

Business Responsibility Report for the year 2019

In terms of Regulation 34 of the Listing Regulations

Now a days, business enterprises are increasingly seen as critical components of social system and they are considered accountable not merely to their shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholder. Hence, adoption of responsible business practices in the interest of the social set-up and the environment are as vital as their financial and operational performance. This is all the more relevant for listed entities which, considering the fact that they have accessed funds from the public, have an element of public interest involved, and are obligated to make exhaustive continuous disclosures on a regular basis.

It is from this point of view that Regulation 34 of the Listing Regulations require the listed companies to submit as a part of their Annual report, a Business Responsibility Report describing the initiatives taken by them from an environmental, social and Governance perspective, in the format given under the Listing Regulations.

The initiatives taken by the Company are given in the prescribed format as under:-

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L26942GJ1981PLC004717
2. Name of the Company: AMBUJA CEMENTS LIMITED
3. Registered address: P. O. Ambujanagar, Taluka Kodinar, District Gir - Somnath, Gujarat- 362715
4. Website: www.ambujacement.com
5. E-mail id: secretarial@ambujacement.com
6. Financial Year reported: 01.01.2019 to 31.12.2019
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

Group	Class	Sub-Class	Description
239	2394	23941 23942	Manufacture of clinkers and cement

8. List three key products/services that the Company manufactures/provides (as in balance sheet): The key product that the Company manufactures is PORTLAND POZOLLANA CEMENT. We also produce Ordinary Portland Cement.
9. Total number of locations where business activity is undertaken by the Company
 - i) Number of International Locations (Provide details of major 5): NIL
 - ii) Number of National Locations: 82
10. Markets served by the Company –

LOCAL	STATE	NATIONAL	INTERNATIONAL
Yes	Yes	Yes	Yes

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Equity Share Capital ₹ 397.13 Crores
2. Total Turnover ₹ 11352.76 Crores
3. Total profit after taxes ₹ 1528.54 Crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after tax (%): 4.09%

The Company carries on its CSR activities primarily through its arms Ambuja Cement Foundation and Ambuja Vidya Niketan Trust.

The Company has spent ₹ 62.57 Crores during the Financial Year 2019 on CSR activities. This amounts to 4.09 % of Profit After Taxes (PAT) for the year 2019.

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

All CSR activities conducted by the Company are in alignment with those identified under Schedule VII of Companies Act, 2013 and are listed as follows:

(Amount ₹ In Crore)

Sr. No.	CSR Project or activity identified under Schedule VII of Companies Act, 2013	Sector in which the Project is covered	Expenditure incurred during the period
1	Eradicating extreme hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Drinking Water, Agro based Livelihood, Animal Husbandry, Health, Sanitation.	18.38
2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Education, Ambuja Manovikas Kendra, AmbujaVidyaNiketan, Skill And Entrepreneurship Development Institute (SEDI), Non Formal Education, Village Knowledge Centre.	17.06
3	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 background groups.	Women Empowerment, Female Feticide, Self Help Group, Federation.	2.14
4	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.	Non-Conventional, Biogas, Solar, Plantation, Water Resources, Watershed.	8.73
5	Rural development projects.	Rural Infrastructure Project	14.57
6	Measures for the benefit of armed forces veterans, war widows and their dependents.	Contribution to rehabilitation and welfare of Armed Forces.	0.00
7	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.	Contribution to National Tribal Dance Festival	0.10
		Total	60.98
	Overheads	Overheads	1.59
			62.57

SECTION C: OTHER DETAILS

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

Yes, the Company has 6 Subsidiary Companies as on 31st December, 2019.

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):

No. The subsidiary companies do not participate in the BR initiatives of the parent Company.

Out of the 6 subsidiary companies as on 31st December, 2019, three companies do not carry any business operations. ACC Ltd., a listed company has its own BR Initiatives.

The business activities of the remaining subsidiary companies are not material in relation to the business activities of the Company.

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%]:

No. The other entities with whom the Company does business with viz suppliers, distributors etc. do not participate in the BR initiatives of the Company.

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
- DIN Number: 02170280
 - Name: Mr. Bimlendra Jha
 - Designation: Managing Director & Chief Executive Officer
- b) Details of BR head

Sr. No.	PARTICULARS	DETAILS
1.	DIN Number (if applicable)	Not Applicable
2.	Name	Mr. Rajiv Gandhi
3.	Designation	Company Secretary
4.	Telephone Number	022-40667059
5.	E-mail id	rajiv.gandhi@ambujacement.com

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

Sr. No.	QUESTIONS	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy / policies for	Y	Y	Y	-	-	Y	-	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	-
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	-	Y	-
4	Has the policy being approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Y	Y	Y	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	Y	Y	Y	Y	-	Y	-
Sr. No.	QUESTIONS	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6	Indicate the link for the policy to be viewed online? www.ambujacement.com	https://www.ambujacement.com/Upload/PDF/Ethical-View-Reporting-Policy-July-2019.pdf	https://www.ambujacement.com/Upload/PDF/Sustainability-Policy-June2019.pdf	https://www.ambujacement.com/Upload/PDF/ACL-CSR-Policy-12Dec2018.pdf	https://www.ambujacement.com/Upload/PDF/Sustainability-Stakeholder-engagement	https://www.ambujacement.com/Upload/PDF/Sustainability-Stakeholder-engagement	https://www.ambujacement.com/Upload/PDF/Sustainability-Policy-June2019.pdf	-	https://www.ambujacement.com/Upload/PDF/Sustainability-Policy-June2019.pdf	https://www.ambujacement.com/Upload/PDF/code-of-conduct-and-business-ethics-wef-01-01-2017.pdf
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	N	N	Y	N	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	Y	-	Y	-	Y	-	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	-	Y	N	Y	-	Y	-

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

Sr. No.	QUESTIONS	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
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 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify) * Need for a written policy was not felt. Suitable decision for a written policy will be taken at appropriate time.	-	-	-	-	-	-	*	-	-

3. Governance related to BR

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

The M.D. & CEO assesses the BR performance of the Company on a Quarterly basis which is then appraised to the Board at its quarterly meetings as a part of larger presentation on sustainability. The CSR and Sustainability Committee is also appraised about the BR performance bi-annually at its meetings.

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

The Company publishes its Sustainability Report on an Annual basis which is GRI Standards compliant i.e. an internationally accepted reporting framework which is also assured by an independent certifying agency and is available on the website of the Company, www.ambujacement.com/Sustainability/sustainability-reports.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

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

The policies relating to ethics, bribery and corruption as well as the Whistleblower Policy covers the Directors, Employees, Vendors and Customers of the Company. These policies are more or less aligned with the policies of the parent company.

The Group /Joint Venture companies have their own policies which are also aligned with the policies of the parent company.

- 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.**

During the year 2019, a total of 51 complaints have been filed. Of these, based on the pre-assessment of the EthicalView Committee, 11 complaints did not warrant further investigation. 34 complaints were investigated and concluded whereas 6 complaints are still under investigation. The cases investigated were mainly of the nature of alleged bribery / kickbacks, theft, violation of Code of Conduct etc. Appropriate actions have been taken where the case is proved. These were in the form of termination, transfer and issue of warning letters to employees and termination of contract / blacklisting of vendor, recovery of penalty etc. The financial impact of these cases were insignificant and caused no damage to the Company.

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.

The Company understands its obligations on social and environmental concerns, risks and opportunities. Accordingly, the Company has devised the manufacturing process of its product (Portland Cement), in a manner taking care of its obligations.

The Company has deployed best in class technology and processes to manufacture its product 'Portland Cement' which use optimal resources. e.g. the manufacturing process involves use of 6 stage pre-heaters, vertical roller pre-grinder, and advanced technology clinker coolers which are most energy efficient and technologically advanced as on date.

In 2019, Clinker Factor was 64.91% with fly ash utilization of 32.50% in PPC and Composite Cement, thus saving natural resources like limestone. We also co-process plastic, industrial & hazardous waste from different industries as alternative fuel. The Company also co-processes biomass in its kilns and thermal power plants.

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?

The Company continuously strives its best to reduce the power/LDO Coal and other fuels consumed per unit of cement produced. The details are as under:

Consumption per unit of Production	Industry Norms	Current Year (Jan to Dec 2019)	Previous Year (Jan to Dec 2018)
Electricity (KWH/T of Cement)	100	77.27	76.63
LDO (Ltr/T of Clinker)	N.A.	0.14	0.13
Coal and other Fuels (K.Cal/Kg of Clinker)	800	769	760

i) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The details of the reduction during usage by consumers (energy, water) achieved since the previous year are not available with the Company.

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.

The Company seeks to engage in long-term relationships with the suppliers committed to their social responsibility, adhere to international standards such as ISO 14001 (Environment Management System) and have systems in place to comply with the local and national laws and regulations. All inputs, except where the Company does not have any control, are sourced sustainably. The Company has a procedure in place for sustainable sourcing of energy, water including transportation. Almost all the inputs are sourced on a sustainable basis. The Company has long term Leases / Agreements for sourcing limestone, fly ash and gypsum. The Company is increasing the usage of Alternate Fuel and Raw Materials (AFR) year on year to decrease dependency on traditional fuel i.e. coal.

The Company has established its own Bulk Cement Terminals & owns a fleet of specialised Bulk Cement Carriers (Ships) for transportation of cement by sea route as a sustainable source of transportation of cement.

Since the year 2017, Company has engaged Avetta, leading Global Consultant in Supplier Qualification, who helped the company in qualifying High Risk- High Spend Suppliers and Contractors by screening them on the various counts related to Sustainable Procurement such as H & S, Labour, Environment and Bribery & Corruption.

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

The Company encourages procurement of goods and services from Local and small producers surrounding its plant locations to encourage the local employment to the society. Our Contractors, who are engaged in Operation and Maintenance of Plants, mostly employ workmen from the nearby villages. The Company also trains the vendors to meet the H & S requirements across all its plant locations.

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.

We have fly ash and bottom ash generated as waste from our captive power plants which is used in our cement production. The entire fly ash generated [100%] is utilised to produce Portland Pozzolana Cement. (PPC).

Waste water generated from our plant and colony is recycled and reused in dust suppression, gardening, horticulture, etc.

PRINCIPLE 3

Businesses should promote the wellbeing of all employees.

1. Please indicate the Total number of employees:

- Management Staff : 3562
- Blue Collar Employees : 1506
- Total : 5068

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

- Total Contractual employees :
 - i. Shipping Sailing Staff : 122
 - ii Others : 26
 - iii Third Party : 6392

3. Please indicate the Number of permanent women employees :

- Permanent : 97
- On Probation : 28

4. Please indicate the Number of permanent employees with disabilities :

- Disabilities : 6

5. Do you have an employee association that is recognised by management ?

Yes, we have recognised trade unions affiliated to either of INTUC / AITUC / BMS.

6. What percentage of your permanent employees is members of this recognised employee association?

30% of our permanent employees are members of this recognized employee Association.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and 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	2	1
3.	Discriminatory employment	NIL	NIL

There are no complaints pending as on 20th February, 2020.

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

Permanent Employees: 100% Safety Training & Skill Up-gradation (by way of working-OJT)

- Permanent Women Employees : 100% Safety Training & Skill Up-gradation (by way of working- OJT)
- Casual/Temporary/Contractual Employees : 100% Safety training. However, details not available regarding other training as it is done by their respective employers.
- Employees with Disabilities : 100% safety

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 internal as well as external stakeholders.

2. Outof the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

The company has further identified the disadvantaged, vulnerable and marginalised stakeholders, namely the communities around its manufacturing sites and its workers/contractual workers and truck drivers. Disabled children and youth emerged as a separate group and hence are catered through education and skill development program. Women in the communities are reached out to through the Women Empowerment Program.

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.

A comprehensive stakeholder engagement program operates to facilitate several initiatives for engagement of different stakeholders.

'We Care' developed for promoting a serious safety culture in Ambuja. Continuous trainings on safety are held with employees, truckers, contract workers and the community to ensure 'Zero Harm' level. Site Specific Impact Assessment (SSIA) are conducted cyclically as formal process to address the concerns and the felt needs of stakeholders at the manufacturing sites. The communities and its people being identified as important stakeholders, Ambuja Cement Foundation (ACF) stands responsible for being the link between the company and the community. ACF has promoted strategic social investment through planning its development interventions. All the programs have defined goal and objectives and aim to specially focus the underprivileged and marginalized section of communities. Community Advisory Panels (CAP) have been created with representation of both Ambuja and other stakeholders including the community. It promotes communication between the plant, stakeholders and its neighbouring community. ACF's work is annually reviewed by its stakeholders through the Social Engagement Scorecard (SES) exercise.

PRINCIPLE 5

Businesses should respect and promote human rights.

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

The company refers to the guidelines provided by the parent company LafargeHolcim and uses it as a tool for assessment of Human Rights impacts at its places of operations.

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

No stakeholder complaints were received during the last financial year.

PRINCIPLE 6

Business 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 has various policies in place to reduce any negative effects of manufacturing operations and activities in the value chain of our business. While our Corporate Environment Policy covers operations only at Ambuja Cements Limited, our Green Procurement policy, Climate Change policy, CSR Policy and Sustainability Policy extend our efforts to monitor and protect environment in our value chain by including the suppliers, community, distributors and transporters to minimise our environmental impact.

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 hyperlink for webpage etc.**

Yes. Ambuja has a formalized Sustainability Policy, Green Procurement Policy, and Climate Change Mitigation Policy that are also communicated on our website in public domain. The Environment policy was last reviewed in 2017 and the Sustainability Policy was last reviewed in 2019 to strengthen sustainable development in our business value chain. The policies help deliver our envisaged commitments for climate change mitigation and adaptation at planning and operations level in the most responsible and fruitful manner. The Company has always been proactive in measuring & reporting its carbon emissions as per the protocol of the World Business Council on Sustainable Development (WBCSD). Scope-3 carbon emission from all our plants are verified by an independent third party. The Company also discloses its carbon emissions and water footprints annually in the Carbon Disclosure Project [CDP]. Further, we also keep our stakeholders informed on our sustainable development performance including CO2 emissions through our annual GRI based Sustainability Report. Ambuja has consistently implemented various new initiatives and innovations to reduce its emissions from its value chain and will continue to adopt strategies to address global warming and ensure a low carbon growth path for our operations. The company's website also contains information on our Sustainability endeavours. [See: <http://www.ambujacement.com/Sustainability>].

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

Yes. The Company regularly assesses the environmental risks emanating from our operations and as a part of the sustainability strategy, various initiatives are undertaken to address these risks. We have a structured process to carry out risk assessment dealing with business and environment all across the organisation on an annual basis. In addition, a comprehensive study was also conducted in 2018 by a third party to identify the potential financial impacts of the climate change related risk. This study was based on the recommendations by the Task Force on Climate-related Financial Disclosures (TCFD). The Company also conducted a comprehensive stakeholder engagement Materiality Review during 2018 to get a good understanding of the company's obligations to its various stakeholders, internal as well as external, consistent with the business's commitment to corporate responsibility and to find out the material issues, risks and opportunities. During 2018, we also developed Environmental Product Declaration (EPD) for our low carbon Portland Pozzolona Cement (PPC) and Compecem products which were verified by an independent third party and registered on the global platform 'Environdec' for consumer and stakeholder communication of the environmental performance of our products. Additionally, all our operations are certified to international Environment Management System (ISO 14001).

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

Yes, the company participates in the Global Program of Clean Development Mechanism (CDM). Our first project of the use of biomass for power generation at Ropar plant earned 17,727 CERs (Certified Emission Reduction) which could earn us ₹ 1.60 Crores in the year 2011. CDM project on Waste Heat Recovery [WHR] based power generation at our unit at Rabriyawas has been registered with UNFCCC in 2015 after successful Validation by DOE. This project is designed to accrue 35000/year Certified Emission Reductions (CERs) for the next 10 years. There is no requirement for filing environment compliance report as per Host Country Approval.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes. The Company has strong focus on clean technology, energy efficiency and renewable energy. Our renewable energy portfolio includes; 15 MW biomass-based power plant at Ropar (established in 2005), a 7.5 MW wind power station in Kutch (Gujarat) (established in 2011), a 330 kWp solar power station at Bhatapara (Chhattisgarh) (established in 2012), a 55.14 kWp rooftop solar PV project at Gurgaon Regional Office (established in 2014) and a new 6.5 MW waste heat recovery (WHR) based power generation system at our Rajasthan plant, commissioned in 2015. WHR system increases fuel efficiency and optimises power costs. In Ambujanagar, 15Kw Solar panel has been inserted for MPSS lighting and battery backup. Existing ACL captive power plants also use biomass. The renewable energy certificates (RECs) earned and the power-mix cost optimisation at our cement plants add value

to ACL's power sourcing strategy and RPO compliance. We are in process of setting up some solar power projects, such as onsite 7.14 MW solar power project at Rabriyawas (Rajasthan), 11.5 MW offsite project at Bhatapara, 9.4 MW offsite project at Dadri, and 12MW onsite project at Ambujanagar (Gujarat). These are likely to be in operation by 2021. WHR projects under planning are: 19.5 MW at Darlaghat (Himachal Pradesh), 19.5MW at Bhatapara (Chhattisgarh). Subsequently, we will set up WHR projects at Maratha (Maharashtra) and Ambujanagar (Gujarat).

Additionally, under the brand "Geocycle", we co-process industrial wastes from other industries in our kilns as alternative fuel. This helps us in reducing the use of coal, necessary for conservation of natural resources as well as greenhouse gas mitigation. During 2019, we co-processed about 3.1 Lakh tons of alternative fuels substituting 5.36% of total thermal energy by use of alternative fuels. The company monitors its specific thermal & electrical energy consumption and employs measures for improving energy efficiency. All five of our integrated units, Six of our grinding units, and one bulk cement terminal have implemented energy management system as per ISO 50001:2011 & attained certification to the international standard. A detailed list of various energy efficiency measures taken during 2019 are discussed at length in the Annexure - VII to the Director's Report.

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 Company employs various measures to ensure complete compliance to the applicable emission/waste standards. The Company is the first cement manufacturer to have proactively installed Continuous Emission Monitoring Systems (CEMS) at all the nine kiln stacks for online monitoring of all vital pollution parameters. In addition, Continuous Ambient Air Quality Monitoring Systems have been installed at all the plants.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There are 3 (three) cases that are pending in different Courts, involving environment related issues as on end of the Financial Year.

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 chamber or association? If Yes, Name only those major ones that your business deals with:

Yes. The Company is a member of the following trade / chamber associations.

- a. Confederation of Indian Industry (CII)
- b. Bombay Chamber of Commerce and Investments (BCCI)
- c. Cement Sustainability Initiative (CSI), a body of World Business Council for Sustainable Development (WBCSD).
- d. Global Compact Network India (GCNI).

Principal objectives of the above associations are to provide information, consultative and representative services to the organisation. It operates through National / Regional / State and Zonal Councils.

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 Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) :

We continue to advocate/work closely with business chambers such as CII and FICCI for advocating good practices in the industry and policy interventions in environment governance and administration, inclusive development policies (such as implementation of SDGs), climate change, water and energy security and sustainable business principles. Ambuja has also been an active member of erstwhile Cement Sustainability Initiative (CSI) India of the World Business Council for Sustainable Development (WBCSD) to work on several sustainability initiatives and training as well as best practices in the cement industry. This association has led to development of "Indian Cement Sector SDG Roadmap" that identified the most relevant development goals for the sector and the potential risks and opportunities in the areas of the identified SDGs. Ambuja played an instrumental role in sharing the case studies to share the possible applications that can be aspired by other players in the industry, and lead the sector to a low carbon economy model. We have also participated in the development of the Low Carbon Technology Road Map for Indian Cement sector and WBCSD's India Water Tool and engagement as one of the Co-chairs of SDGs road map for cement industry under the aegis of CSI. Ambuja will continue to participate and contribute in sustainability initiatives of the WBCSD. We have been a regular recipient of CII Sustainability Awards under the category of Corporate Excellence for the Corporate Sustainability and in the domains of Environment Management & CSR function at our unit level. This Award recognises India's most sustainable companies for their outstanding achievements and commitment to shaping a future that is more sustainable and inclusive. We had completed a detailed Life Cycle Analysis (LCA) and Environment Product Declaration (EPD) for all our units. Earlier, Ambuja Cement became the first Indian company in 2014 when it got the prestigious Certification on Sustainable Product labelling, "PRO-SUSTAIN" for PPC production from its Darlaghat plant from a leading global certification body. The "ProSustain" certification implies that the Company promotes the adoption of responsible and cost effective measures for incorporating sustainability into product design, development, production and supply chain management. Ambuja will continue to work towards receiving green labelling for our products to communicate and educate our customers to make responsible and informed decision to differentiate and purchase sustainable products. Ambuja also associated with some of the above associations in initiatives that collaborate with government agencies like Niti Aayog and coincide with our business objective in the field of circular economy. These initiatives will also benefit the community by arresting pollution and improving living conditions.

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 developed need based and focused development programs. Important stakeholders groups are meaningfully engaged at various stages of program development and implementation. The programs focus on the contextual needs of the community and can broadly be divided in following categories

1. Water Resource Management: Water and Land Resources
2. Livelihood Promotion: Agro based Livelihoods and Skill based Livelihoods
3. Social Development: Community Health and Sanitation, Women Empowerment and Education
4. Rural Infrastructure Development

The Company attempts to respond to the local development needs and national priorities through its development initiatives. While doing the same the Company promotes innovative strategies to intensify the reach and effectiveness of the programs.

Our thrust areas are well aligned to the schedule VII of Section 135 of the Companies Act, 2013 and compliment the nation's need for inclusive growth. The company through its Site Specific Impact Assessment (SSIA), identifies various opportunities and risks for critical stakeholders of the plant. The action plan created ensures equitable development and inclusive growth.

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

Ambuja Cement Foundation (ACF) is a CSR arm of the Company. ACF was established in 1993 and all the development initiatives of the Company are undertaken by ACF. ACF mainly works with the neighboring communities of ACL and other vulnerable stakeholders. All the development programs are implemented in house by ACF with its teams across plants.

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

ACF follows a systematic approach to review the performance of the programs on a regular basis. Both the inputs and outputs are mapped with the help of a customized monitoring system developed at ACF. Evaluation and impact assessments are undertaken at every critical phase of the program or at the maturity stage of the project. These assessments are undertaken by internal expert or external consultants and organizations specialising in the subject. During the year, some important assessments were carried out including Social Return on Investment for six skill training centres, the details of the same are provided in the Foundation's annual report (www.ambujacementfoundation.org).

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

Ambuja Cements Ltd (ACL) has spent ₹ 62.57 crores on CSR in 2019. The Company has been mainly focusing on development of communities around its manufacturing sites through ACF. ACF's work in community development is in line with its mission statement "Energise, involve and enable communities to realize their potential". The Foundation reaches out to 26.4 lakh people across 32 locations in 11 states of India. The thematic areas include water resource management, livelihood promotion, social development and infrastructure development.

Water resource management program focuses on water conservation, promotion of safe drinking water and judicious use of water through promotion of micro irrigation. Local issues such as water scarcity in desert, salinity in coastal region, overexploitation of groundwater are addressed through strategic efforts.

Agro based livelihood promotion efforts include Krishi Vigyan Kendra (KVK), promotion of Systematic Rice Intensification (SRI), organic farming, agro-forestry and horticulture promotion. One of the significant programs is Better Cotton Initiative (BCI) expanding its reach to about 1.69 lakh farmers. 33 Skill and Entrepreneurship Development Institutes (SEDIs) have trained over 62,921 youth.

Community health and sanitation program promotes healthy and productive neighbourhood communities. Raising awareness on health issues in rural communities helps in influencing the health seeking behaviour of community members. Under sanitation program household sanitation and sanitation in community school is promoted. Construction of toilets by mobilizing communities and resources from other sources is undertaken.

Ambuja Hospital Trust is a non-profit trust promoted by ACL to provide healthcare services to the community surrounding ACL's plant at Kodinar. Kodinar is a remote rural area with the nearest urban centre and multispecialty healthcare services being located more than 200 kilometres away. In 2019, the Ambujanagar Multispecialty Hospital reached out to about 44755 patients.

Education program in communities ensures quality education for children in government run schools. Ambuja Manovikas Kendra, Ropar, Punjab caters to children with disabilities. Further, the company promotes education in the five integrated plants through Ambuja Vidya Niketan Trust (AVNT). All five AVNTs are affiliated with CBSE and provide quality education to children of Ambuja employees as well as from the community.

Women empowerment program promotes economic and social development through income generation and Self Help Groups (SHGs). 2697 such SHGs have been formed with total 30683 members and a total corpus of 11.51 crore. At various locations these SHGs have come together to federate themselves into 7 Women Federations. These Federations of women actively engage in addressing local issues. Infrastructure development engages local communities in developing and maintaining community assets.

As a result of this robust and impactful approach, substantial funding is received from the government and other funders. With external funding ACF has been able to extend the scale and outreach of some programs and the same has positively influenced livelihood options for community.

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

Keeping in line with its mission to Energise Involve and Enable communities. ACF involves local people throughout the program cycle i.e. needs assessment, project planning, implementation and for monitoring. The focus has been on building capacities within the communities and creating local institutions which ensure ownership among the communities for the projects and sustains the development efforts. The approach has resulted in enabling and empowering local people's institution such as Women's Federations, Farmer Producer Companies, Water User Associations, among others.

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.

We have a formal system of receiving Customer complaints through Toll free number. In 2019 we received 1012 Customer queries/complaints through toll free number, all of them have been resolved.

As regards consumer cases, 20 consumer cases were pending before different Forums/Commissions/ Courts at the beginning of the year. During the year 4 consumer case was filed and 1 case was disposed-off leaving a balance of 23 pending cases as on end of the financial year 2019.

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)

The product quality is governed by the Bureau of Indian Standards (BIS). As per the BIS mandate, the product information is clearly displayed on the bag. No other label is displayed over and above than the mandated ones. The test report of cement supplied is available & produced on demand to the customers.

We print sustainable product labelling like Pro - Sustain for which our Darlaghat plant is already certified.

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.

The details of the complaints filed are as under:-

Sr. No.	Particulars	Remarks / Status
1.	The Competition Commission of India passed an Order dated 31st August, 2016, imposing penalty on certain cement manufacturers including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002. The penalty imposed on the Company is ₹ 1163.91 Crore.	Against the Order passed by CCI, the Company had filed Appeal in the Appellate Tribunal and obtained stay against the operation of CCI's Order, subject to deposit of 10% penalty in the form of Fixed Deposit. The Appeal was dismissed by the National Company Law Appellate Tribunal (NCLAT) on 25th July 2018. Against the judgment passed by NCLAT, the Company has filed Appeal in the Supreme Court. On 5th October 2018, the Supreme Court has admitted the Appeal and ordered continuation of interim orders passed by the Tribunal in the meantime, and, as such, the deposit continues @10%.
2.	State of Haryana has filed a complaint alleging cartelization in the tender for supply of cement by some cement companies including Ambuja Cements Ltd.	Against the Order passed by CCI, the Company has filed Appeal in the NCLAT and obtained stay against the operation of CCI's Order. The Appeal is being heard by the National Company Law Appellate Tribunal.

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

Yes. To fine tune its market offerings and products, the company carries out periodic customer satisfaction and consumer perception surveys. These are carried out as per global standards like Nielsen's Brand Equity Index (BEI), Net Promoter Score (NPS) & other research agencies. The feedback of various programs for customers/ influencers education is also taken. The Net Promoter Survey was carried out in 2019, it covered all channel partners in trade across India and received a NPS score of 59.