,014	1,10,54,218

14. OTHER CURRENT ASSETS

Unsecured, considered good unless stated otherwise

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Accrued Interest	-	2,863
TOTAL	-	2,863

15. REVENUE FROM OPERATIONS

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
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

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Income from Scrap Sale	1,89,335	-
Interest on FDR	11848	-
TOTAL	2,01,183	-

17. COST OF MATERIALS

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Purchase of crushed limestone	-	-
TOTAL	-	-

18. CHANGES IN INVENTORIES OF FINISHED GOODS

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Inventories at the end of the year		
Finished Goods	36,31,906	36,31,906
	36,31,906	36,31,906
Inventories at the beginning of the year		
Finished Goods	36,31,906	36,31,906
	36,31,906	36,31,906
(Increase) / Decrease	-	-

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

Notes to Financial Statement for the year ended Dec 31, 2015

19.1 OTHER EXPENSE

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Power & fuel	-	17,384
Royalties	10,11,553	11,40,723
Loading , transportation , Mines expenses & other charges	2,15,007	3,00,723
Travelling Expenses	1,91,019	3,340
Professional Charges	1,74,990	3,05,632
Legal Expenses	1,63,384	55,000
Share issue expenses	-	2,00,000
Miscellaneous expenses	78,122	85,643
Total (A)	18,34,075	21,08,445

19.2 PAYMENT TO STATUTORY AUDITORS (excluding service tax)

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
As auditors		
Audit fees	55,000	50,000
Audit fees for tax financial statements	27,500	25,000
Out of pocket expenses	40,623	29,240
For other services	61,600	56,000
Total (B)	1,84,723	1,60,240
Total (A +B)	20,18,798	22,68,685

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

Transaction with Holding company	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
(i) Interest On ICD	3,31,450	-
(ii) Dead Rent / Land tax / F.B.T Paid on behalf of National Limestone Company Private Limited By ACC Limited	-	1,14,440
(iii) Inter Corporate Deposits Received	21,42,666	19,12,469
(iv) Issue of equity shares	-	1,91,35,000

(b) Closing Balances of Related Parties

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
(i) Holding Co- ACC Limited		
Other Payables	40,01,328	1,70,22,095
ICD taken	-	39,12,469

21. EARNINGS PER SHARE-[EPS]

Particulars	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Profit /(Loss) after taxation as per Statement in Profit & Loss	(21,87,246)	(22,94,305)
Weighted average number of Equity Shares Outstanding	2,00,000	22,805
Basic earnings per share (weighted average) (Face Value – ₹ 100 per share)	(10.94)	(100.61)

(Basic and diluted earning per share are the same)

Notes to Financial Statement for the year ended Dec 31, 2015**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.

Year	2015		2014	
	For the year	Cumulative	For the year	Cumulative
Amount (in ₹)	38,50,000	3,08,00,000	38,50,000	2,69,50,000

- 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) of Part B of schedule III of The Companies Act, 2013 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

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 27, 2016

SINGHANIA MINERALS PRIVATE LIMITED (SMPL)

BOARD'S REPORT

TO THE MEMBERS OF SINGHANIA MINERALS PRIVATE LIMITED

The Directors take pleasure in presenting the Twenty First Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended December 31, 2015.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2015 is summarized below:

PARTICULARS	2015 ₹	2014 ₹
Revenue from operations (net) and Other Income	-	-
Profit / (Loss) Before Tax	(398,017.00)	(207,767.00)
Provision for Taxation	-	-
Profit / (Loss) after Tax	(398,017.00)	(207,767.00)
Balance brought forward from previous year	(761,631.00)	(553,864.00)
Balance carried forward to Balance Sheet	(1,159,648.00)	(761,631.00)

2. OPERATIONS

The Company had no operations for the year ended December 31, 2015. The loss for the period pertains to fees for statutory and tax account audits and Limited Reviews together with legal and secretarial fees incurred and for dead rent.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2015.

4. CONTINUANCE OF THE EXISTING FINANCIAL YEAR

Pursuant to a favourable Order from the Company Law Board, the Company will continue to have the calendar year (1st January - 31st December) as its financial year.

5. MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in the Report, there have been no material changes and commitments

made between the end of the financial year of the Company and the date of this Report.

6. 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 impacting the going concern status of your Company.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has received loan of ₹ 375,428/- during the year for meeting its expenses, from its Holding Company i.e. ACC Limited. The loan amount carries an interest of 9% p.a.

There are no other loans / guarantees given and investments made under the provisions of Section 186 of the Companies Act, 2013.

8. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Companies Act, 2013 and Rules framed thereunder, the transactions entered into with Related Parties are in the ordinary course of business and on an arms length pricing basis. There are no material related party transactions. Accordingly, there is no requirement to furnish any information in Form AOC2.

9. DIRECTORS

Appointment of Directors

The Board of Directors has appointed Mr Naveen Chadha as an Additional Director of the Company with effect from October 16, 2015. Mr Chadha holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

Cessation of Directorship

Mr P N Iyer who was appointed as a Director of the Company with effect from July 14, 2014, ceased to be a Director of the Company with effect from April 01, 2015. The Board has placed on record its appreciation for the valuable contribution made by Mr Iyer during his tenure as a Director of the Company.

Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013, Mr S Viswanathan retires by rotation and being eligible offers himself for re-appointment as a director of the Company. Accordingly, his appointment has been included in the Notice convening the 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:

- i. that in the preparation of the annual financial statements for the year ended December 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. 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, 2015 and of the loss of the Company for the year ended on that date;
- iii. 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;

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

11. MEETINGS

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2015, four meetings were held on January 21, 2015, April 08, 2015, July 14, 2015 and December 16, 2015.

The Company is not required to constitute an Audit Committee, Nomination & Remuneration Committee or Corporate Social Responsibility Committee.

12. AUDITORS

Messrs K S Aiyar & Co, Chartered Accountants, (ICAI Firm Registration No 100186W) who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment. Members of the Company at the Company's 20th Annual General Meeting had approved the appointment of Messrs K S Aiyar & Co. for a term of five financial years i.e. upto the financial year ending December 31, 2019. As required under the provisions of the Companies Act, 2013, the appointment of the Auditor is required to be ratified by the Members each year at the Annual General Meeting. Accordingly, requisite resolution forms part of the Notice of the Annual General Meeting. 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 2016.

SINGHANIA MINERALS PRIVATE LIMITED (SMPL)

13. ANNUAL RETURN

The Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT-9 is enclosed and marked as "Annexure A".

14. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As no business activity was carried out, the information on conservation of energy, technology absorption and foreign exchange earnings & outgo, during the year is Nil.

15. PARTICULARS OF EMPLOYEES

There are no employees on the rolls of the Company. Hence, there is no disclosure under Section 197 (12) of the Companies Act 2013 read with Rule 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of the excellent co-operation received from the Government Authorities 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

Naveen Chadha	S Viswanathan
Director	Director
DIN:00191181	DIN:02787215

Mumbai
January 27, 2016

Registered Office:
Paryavas Bhawan, 2nd Floor
Block No.1, Jail Road, Arera Hills
Bhopal 462 011 (M.P.)

ANNEXURE 'A' TO BOARD'S REPORT

FORM No. MGT- 9
EXTRACT OF ANNUAL RETURN as on December 31, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. Registration and other details

CIN	U14109MP1992PTC007264
Registration Date	August 10, 1992
Name of the Company	Singhania Minerals Private Limited
Category / Sub Category of the Company	Indian Non Government - Limited by shares - Private Company
Address of the Registered Office and contact details	Paryavas Bhavan, 2nd Floor, Block No.1, Jail Road, Arera Hills, Bhopal 462 011 (M.P.) Tel. No: 0755-3049792
Whether Listed Company	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

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 the main Product / Services	NIC Code of the Product / Service	% to total turnover of the Company
Mining / quarrying of limestone, limeshell, kankar and other calcareous minerals including calcite, chalk and shale	14107	NIL

III. Particulars of Holding, Subsidiary and Associate Companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
ACC Limited Cement House, 121, Maharshi Karve Road, Mumbai 400 020	L26940MH1936PLC002515	Holding	100%	2(46)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	-	2	2	0.010	-	2	2	0.010	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	19997	19997	99.985	-	19997	19997	99.985	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (specify) Directors	-	1	1	0.005	-	1	1	0.005	0
Sub-Total (A)(1)	-	20000	20000	100	-	20000	20000	100	0

SINGHANIA MINERALS PRIVATE LIMITED (SMPL)

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 (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters & Promoter Group (A)=(A)(1)+(A)(2)	-	20000	20000	100	-	20000	20000	100	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	-	20,000	20,000	100	-	20,000	20,000	100	0

ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (January 1, 2015)			Shareholding at the end of the year (December 31, 2015)			% 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	
1	ACC Limited	19997	99.985	0	19997	99.985	0	0
2	Mr Sunil Nayak jointly with ACC Limited	01	0.005	0	01	0.005	0	0
3	Mr Burjor D Nariman jointly with ACC Limited	01	0.005	0	01	0.005	0	0
4	*Mr Panchanathan Natesan Iyer jointly with ACC Limited	01	0.005	0	0	0	0	0
5	*Mr S Viswanathan jointly with ACC Limited	0	0	0	01	0.005	0	0
	Total	20000	100	0	20000	100	0	0

*Shares of Mr P N Iyer jointly with ACC Limited have been transferred to Mr S Viswanathan jointly with ACC Limited on October 16, 2015.

iii) Change in Promoters' (including Promoter Group) Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ACC Limited				
	At the beginning of the year	19997	99.985	-	-
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year	-	-	19997	99.985
2	Mr Sunil K Nayak jointly with ACC Limited				
	At the beginning of the year	01	0.005	-	-
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year	-	-	01	0.005
3	Mr Burjor D Nariman jointly with ACC Limited				
	At the beginning of the year	01	0.005	-	-
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year	-	-	01	0.005

SINGHANIA MINERALS PRIVATE LIMITED (SMPL)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Mr Panchanathan N Iyer jointly with ACC Limited				
	At the beginning of the year	01	0.005		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease			01 (Transfer on 16.10.2015)	0.005
	At the end of the year			00	0.000
5	Mr S Viswanathan jointly with ACC Limited				
	At the beginning of the year	00	0.000		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease			01 (Transfer on 16.10.2015)	0.005
	At the end of the year			01	0.005

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2015: Not Applicable.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr P N Iyer jointly with ACC Limited				
	At the beginning of the year	01	0.005		
	Date wise Increase / (transfer)			01 (Transfer 16.10.2015)	0.005
	At the end of the year			00	0.000
2	Mr S Viswanathan jointly with ACC Limited				
	At the beginning of the year	00	0.000		
	Date wise Increase / (transfer)			01 (Transfer 16.10.2015)	0.005
	At the end of the year			01	0.005

V. Indebtedness

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

	Secured Loans excluding deposits ₹	Unsecured Loans ₹	Deposits ₹	Total indebtedness ₹
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	744,222	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	744,222	-	-
Change in Indebtedness during the financial year				
Addition	-	397,128	-	-
Reduction	-	-	-	-
Net Change	-	397,128	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	119,650	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	21,790	-	-
Total (i+ii+iii)	-	11,41,440	-	-

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

B. Remuneration to Other Directors: Not Applicable

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: Not Applicable

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties / punishments / compounding of offences for the year ended December 31, 2015.

For and on behalf of the Board

Naveen Chadha
Director

S Viswanathan
Director

Mumbai
January 27, 2016

INDEPENDENT AUDITOR'S 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, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at December 31, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 16 to the financial statements. The Company has accumulated losses and its net worth has been fully eroded. The Company has incurred a net loss during the current and previous year and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on December 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.

Chartered Accountants

ICAI Firm Registration No. 100186W

Sachin A. Negandhi

Partner

Place: Mumbai

Date: January 27, 2015

Membership No: 112888

ANNEXURE TO THE AUDITOR'S 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, 2015, of Singhania Minerals 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.
- (ii) Since the Company has not started any commercial operations and in absence of any inventories clause 3 (ii) is not applicable for the year.
- (iii) 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 189 of the Companies Act, 2013. Accordingly, sub-clause (a) and (b) of the Order 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 fixed assets. During the course of our audit, no major weakness has been noticed in the internal control system in respect of this area.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules 2014 apply.
- (vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.
- (vii) (a) According to the records of the Company, the Company has been generally regular in depositing Provident Fund, Employees' State Insurance, Income tax, Sales tax, Value Added tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and other material statutory dues applicable to it 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.
- (c) 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.
- (viii) The accumulated losses of the Company exceed fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank or debenture holder, and hence clause 3 (ix) of the Order is not applicable to the Company.
- (x) 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.
- (xi) The Company has not raised any term loans during the year.
- (xii) 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
Membership No: 112888

Place: Mumbai
Date: January 27, 2015

BALANCE SHEET as at December 31, 2015

Particulars	Note No.	As at December 31, 2015 ₹	As at December 31, 2014 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,00,000	2,00,000
Reserves and surplus	4	(11,59,648)	(7,61,631)
		(9,59,648)	(5,61,631)
Non-current liabilities			
Long-term borrowings	5	11,41,440	7,44,222
Current liabilities			
Other current liabilities	6	9,131	-
Short-term provisions	7	88,165	1,05,618
		12,38,736	8,49,840
TOTAL		2,79,088	2,88,209
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	17,598	26,719
		17,598	26,719
TOTAL		2,79,088	2,88,209
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For K.S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration
No:- 100186W

Sachin A. Negandhi
Partner
Membership No. :112888

Mumbai, January 27, 2016

For and on behalf of the Board of
Singhania Minerals Private Limited

R S RATHORE
Director
S. VISWANATHAN
Director

STATEMENT OF PROFIT AND LOSS
for the year ended December 31, 2015

Particulars	Note No.	For the year ended December 31, 2015 ₹		For the year ended December 31, 2014 ₹
Revenue from operations (gross)		-	-	-
Less - Excise duty		-	-	-
Revenue from operations (net)		-	-	-
Other Income		-	-	-
Total Revenue			-	-
EXPENSES				
Depreciation and amortization expense	8	-	-	-
Finance cost- Interest		1,35,654	-	-
Other expenses	11	2,62,363	-	2,07,767
Total Expenses			3,98,017	2,07,767
Profit/ (Loss) before tax			(3,98,017)	(2,07,767)
Tax expenses				
Current tax			-	-
Deferred tax			-	-
Profit/ (Loss) after tax			(3,98,017)	(2,07,767)
Earnings per equity share				
{(Face value of ₹ 10 each (Previous year - ₹ 10)) (Refer Note- 13)}				
Basic		₹	(19.90)	(10.39)
Diluted		₹	(19.90)	(10.39)
Significant accounting policies	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For K.S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration
No:- 100186W

Sachin A. Negandhi
Partner
Membership No. :112888

Mumbai, January 27, 2016

For and on behalf of the Board of
Singhania Minerals Private Limited

R S RATHORE
Director
S. VISWANATHAN
Director

SINGHANIA MINERALS PRIVATE LIMITED (SMPL)

CASH FLOW STATEMENT for the year ended December 31, 2015

Particulars	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
1. Net Profit/(Loss) before taxation	(3,98,017)	(2,07,767)
Adjustments for:		
Interest on long term borrowings	1,35,654	-
Operating profit before working capital changes	(2,62,363)	(2,07,767)
Movement in Working Capital		
2. Increase in other Current Liabilities	9,131	-
3. Decrease in Short term provisions	(17,453)	12,246
NET CASH FROM OPERATING ACTIVITIES	(2,70,685)	(1,95,521)
B. CASH FLOW FROM INVESTING ACTIVITIES		
4. Purchase of Fixed Assets	-	-
NET CASH FROM INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
5. Proceeds from long term borrowings	3,97,218	2,17,191
6. Interest paid on long term borrowings	(1,35,654)	-
NET CASH FROM FINANCING ACTIVITIES	2,61,564	2,17,191
Net increase / (decrease) in cash & cash equivalents	(9,121)	21,670
Cash & cash equivalents at the beginning of the year	26,719	5,049
Cash & cash equivalents at the end of the year	17,598	26,719

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
ICAI Firm Registration
No:- 100186W

RS RATHORE
Director

S. VISWANATHAN
Director

Sachin A. Negandhi
Partner
Membership No. :112888

Mumbai, January 27, 2016

Notes to the financial statements for the year ended December 31, 2015

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 have been prepared and prescribed in accordance with the generally accepted accounting principles in India (Indian GAAP) under historical cost convention on an accrual basis. The financial statements of the company comply in all material respects with Accounting Standards notified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of Companies Act 2013.
- b) 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 over the useful life as prescribed under Schedule II of the Companies Act 2013. 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.

SINGHANIA MINERALS PRIVATE LIMITED (SMPL)

Notes to the financial statements for the year ended December 31, 2015

(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 Schedule III of the Companies Act, 2013. 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'.

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, 2015 ₹	As at December 31, 2014 ₹
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 (All the shares are held by ACC Limited, the Holding Company and its nominees)	2,00,000	2,00,000
TOTAL	2,00,000	2,00,000

i) Reconciliation of number of equity shares outstanding

	As at December 31, 2015		As at December 31, 2014	
	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, 2015 No. of shares	As at December 31, 2014 No. of shares
ACC Limited (Holding Company)	20,000	20,000

iv) Details of shareholders holding more than 5% shares in the Company

	As at December 31, 2015		As at December 31, 2014	
	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, 2015 ₹	As at December 31, 2014 ₹
Surplus in Statement of Profit and Loss		
Balance as per last Financial statements	(7,61,631)	(5,53,864)
Add: Profit/ (Loss) for the year	(3,98,017)	(2,07,767)
TOTAL	(11,59,648)	(7,61,631)

5. Long-term borrowings

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Unsecured		
From Holding Company (Payable on demand)	11,41,440	7,44,222
TOTAL	11,41,440	7,44,222

Notes to the financial statements for the year ended December 31, 2015**6. Other current liabilities**

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
TDS Payable	9,131	-
TOTAL	9,131	-

7. Short-Term Provisions

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Provision for Expenses	88,165	1,05,618
TOTAL	88,165	1,05,618

8. Fixed Assets

Particulars	GROSS BLOCK AT COST		NET BLOCK	
	As at 01-01-2015 ₹	As at 31-12-2015 ₹	As at 31-12-2015 ₹	As at 31-12-2014 ₹
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, 2015 ₹	As at December 31, 2014 ₹
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, 2015 ₹	As at December 31, 2014 ₹
Cash and cash equivalents		
Balances with banks:		
On current accounts	17,598	26,719
Cash on hand		
TOTAL	17,598	26,719

11. Other expenses

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Bank Charges	643	1,787
Dead Rent	53,400	26,700
Office General expenses	330	383
Secretarial & Legal Expenses	30,335	29,780
Traveling Expenses	6,730	-
Other Expenses	26,825	18,117
(a) Total	1,18,263	76,767

11.1 Payment to Statutory Auditors (excluding service tax)

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
As auditors		
Statutory Audit fees	55,000	50,000
Audit fees for tax financial statements	27,500	25,000
For other services	61,600	56,000
(b) Total	1,44,100	1,31,000
Total Other Expenses (a+b)	2,62,363	2,07,767

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, 2015
ACC Limited	7,44,222
(ii) Related Party Transaction	
Transaction with Related Party	During the year ended December 31, 2015
Loan received during the year	3,75,428
Interest charged during the year	21,790
(iii) Closing Balance of Related Party	
Name of the Related Party	Closing Balance as at December 31, 2015
ACC Limited	11,41,440

SINGHANIA MINERALS PRIVATE LIMITED (SMPL)

Notes to the financial statements for the year ended December 31, 2015

13. Earnings per Share - [EPS]

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Net Profit as per Statement of Profit and Loss	(3,98,017)	(2,07,767)
Weighted average number of equity shares for Earnings Per Share computation	20,000	20,000
Number of Shares for Diluted Earnings Per Share	20,000	20,000
Earnings Per Share		
Face value per Share	10	10
Basic	(19.90)	(10.39)
Diluted	(19.90)	(10.39)

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) of schedule III of Companies Act 2013 is either nil or not applicable.

16. The company has accumulated losses as at 31-Dec-2015 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. There is no pending litigation by or against the company as on date of financial statement which can effect the financials.

18. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

19. There has been no failure to transfer any amount liable to be transferred to Investors Education and Protection Fund.

20. The company has already applied to Company Law Board for following calendar year, Jan-Dec period instead of April-March period, as per the section 2 (41) of Companies Act, 2013. The approval for the same is awaited.

21. Previous period figures are regrouped/re-stated wherever necessary.

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
ICAI Firm Registration
No:- 100186W

R S RATHORE
Director

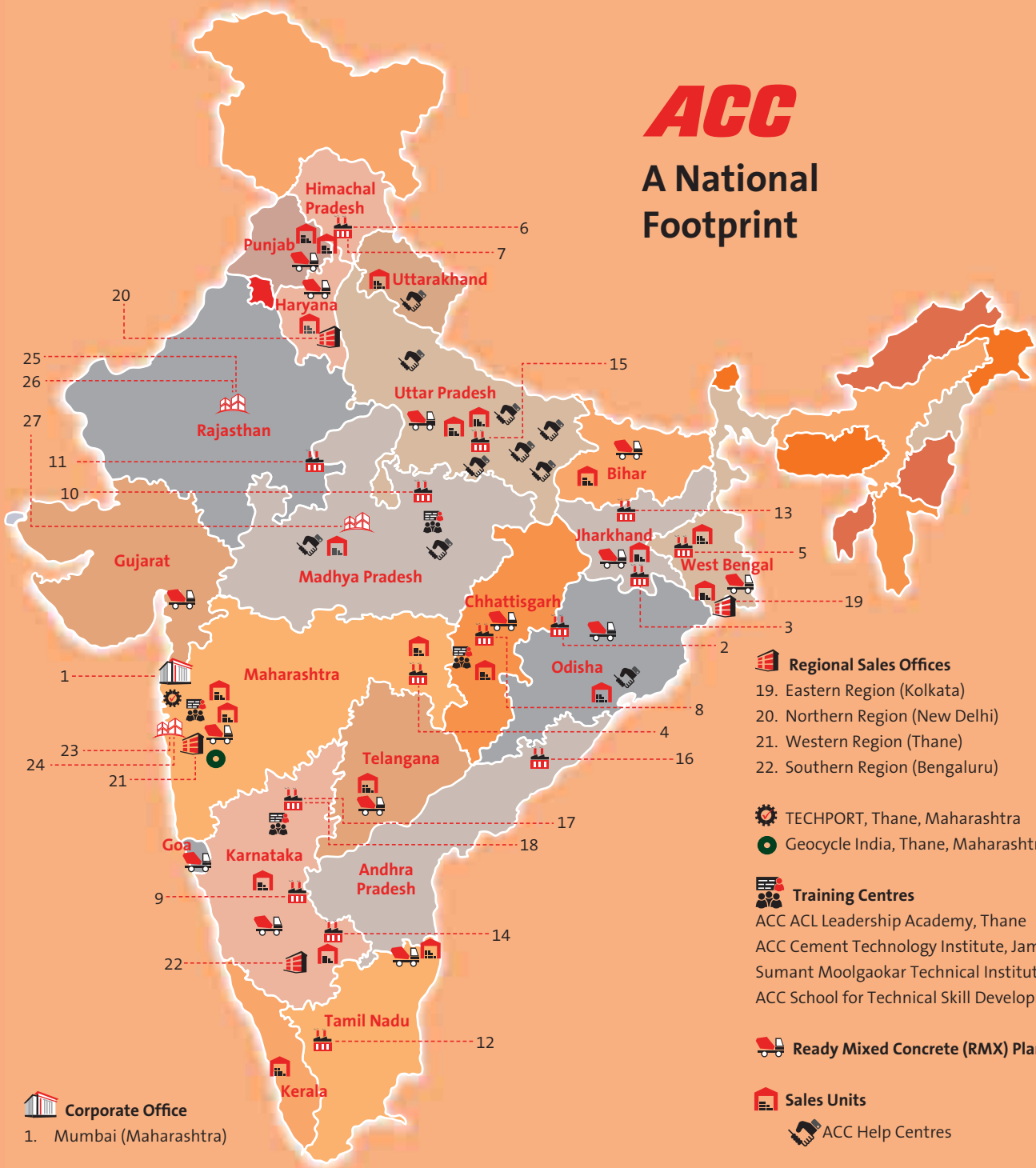
S. VISWANATHAN
Director

Sachin A. Negandhi
Partner
Membership No. :112888

Mumbai, January 27, 2016

ACC

A National Footprint



This map is as of February 10, 2016. It is illustrative and not drawn to scale. Andaman, Nicobar and Lakshadweep islands are not shown.

WYATTPrism COMMUNICATIONS (info@wyatt.co.in)



ACC Limited

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