29th June, 2018

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.
Tel.: 22721233/4
Fax: 022 2272 2039
Scrip Code: 532538

The Manager
Listing Department
The National Stock Exchange of India Limited
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.
Tel.: 26598236
Fax: 2659 8237 / 38.
Scrip Code: ULTRACEMCO

Dear Sirs,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

Please find enclosed Sustainability Report of the Company for the financial year 2016-17.

The same is for your information please.

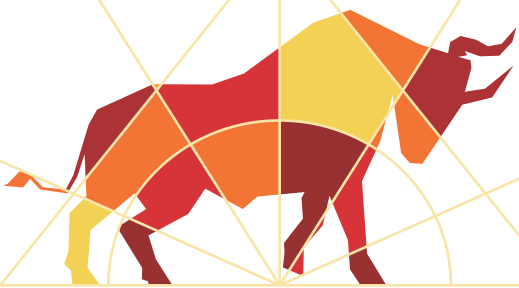
Yours very truly,

S. K. Chatterjee
Company Secretary

Encl. a/a.

ADITYA BIRLA

UltraTech



BULLISH ON GROWTH

BUILDING A SUSTAINABLE FUTURE

SUSTAINABILITY REPORT 2016-17

BULLISH ON GROWTH

BUILDING A SUSTAINABLE FUTURE

RESPONSIBLE STEWARDSHIP

BLUECHIP PERFORMANCE

How we perform in the present, sets the foundation for growth in the future.

We remain on a relentless pursuit of Responsible Stewardship.

Our growth is measured not just through financial numbers, but also through a number of lives uplifted; not just in units of cement produced, but also through quantum of resources conserved; not just through man-hours of productivity, but also through safe man-hours of production. Excellence across the triple bottom line helps us retain industry leadership and deliver reliable growth.



Excellence across the triple bottom line helps us retain industry leadership and deliver reliable growth.

We are ahead of the curve and equipped to embrace the future as it unfolds.



We at UltraTech, actively work to keep abreast with developing trends and unfolding business scenarios.

STAKEHOLDER ENGAGEMENT

SPOTTING MEGATRENDS

Change is constant, but never before have we witnessed it at such an accelerated pace.

Trends that would earlier take decades to sprout and blossom, now storm markets in weeks.

Businesses that miss important trends, often lose leadership and face existential crisis, whereas companies that stay in step with evolving industry paradigms post impressive growth. In a nutshell, trends matter. We at UltraTech, actively work to keep abreast with developing trends and unfolding business scenarios.



FUTURE PROOFING

INTELLIGENT HEDGING

Anticipating the future is only half the battle. Developing capabilities to leverage it, is the significant other half.

At UltraTech, we strongly believe that a stitch in time keeps the business fit and fine.

We thus work meticulously to make our business risk-resilient and opportunity-ready by embedding flexibility, adaptability and innovation. A progressive strategy drives continuous investments in talent, training and technology, so that we are ahead of the curve and equipped to embrace the future as it unfolds.

INDEX

Message from the Chairman 01

Message from the Managing Director 03

We Are UltraTech 05

Disclosure on Management Approach 15

RESPONSIBLE STEWARDSHIP 20

Economic Performance 23

Safety Performance 65

People Performance 71

Social Performance 81

Sustainability Targets and Progress 09

CSI Dashboard 11

Sustainability Approach 13

Corporate Governance 28

Product Performance 33

Environment Performance 43

STAKEHOLDER ENGAGEMENT 96

FUTURE PROOFING 106

Independent Assurance Statement

G4 Core Content Index 109



The Government's unwavering push for infrastructure projects - Bharatmala Pariyojana, airports, metros, affordable housing, urbanisation, smart cities, besides digitisation, are excellent stimulators for the economy's growth. In this milieu, the cement sector will necessarily play a critical role.

The Aditya Birla Group Company UltraTech is the world's 4th largest cement player, excluding China and the No. 1 in India by a significant margin of over 30 million tons. In our Group portfolio, cement is a core business. Our growth plans for the future are indeed audacious.

OUR GOAL IS TO BECOME A 100+ MILLION TONS CEMENT PLAYER BY 2020.

Our business model is built on responsible stewardship, which is premised on sustainable business practices and on it hinges a sustainable world. This entails that we ensure the right balance between society, environment and economy. In this context, our constant endeavour is to enhance our environment conservation measures, continue to be profitable and sensitive towards societal well-being.

At our Group, we have a clearly articulated sustainability vision. Our vision is to become 'the leading Indian conglomerate for sustainable business practices across our global operations'. This is the overarching sustainability vision and each company is committed to it. It is embedded in the business framework.

At UltraTech our sustainability roadmap prioritises attention to climate change and energy conservation, environment management, biodiversity and, of course, the safety and health of our employees; and beyond business, fulfilling what we consider as our duty and responsibility towards society with a focus on the underprivileged.

An example of our sensitivity to the challenge of climate change is how reduction of GHG emissions remains our utmost priority. We have taken a long-term target to lower our CO_2 emission intensity from 2005-06 levels

MESSAGE FROM THE CHAIRMAN

by 25%, by 2021. In FY 2017, we lowered our emission intensity to 632.09 kg/ton of cementitious product from 759 kg/ton in FY 2006.

Yet another instance to cite is the manner in which we foster the use of alternate fuels towards energy conservation. We have set up a fully automotive waste management plant in Rajasthan for converting municipal solid waste into fuel. This is in addition to our alternate fuels system, using wastes like tyre chips, fly ash, slag from thermal plants and steel industries. They account for nearly 14% of the total material consumed towards the reduction of fossil fuels and curtailing CO_2 emissions.

WE PROCESS OVER 2 LAKH TONS OF WASTE MATERIAL, INCLUSIVE OF 80,000 TONS OF NON-RECYCLABLE PLASTIC WASTE AS FUEL ANNUALLY.

Our commitment transcends business. Service to society is at the core of our value system and very much a part of our DNA. We believe that giving is sharing. UltraTech does high impact CSR engagement in a quiet way, in 407 villages across India, reaching out to 1.3 million people. In several projects the Company makes a life changing difference to marginalised communities.

Our people are our prime driving force. Their growth, learning and development, and setting them up for success, is always on our radar. Health and safety of our people is a given. I am happy to reaffirm that the management team at UltraTech, along with our 14,000 employees, are committed to ensuring environment sustainability.

It is this collective commitment on all fronts that enables us to continuously enhance our programmes and make a meaningful impact on people and the planet.

Kumar Mangalam Birla
Chairman
UltraTech Cement Limited



As the largest manufacturer of grey cement, white cement and ready-mix concrete in India, UltraTech has always had an unwavering focus on sustainability. It is a core pillar of our Mission statement, which is 'To deliver superior value to our stakeholders on the four pillars of Sustainability, Customer Centricity, Innovation and Team Empowerment'. Recently, United Nations has launched the Sustainable Development Goals (SDGs), which are a guiding force for industry globally. UltraTech endorses these SDGs targeted to achieve a balance of economic, environmental and social performance through business engagement and value creation.

Our focus is on the entire construction value chain to influence the building of future infrastructure with the lowest carbon footprint. We intend to push the boundaries of sustainability through a life-cycle performance approach. All impacts, including those from raw material extraction, manufacturing, construction, use of structure, to end-of-life disposal or reuse, will be considered when assessing the impacts of construction.

We have implemented initiatives to meet our long-term sustainability targets. Equally, we are on track to align our initiatives with the SDGs. Currently, our installed waste heat recovery systems (WHRS) capacity stands at 59 MW, which met 7.2% of our total power requirement during FY17. Energy generated from waste heat in 2016-17 has increased by 46% as compared to the previous year. We have been able to increase utilisation of energy from waste heat sources by more than three times over the past two years. UltraTech has also doubled the amount of energy conserved as compared to the previous reporting year due to several energy efficiency improvement measures.

ON THE RENEWABLE ENERGY FRONT, WE HAVE AN INSTALLED CAPACITY OF 2.6 MW SOLAR POWER AND 1.13 MW OF WIND POWER. CUMULATIVELY, OUR WIND AND SOLAR POWER CAPACITY HAS A CARBON REDUCTION POTENTIAL OF 32,000 TONNES OF CO_2.

We have set a target to reduce our CO_2 intensity by 25% by FY 2021, as compared to FY 2005-06. This year, we have reduced our CO_2 intensity by about 17% compared to 2005-06. In energy efficiency, we have overachieved the target set by the Government of India for the first Perform, Achieve and Trade (PAT) cycle. We are on track to achieve the next phase of PAT cycle targets.

MESSAGE FROM THE MANAGING DIRECTOR

Our focus on alternative materials and fuels has seen an increase in their consumption, which has positively impacted both the environment and the business. We use various types of waste as alternative fuel which is co-processed in our kilns. In 2016-17, we used more than 190,000 metric tonnes of alternative fuel, which is equivalent to 2.09% of thermal substitution. This included 79,060 tonnes of waste plastic which has been safely co-processed in our kilns.

We also use waste from other industries such as fly ash and slag in our cement production, thereby reducing the consumption of natural limestone and saving energy used in its processing. This year, 10.2 million tonnes of alternative material was used, which constituted 13.58% of the company's total raw material use.

Our water conservation agenda is spearheaded by a systemic 3R approach: reduce, recycle and reuse. During the year, three of our integrated units achieved self-sufficiency in water. These units are not dependent on any groundwater or freshwater sources. We are working towards achieving the World Business Council for Sustainable Development's Water and Sanitation and Hygiene (WASH) pledge to ensure that we provide safe drinking water, sanitation and hygiene to people in all our operations.

We aim to actively contribute to the social and economic development of the communities in which we operate.

Our CSR projects are based on the needs of the communities that live close to our plants.

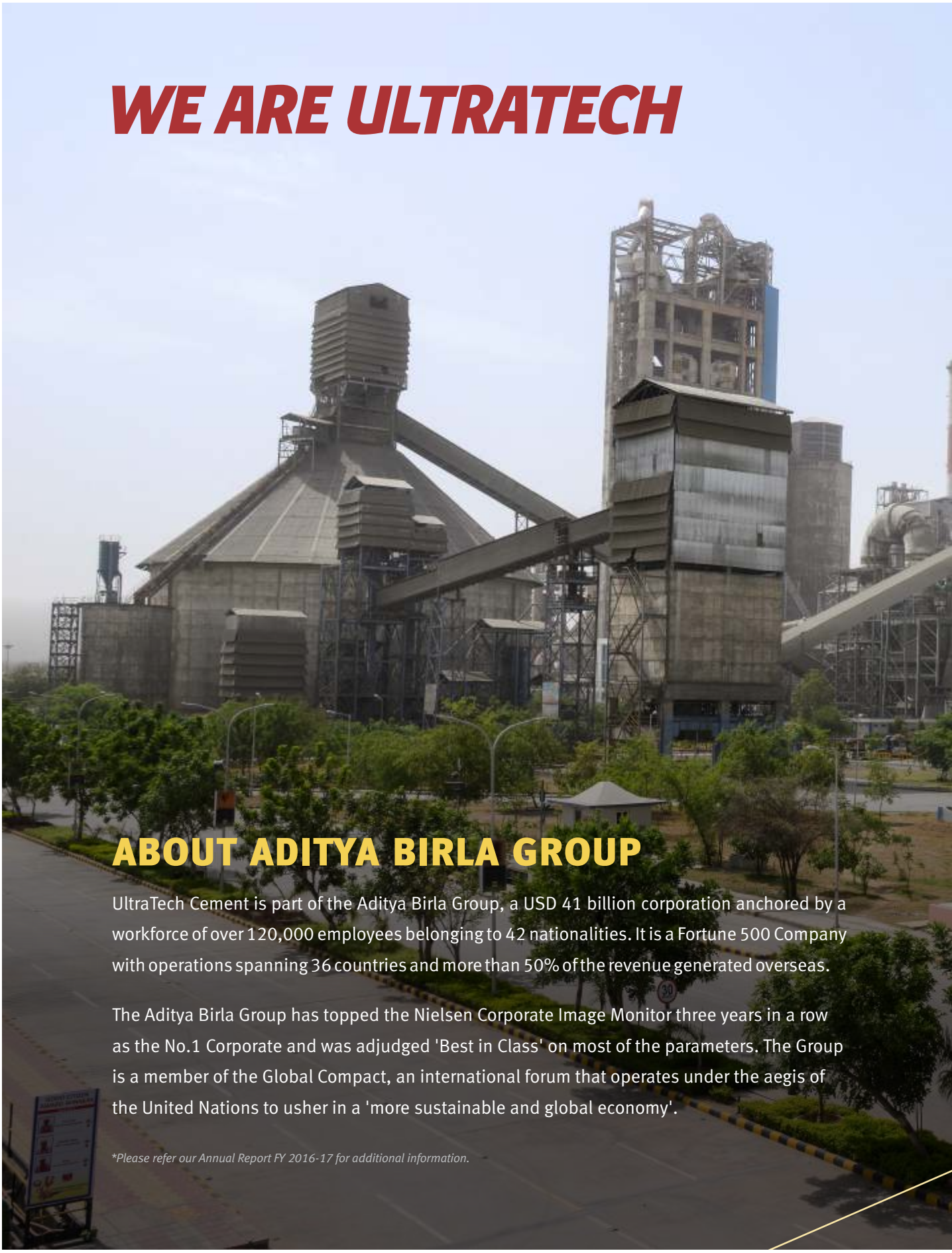
IN 2016-17, WE INVESTED INR 541.5 MILLION IN OUR CSR ACTIVITIES.

Our focus areas are healthcare, education, sustainable livelihood, infrastructure and social reform. We continue to work closely with the government on rural infrastructure schemes like the Pradhan Mantri Gram Sadak Yojana, Swachh Bharat Abhiyan and Indira Awaas Yojana.

As I look ahead, I feel optimistic that as India is moving on to a higher growth trajectory, the Government's thrust on infrastructure development, affordable housing, and development of smart cities, among other projects, is a strong growth driver for the cement sector. UltraTech is geared to meet these demands and drive business growth in a sustainable manner.

K. K. Maheshwari
Managing Director
UltraTech Cement Limited

WE ARE ULTRATECH

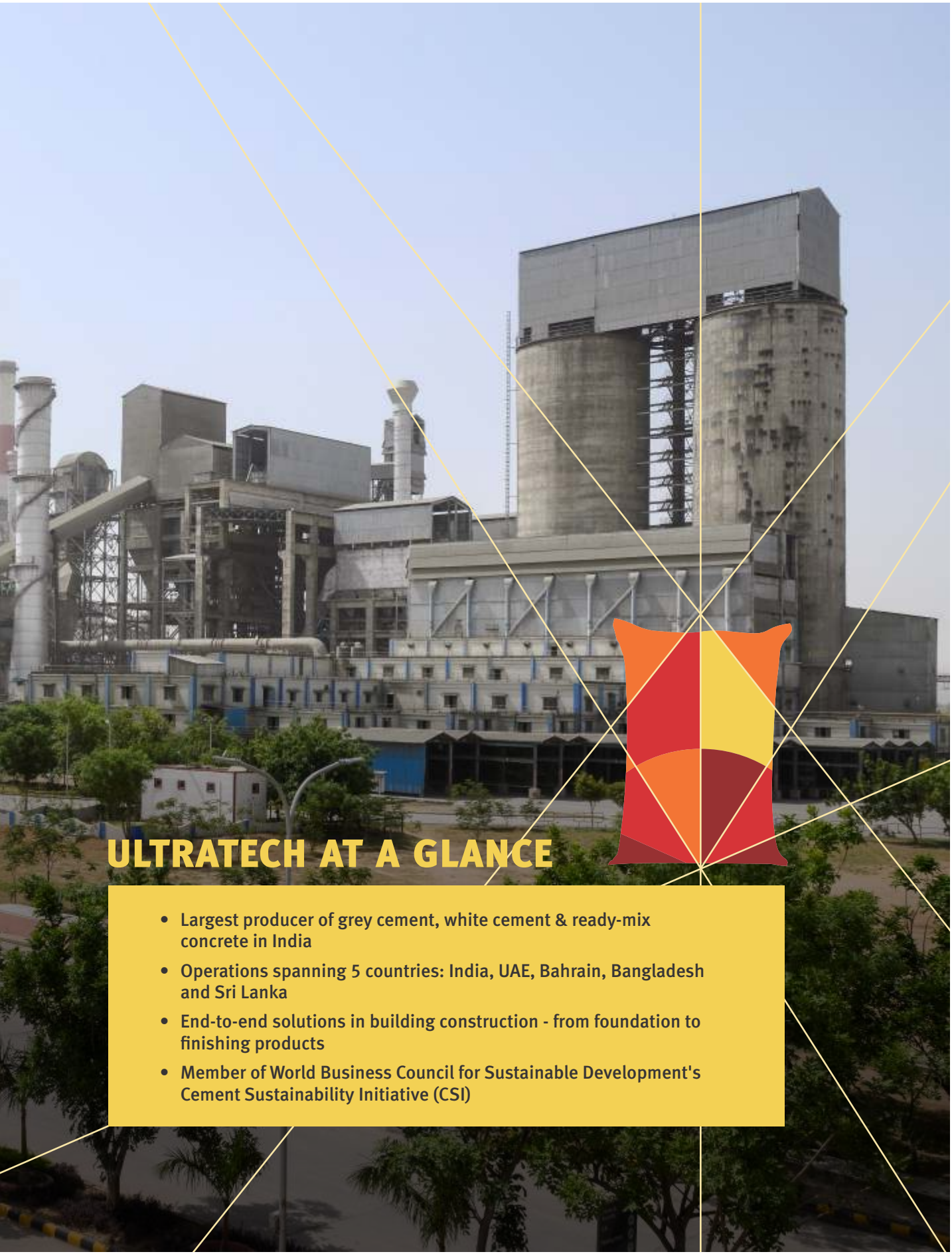


ABOUT ADITYA BIRLA GROUP

UltraTech Cement is part of the Aditya Birla Group, a USD 41 billion corporation anchored by a workforce of over 120,000 employees belonging to 42 nationalities. It is a Fortune 500 Company with operations spanning 36 countries and more than 50% of the revenue generated overseas.

The Aditya Birla Group has topped the Nielsen Corporate Image Monitor three years in a row as the No.1 Corporate and was adjudged 'Best in Class' on most of the parameters. The Group is a member of the Global Compact, an international forum that operates under the aegis of the United Nations to usher in a 'more sustainable and global economy'.

**Please refer our Annual Report FY 2016-17 for additional information.*



ULTRATECH AT A GLANCE

- Largest producer of grey cement, white cement & ready-mix concrete in India
- Operations spanning 5 countries: India, UAE, Bahrain, Bangladesh and Sri Lanka
- End-to-end solutions in building construction - from foundation to finishing products
- Member of World Business Council for Sustainable Development's Cement Sustainability Initiative (CSI)

PHYSICAL FOOTPRINT

- 12 Integrated Plants
- 1 White Cement Plant
- 2 Wall Care Putty Plants
- 1 Clinkerisation Unit
- 19 Grinding Units
- 7 Bulk Terminals
- 5 Jetties
- 100+ RMC Plants
- 1,000+ Retail Format Stores

OUR SUBSIDIARIES

- Dakshin Cements Limited
- Harish Cements Limited
- UltraTech Cement SA (PTY)
- Gotan Limestone Khanij Udyog Private Limited
- Bhagwati Limestone Company Private Limited
- UltraTech Cement Lanka Private Limited
- UltraTech Cement Middle East Investments Limited
- PT UltraTech Mining Indonesia
- PT UltraTech Investments Indonesia

PRODUCTS

Durability and consistency strengthen UltraTech's position as the market leader in the Cement industry. We strategically focus on the development of products and services which are more resource-efficient, more cost-effective and more conducive to human lifestyle. Our product portfolio caters to all aspects of construction, from foundation to finish.

ULTRATECH CEMENT

Ordinary Portland Cement, Portland Blast Furnace Slag Cement, Portland Pozzolana Cement, Cement complying with European and Sri Lankan standard specifications

BIRLA WHITE

White cement, Wallcare putty and white cement based products

ULTRATECH CONCRETE

Ready mix concrete and a range of specialty concretes with specific functional properties

ULTRATECH BUILDING PRODUCTS

AAC blocks, waterproofing solutions, grouting solutions and plastering solutions



SERVICES

ULTRATECH BUILDING SOLUTIONS

Home building solutions right from planning to completion with over 1000+ retail stores catering to customers.



UltraTech Building Solutions

KEY ACCOUNT MANAGEMENT

The Key Account Cell formed in FY 2002 is a first for the industry, with a focus on developing successful B2B relationships with leading players in the highly competitive construction industry for sustainable growth.

TECHNICAL SERVICES

Technical assistance and services for architects, engineers, masons, contractors and home builders.

We are not restricted by industry sectors or type of customers while providing products and services. For additional information, please refer to Page 62 of our Annual Report FY 2016-17

ACCOLADES

At UltraTech 'Customer Delight' has always been the foremost indicator of performance excellence. Our commitment towards quality and consistent pursuit of distinction has brought us recognition and accolades. Listed here are a select few

- Greentech Environmental & CSR Award
- IMC Ramkrishna Bajaj National Quality Award for Performance Excellence
- Golden Peacock HR Excellence Award
- India Sustainability Leadership Award to Vikram Cement Works in the category of Community Project of the Year (Water) conferred by World CSR Day for Integrated Watershed Management Project
- IICA NGO BOX CSR Awards for Birla White and Vikram Cement
- FICCI Water Award for Jafrabad Cement
- Adjudged 'SUPERBRAND' by the Superbrands Council and 'POWERBRAND' by Powerbrands India – both are consumer validated awards
- Most Valuable Brand & Most Admired Brand by WCRC (World Consulting Research Corporation)



SUSTAINABILITY TARGETS & PROGRESS

ENVIRONMENT

GOAL	PROGRESS
ENERGY EFFICIENCY	
Implement Waste Heat Recovery (WHR) Systems at Integrated Plants for Grey Cement TARGET YEAR CONTINUOUS	During the year, we implemented 26 MW of WHRS capacity at different locations. Total installed WHRS capacity stands at 59 MW.
CLIMATE PROTECTION	
Implement on-line monitoring of SOx and NOx in all kiln stacks TARGET YEAR CONTINUOUS	A continuous on-line monitoring system has been implemented in all the 26 kilns of UltraTech.
Reduce CO_2 emission intensity by 25% from 2005-06 level**	In FY 2016-17 the CO_2 intensity of the cementitious product decreased to 632 kg/tonne from 633 kg/tonne last year
Introduce low NOx burners in new projects TARGET YEAR CONTINUOUS	During the year, low NOx burners have been installed at two units of UltraTech Cements.

*** These target are calculated on the basis of expected production and demand in 2021*

EMPLOYEE HEALTH & SAFETY

GOAL	PROGRESS
LTIFR to be less than 0.5 TARGET YEAR 2020-21	We have achieved LTIFR of 0.38 during the reporting period

OUR APPROACH TO REPORTING

This sustainability report is a testament to our commitment to the triple bottom line approach towards growth. For our various stakeholders, it showcases the efforts and initiatives we undertook to create a better world for all of us. We follow an annual cycle of reporting. The last report was released in FY 2015-16.

REPORT BOUNDARY

This report covers our performance* for the period 1st April 2016 to 31st March 2017 and spans across operations of UltraTech Cement Limited including manufacturing locations, subsidiaries and bulk terminals in India, Sri Lanka and the Middle East.

It encompasses energy, materials and GHG data from the entire operations of UltraTech. The Ready Mix Concrete (RMC) plants operated by the Company for specific customers, within their premises on a temporary basis, have not been included. There have been no restatements of data for any of the previous year's reports.

**The economic indicators presented in the report are based on the data that forms a part of UltraTech's Annual Report.*

*** We have included Dankuni Cement Works and Jhajjar Cement Works in this reporting period.*

INDEPENDENT ASSURANCE

The veracity and credibility of this report is assured by KPMG, our external auditor, after proper due diligence.

The assurance statement can be viewed on page no. 109 of the report.

COMPLIANCE WITH GLOBAL REPORTING NORMS

This report is in accordance with Global Reporting Initiatives (GRI) G4 Core guidelines. Additionally, our disclosures are aligned with the following international and national charters and guidelines:

- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses in India, issued by the Ministry of Corporate Affairs, Government of India.**

  Suggested Framework on Business Responsibility Reports, by Securities and Exchange Board of India circular dated August 13, 2012.

- Cement Sustainability Initiative (CSI) on key performance indicators in the cement industry. For detailed index, refer page no. 111.

*** www.mca.gov.in/Ministry/pdf/voluntary_guidelines.pdf*

SUGGESTIONS & FEEDBACK

This report encompasses all aspects of our sustainability performance and has been prepared following standard benchmarks and processes. Your feedback, enquiries, suggestions or information are welcome, as they would enhance our reportage in future. You can reach us at:

sustainability.ultratech@adityabirla.com

www.ultratechcement.com

UltraTech Cement Limited
B Wing, Second Floor, Ahura Centre, Mahakali Caves Road, Andheri (E), Mumbai, Maharashtra, India.

+91 22 669 17800 +91 22 669 28109

CSI DASHBOARD

At UltraTech, we have always believed that sustainable practices make a great business sense as well. We have been a proud signatory of the Cement Sustainability Initiative (CSI), part of the World Business Council for Sustainable Development (WBCSD), since FY 2006. Along with 23 other major cement producers spread globally in more than 100 nations, who share the same belief of sustainable growth, we are a voluntary member of CSI.

CSI helps member companies develop a shared understanding of sustainable development and recommends best practices that enhance performance across wide-ranging parameters. Disclosure on the guideline parameters of CSI helps us compare our performance vis-a-vis industry benchmarks.

Being a part of the CSI has helped us gain a wider perspective and a worldwide view of cement industry's various stakeholders and their myriad needs.

KPI	2014-15		2015-16		2016-17	
Climate Protection (excludes captive power)	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Co_2 Emissions - Gross (Million Tonnes)	29.66	31.84	30.79	33.00	30.72	32.95
CO_2 Emissions - Net (Million Tonnes)	29.55	31.72	30.68	32.89	30.56	32.77
Specific CO_2 Emissions - Net (kg/tonne of cementitious material)	637.98	643.52	627.37	633.3	627.52	632.09
Target Reduction for CO_2	Reduction in CO_2 emission intensity by 25% from FY 2005-06 level by FY 2020-21					
Independently verified CO_2 data	Externally verified					
Fuels & Raw Materials	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Specific heat consumption of clinker production (MJ/tonne clinker)	2,998	3,002	2,986	2,987	2,965	2,966
Total Alternative Fuel Rate (% of thermal energy consumption)	2.00	2.20	1.60	1.60	2.20	2.30
Alternative Fuel Rate Non Biomass (% of thermal energy consumption)	1.3	1.3	1.2	1.1	1.8	1.9
Biomass Alternative Fuel Rate (% of thermal energy consumption)	0.7	0.9	0.4	0.5	0.4	0.4
Alternative Raw Materials Rate (% of total raw materials for cement production)	14.29	13.54	14.61	13.86	16.58	13.58
Clinker/Cement Ratio (%)	77.6	78.2	76.6	77.3	76.2	76.8

KPI	2014-15		2015-16		2016-17	
Health & Safety	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Number of fatalities (directly employed)	0	0	1*	1*	1	1
Number of fatalities (indirectly employed)	0	0	3	3	2	2
Number of fatalities (involving 3rd parties)	1	1	0	0	0	0
Number of fatalities per 10,000 directly employed	0	0	0	0	0.99	0.95
Lost Time Injuries (LTIs) per million man-hours (directly employed)	0.56	0.65	0.35	0.37	0.40	0.38
Emissions Reduction	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
NOx emissions (tonnes/year)**	73,022.57 (23 out of 25 kilns)	76,352 (24 out of 26 kilns)	71,458	74,316	64,642	67,682
SO_2 emissions (tonnes/year)	3,660.1 (23 out of 25 kilns)	4,224.5 (24 out of 26 kilns)	4,509	4,814	4,275	4,316
Dust emissions (tonnes/year)	6,976.77	7,087.3	2,104	2,175	1,544	1,630
Specific NOx emissions (g/tonne clinker)	2,013.49	1,963.38	1,896.65	1,841.78	1,715.32	1,676.04
Specific SO_2 emissions (g/tonne clinker)	100.92	108.63	119.68	119.31	113.44	106.88
Specific Dust emissions (g/tonne clinker)	192.37	182.25	55.84	53.90	40.97	40.36
Target reduction for NOx	As per the regulatory compliance by the State Pollution Control					
Target reduction for SO_2						
Target reduction for Dust						
% Clinker produced with monitoring of major & minor emissions	Major emissions are provided in the next row. Minor emissions are measured only on sample basis, if hazardous wastes are used as fuel.					
% Clink produced with continuous monitoring of major emissions - Dust, NOx, SO_2	Dust 99.83%	Dust 99.84%	Dust 99.83%	Dust 99.84%	Dust 100%	Dust 100%
	NO_x, SO_2 94.8%	NO_x, SO_2 94.45%	NO_x, SO_2 94.8%	NO_x, SO_2 94.45%	No_x, SO_2 100%	No_x, SO_2 100%
Local Impact (plants reported)	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
% of sites with quarry rehabilitation plans in place	100% Integrated sites	92.86% Integrated sites	100% Integrated sites	92.86% Integrated sites	100% Integrated sites	92.86% Integrated sites
% of sites with community engagement plans in place	100% Integrated sites	92.86% Integrated sites	100% Integrated sites	92.86% Integrated sites	100% Integrated sites	92.86% Integrated sites
Number of active sites where biodiversity issues are addressed	13	13	13	13	13	13
No of active quarries within, containing or adjacent to areas designated for their high biodiversity value	NIL	NIL	NIL	NIL	NIL	NIL

**This is off-site related fatality*
***The values reported for NOx, SOx and dust emission are only for kiln stacks as per the CSI Guideline for emission monitoring and reporting*

SUSTAINABILITY APPROACH

It's time to adopt a 'think big, think ahead, think systemic' approach to sustainability. It's time to question benchmarks, spot next practices, chart ambitious roadmaps, and strategically evolve on the triple bottom-line journey. It's time to move beyond the laws of the land and embrace best-of-the-world norms. It's time to evaluate FY 2017, by testing one's business readiness for the year 2050.

UltraTech evolved on its sustainability journey by recording a number of milestones:

Ushering in a sustainability evolution in the process, policies and practices by

- Adopting the Group Sustainability Framework aligned to international standards
- Carrying out a structured materiality assessment
- Creating a new sustainability roadmap
- Voluntarily embracing the global benchmarks like World Business Council for Sustainable Development's Water, Sanitation and Hygiene (WASH) pledge

Going beyond 'improvement approach' and reinforcing commitment to 'complete transformation approach'

- Thinking beyond resource conservation and focussing on resource creation, viz. adding more green to the energy mix and achieving water self-sufficiency

Innovating the traditional sustainability models in UltraTech through a series of strategic and systemic interventions, with an aim to futureproof our businesses

This sustainability 2.0 approach will enable us to move to international standards, prepare for external forces that are likely to cause business disruptions, and create shared stakeholder value while working in a shrinking operating space.

SUSTAINABILITY FRAMEWORK

The Aditya Birla Group has institutionalised a sustainability framework that defines three strategic pillars which should be embraced by the Group businesses to achieve a common sustainability vision. These pillars include Responsible Stewardship, Stakeholder Engagement and Future Proofing.

Responsible Stewardship focusses on how we can be exceptionally well today by performing responsibly on all key sustainability aspects. Our ongoing pursuit is to build a framework of policies, and technical and management standards which are aligned to international standards as defined by the IFC, OECD, UNGC, ISO and OSHAS. Introducing these standards into our systems is enabling us to excel across the major triple bottom-line parameters of our operations.

Stakeholder Engagement enables us to capture a broader and more forward-looking perspective of macro scenarios through interactions with stakeholder groups. We go beyond the traditional interactions with our 'principal stakeholders', and build strong relationships with 'strategic stakeholders' who have an influential point of view on our business. We have institutionalised various thought exchange platforms with key technical experts and strategic stakeholders to gain knowledge on critical parameters such as climate change, human rights and safety. By doing so, we expect to learn the trends that will most likely affect our businesses in the future and how are they likely to change.

Future Proofing is embedding sustainability trends into our strategic business plans to minimise the risks and find new opportunities to remain ready for what the world will potentially look like in 2030 and 2050.

MATERIALITY

OUR APPROACH TO MATERIALITY ASSESSMENT

We believe material issues are those which have a direct or an indirect impact on our ability to create, preserve or deplete economic, environmental and social value for ourselves, our stakeholders and the society at large.

An assessment of materiality streamlines our sustainability process, allowing for the identification of the most relevant aspects, which aid in defining our sustainability goals and their alignment with our business aspirations. Materiality also ensures focus on aspects which stand at the intersection of the expectations of our stakeholders and our business goals.

OUR PROCESS FOR MATERIALITY ASSESSMENT

During the reporting year, we reached an important milestone in our sustainability reporting journey by transitioning to the G4 reporting guidelines by the Global Reporting Initiative (GRI). The GRI G4 framework provides us with a suitable platform to focus our strategy and reporting on the key sustainability risks and opportunities material to our business.

OUR MATERIALITY ASSESSMENT PROCESS HAS BEEN CARRIED OUT IN ACCORDANCE WITH OUR SUSTAINABILITY FRAMEWORK.

Accordingly, we carried out a detailed and structured materiality assessment to identify, prioritise, and validate aspects considering our Group sustainability framework.

While we are regularly gaining information about the expectations and priorities of our varied stakeholder groups through ongoing engagements with our business functions, our 'Strategic Stakeholder Engagement' process enables us to capture a broader, forward-looking perspective, through interactions with specialists, who may have a significant point of view on our business. This ensures a full and fair view of best practices and trends of sustainability in defining our materiality.

Our materiality assessment process includes the following key steps:

- **Identification and understanding of best practices to determine the common issues across the cement industry internationally**
- **Media perception and current trends**
- **The requirements and key focus areas defined by CSI**
- **The requirements and key focus areas of disclosures such as CDP and non-financial disclosures required by investor analysts**
- **Detailed discussions with mid and top level management who regularly interact with stakeholders such as government, regulatory authorities, customer groups etc.**

We identified 18 broad aspects, out of which the following eight were identified to be the most material to our business. Please find the Materiality Aspect mapping table on Page 114.



DISCLOSURE ON MANAGEMENT APPROACH

ECONOMIC PERFORMANCE



At UltraTech, we are driven by a relentless pursuit of excellence and an attitude of 'Big on Growth'. As a cement manufacturer, this attitude translates into the ability to fuel the world's fastest-growing economy and meet its huge infrastructure needs. While continuing to deliver products for many of India's prominent urban landmarks, we also work closely with the government schemes to enhance the rural infrastructure such as affordable homes, roads and schools. Our innovative products are helping improve the quality of Indian roads and overcoming the challenges faced in transporting ready mix concrete in congested areas.

Our approach to growth and profitability is rooted in the ethos of creating shared value for all our stakeholders. We strive to create an enabling environment for all our employees, put our customer needs squarely in the centre of all our research efforts and future plans, mitigate our environmental impacts and contribute to the development of our local communities.

Big on Growth means seeking gains not just from a competitive marketplace but from within as well. As we continue to invest extensively in capacity augmentation and product research, we are equally focussed on enhancing productivity and achieving process efficiency. We recognise that manufacturing the best quality at the lowest cost will be critical for our long-term sustainability, and we are making relentless efforts to this end.

Achieving process efficiencies also come with the added benefit of reducing the environmental footprint of our operations. It's important to evaluate our performance for which we continuously take feedback from our stakeholders such as shareholders, investors and lenders on our performance, and also verify our economic performance through external auditors.

WATER AVAILABILITY AND WATER USE



The declining stock of groundwater, deteriorating quality of surface water and sub-optimal water management is leading to reduced availability of water across geographies. At UltraTech, we recognise that water availability is critical for the continuity of life and business as usual. This is especially material to us since most of our cement plants are located in water-stressed regions of the country.

This poses a critical challenge to our business continuity, and we are addressing this issue through a systematic 3R water conservation approach – reduce, recycle and reuse.

Rainwater harvesting, groundwater recharging, wastewater recycling and reducing the usage of fresh water are standard operating procedures at our manufacturing plants. We continually monitor our specific water consumption and aim to become water positive in a time-bound manner through gradual scale-up of our water conservation and mitigation efforts. As of now, 3 of our 13 integrated plants are water sufficient.

As a responsible corporate, we are of a firm view that water is a shared resource, and we are sensitive to potential impacts of water use in our plants on the neighbouring communities and the local ecosystems. To this end, we are exploring the possibilities of conducting rigorous independent studies on watershed mapping, aquifer quality and impacts of groundwater recharge in and around our plants. We also benchmark our specific water consumption internally amongst our units and also with our peers to understand the improvement areas.

CLIMATE CHANGE, ENERGY AND AIR EMISSIONS

The constraint of traditional energy sources and the ill impacts of emissions on the local environmental quality and global climate change are well-documented. Energy and emissions are therefore material to ensure environmental sustainability.

On the energy management front, our key priorities are energy efficiency, waste heat recovery (WHR) and generation of renewable energy. We have undertaken several process efficiencies, utilities optimisation and operational control measures across all stages of production and across all our plants, leading to significant energy savings. As one of the early adopters of waste heat recovery systems, we have now strategically taken a decision to install Waste Heat Recovery System in all our future plants as well as all the potential existing plants. Currently, our installed WHRS capacity stands at around 59 MW, meeting 7.2% of total power requirement for FY17. We have also continued to increase the percentage share of renewable energy in our total energy mix, and are currently exploring further opportunities for purchase of green power as well as investments in solar and wind generation. We have adopted a target for reducing the specific energy consumption of our products. These initiatives have helped us gain the benefits of Perform, Achieve and Trade (PAT) and Renewable Energy Certificates (REC) schemes.

We recognise the climate impacts of our operations and have been an early adopter of the practice of measuring, managing and reporting our greenhouse gas (GHG) emissions. We annually report on our emissions performance through sustainability reports, CSI dashboard and the Climate Disclosure Project (CDP). In the reporting year, we continued with initiatives to reduce our GHG emissions through increasing the share of blended cement, multi-blended cement, enhanced fly ash and slag



WE ARE THE BEST WHEN IT COMES TO SPECIFIC THERMAL ENERGY CONSUMPTION (708.55 KCAL/KG OF CLINKER) COMPARED TO OUR PEERS.

(WORLD AVERAGE = 843.28, INDIA AVERAGE = 731).

absorption and decreasing the clinker factor in our cement. We have adopted targets for reducing our specific carbon emissions (Target Year: FY 2021). The above efforts have put us well on our way to achieve these targets and contribute to India's Intended Nationally Determined Contributions (INDC) pledge at the UNFCCC's Conference of the Parties (COP 21) in Paris. We also closely monitor our stack emissions (SOx, NOx and Particulate Matter) with the aim of managing the local ambient air quality in and around our plants. We have also formulated a roadmap for reducing our stack emissions, including setting up of targets, strategy and investments.

CSI GNR database http://wbcsdcement.org/GNR-2015/world/GNR-Indicator_93AG-world.html
CSI GNR database http://wbcsdcement.org/GNR-2015/India/GNR-Indicator_93AG-India.html

RESOURCE MANAGEMENT



Manufacturing of cement is inherently dependent on natural resources. Going forward, there will be constraints on the quantity and quality of naturally available material as well as the prospect of stringent regulations surrounding their extraction and use. It is therefore prudent for us to ensure efficient use of natural resources.

As part of our environmental responsibility, we continue to explore ways to reduce dependence on natural resources through utilisation of low-grade limestone, use of alternative sources of fuels and materials as well as the productive use of waste and also continuously measure, monitor and benchmark our consumption to identify opportunities for minimising resource consumption. We use waste materials such as chemical and marine gypsum as additives, and fly ash and slag from thermal power plants and steel plants for blending. Currently, such alternative material constitutes 13.58% of our total raw material use. There is a continued focus on devising strategies to enhance the effective lives of our mines through the two levers of process optimisation and efficiency improvement.

COMMUNITY RELATIONSHIP MANAGEMENT

We have a long-standing history of carrying out community service, long before it became mandatory to invest in community engagement. We believe that a continuous, long-term and need-based CSR approach enhances the quality of life of the country, ensures a social license to operate, reduces the risk of community disruptions and aids in predicting and mitigating social issues. Our implementation approach is centred around two enablers: engagement and empowerment. We regularly engage with local communities to understand the impact of our operations, as well as identification & mitigation of grievances. Based on the insights, we conduct CSR initiatives to empower the communities with holistic growth opportunities. The initiatives are undertaken in focus areas such as healthcare, education, infrastructure, sustainable livelihood and social reform.

Our Corporate Social Responsibility (CSR) Vision:

**'TO ACTIVELY CONTRIBUTE TO THE SOCIAL AND ECONOMIC DEVELOPMENT OF THE COMMUNITIES IN WHICH WE OPERATE.
IN DOING SO, BUILD A BETTER, SUSTAINABLE WAY OF LIFE FOR THE WEAKER SECTIONS OF SOCIETY AND RAISE THE COUNTRY'S HUMAN DEVELOPMENTAL INDEX.'**



We work for the communities surrounding our factories and follow a partnership model, where we operate in alliance with social institutions, to ensure wider reach and long-lasting impact. These organisations include the district rural development authorities, local hospitals, healthcare institutions and district panchayat institutions. We have also established various monitoring mechanisms and continuously enhance their efficiencies. These include a periodic community needs assessment to better align our programmes with the needs of the community, and a periodic impacts assessment and social satisfaction survey to discern effectiveness. This not only strengthens the impact of our CSR programmes, but also fortifies our relationship with the community. Going forward, we aim to further strengthen and harmonise our processes to better track progress against the objectives.

OCCUPATIONAL HEALTH AND SAFETY

Safety is an indelible part of UltraTech's core values and a business imperative. We engaged DuPont, a global leader in sustainability solutions, to introduce and instil a comprehensive safety culture in our company. Our 5-year Safety Excellence Journey, initiated in FY 2009 has resulted in a marked improvement in incidents rate. While we strive hard towards embedding a culture of high safety in our units, we also have systems and processes in place to enable safer operations.

Occupational Health and Safety (OHS) impacts are identified, assessed and addressed through our integrated HSE management system, which conforms to global guidelines such as the CSI protocol, OHSAS 18001 and SA 8000. Our 29 critical standards for safety are mandatory at all our facilities. We periodically report our safety KPIs to CSI and benchmark our performance with our peers.

Our safety mission includes all our stakeholders, i.e. employees, contractors, suppliers and communities. We follow a 'zero tolerance' policy for safety breaches and conduct business with only those vendors who are approved on stringent safety parameters.



LABOUR MANAGEMENT

A structured labour management system is in place to ensure fair and proper labour management. We adhere in intent and action to the Group policy on Human Rights, in line with principles ascribed in the UN Global Compact:

- Support and respect the protection of internationally proclaimed Human Rights
- Make sure that we are not complicit in Human Rights abuses
- Elimination of all forms of forced and compulsory labour
- Uphold the freedom of association and the effective recognition of the right to collective bargaining
- Prohibition of child labour or forced labour
- Elimination of discrimination in respect of employment and occupation

WE HAVE ESTABLISHED PROCESSES FOR GRIEVANCE REDRESSAL FOR ALL OUR EMPLOYEES.

We respect an employee's freedom to opt for a union, however, we do not support any bias or discrimination towards any specific group. We also ensure that all our formal agreements with trade unions cover health and safety aspects.

EMPLOYEE WELL-BEING

Our employees are one of our core strengths, and we strive hard to provide them with a supportive environment through various structured processes.

UltraTech's 'Employee Value Proposition' is a promise we make to each of our employees with an aim to foster a better and more secure work environment. It is based on the four pillars of opportunity:

CAREER ENHANCEMENT	GROWTH & DEVELOPMENT
RECOGNITION	ENRICHED LIFE

We deliver on our EVP through five tenets:

A CULTURE OF MERITOCRACY
TRANSPARENCY AND RESPONSIVENESS
EXCELLENCE THROUGH LEARNING
CULTURAL DIVERSITY
FUN AT WORK



Our Group-wide 'One HR' strategy provides a uniform working environment and experience to all employees across units, verticals, businesses, and companies. 'One HR' envisions the Aditya Birla Group as a preferred global employer, a valuable brand, and a great place to work.

We adhere to our Group's policy on Human Rights, through which we support the principles ascribed in the UN Global Compact, and this is binding on all employees. Our comprehensive grievance management system encourages employees to proactively report on human rights violations, sexual harassment and discrimination. We benchmark ourselves with our peers and adopt some of the best practices that can be implemented for employee well-being.

RESPONSIBLE STEWARDSHIP

STAKEHOLDER ENGAGEMENT

FUTURE PROOFING

FOCUS ON HOW WE MANAGE TODAY BY BUILDING A FRAMEWORK OF POLICIES, TECHNICAL AND MANAGEMENT STANDARDS ALIGNED TO INTERNATIONAL STANDARDS



RESPONSIBLE STEWARDSHIP

BLUECHIP PERFORMANCE

How we perform in the present, sets the foundation for growth in the future. At UltraTech, we remain on a relentless pursuit of Responsible Stewardship. Our growth is measured not just through financial numbers, but also through number of lives uplifted; not just in units of cement produced, but also through quantum of resources conserved; not just through man-hours of productivity, but also through safe man-hours of production. Excellence across the triple bottom line helps us retain industry leadership and deliver reliable growth.

We wish to reach higher standards of stewardship and go beyond mere legal compliance to compliance with best-in-class global standards.

TO ENSURE SHARP FOCUS ON THE MULTIPLE VARIABLES, WE HAVE SEGMENTED RESPONSIBLE STEWARDSHIP IN SEVEN PERFORMANCE SILOS AND ARTICULATED GUIDING PRINCIPLES FOR EACH OF THEM.



ECONOMIC PERFORMANCE

Invest ahead of the industry curve and remain competitive. Expand existing operations and grow inorganically. Leverage local suppliers and labour workforce to do more, while doing better for everyone.



SAFETY PERFORMANCE

Reinforce our safety focus through a 360^{0} intervention approach. Maintain a zero-tolerance policy for safety breaches. Instil safety ownership and cascade the safety message across the organisation.



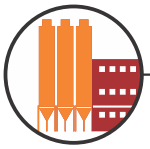
CORPORATE GOVERNANCE

Ensure the absorption of sustainability into work culture. Identify areas for improvement and implement performance enhancement measures. Track, assess and mitigates risks and facilitate sustainable growth.



PEOPLE PERFORMANCE

Build a robust leadership pipeline. Continue to maintain the sanctity of meritocracy and remain an equal opportunity employer. Enhance the diversity of UltraTech by encouraging local employment and introducing women-friendly policies.



PRODUCT PERFORMANCE

Engage with diverse stakeholders through distinct platforms. Invest extensively in research to introduce path-breaking offerings with triple bottom line advantages.



SOCIAL PERFORMANCE

Pursue a project-based approach. Erase barriers of accessibility. Act as a catalyst for community development. Raise the standard of life for the weaker sections. Raise the Human Development Index of the country.



ENVIRONMENT PERFORMANCE

Rationalise energy consumption and moderate the use of fossil fuels. Use industrial waste as alternative fuel. Accelerate water conservation. Reduce use of natural raw materials and upcycle waste sustainably. Rehabilitate exhausted mines and reclaim land.

ECONOMIC PERFORMANCE

At UltraTech, Big on Growth is an attitude. It prompts us to ask what our customers will need tomorrow and then plan for it through capacity accretion today. This attitude has seen us evolve from being a product manufacturer to a solutions provider, and from selling a commodity to providing customer delight. This attitude also helps us look beyond the minor hiccups and correction cycles in the economy today, towards a more promising and profitable future.



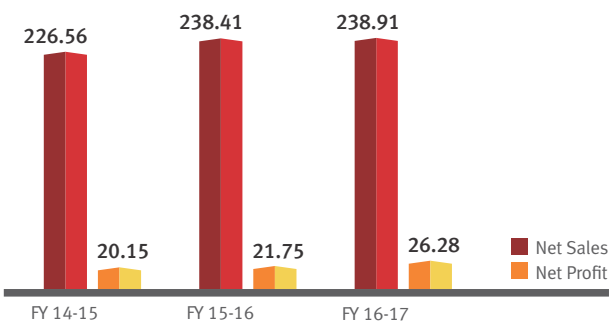
DESPITE THE GLOBAL ECONOMY REMAINING IN A LOW GROWTH TRAJECTORY, AND SUBDUED DOMESTIC MANUFACTURING AND CONSTRUCTION INDUSTRIES, ULTRATECH REPORTED A TURNOVER OF INR 238.91 BILLION.

But while growth is an ambition, ensuring growth that is sustainable for the planet and inclusive for all stakeholders, is a responsibility. Hence, our focus on harnessing alternative means of power like WHRS, solar and wind continues to remain strong.

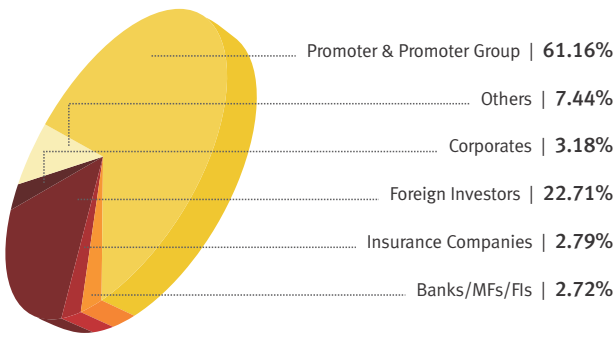
FINANCIAL DASHBOARD

SALES & PROFIT

In INR billion



SHAREHOLDING PATTERN



ECONOMIC VALUE GENERATED & DISTRIBUTED (INR)

UltraTech & Star Cement and Sri Lanka	2014-15		2015-16		2016-17	
	Value in INR billion	Value in INR per bag	Value in INR billion	Value in INR per bag	Value in INR billion	Value in INR per bag
Economic Value Generated						
Gross Value of Operations	**320.72**	**333.12**	**325.34**	**317.36**	**329.35**	**314.56**
Economic Value Distributed						
Operating Costs	177.83	184.70	184.50	179.98	178.32	170
Govt. Taxes including Excise / VAT / Income Tax / Other Levies	91.10	94.62	84.56	82.49	89.25	85
Depreciation	12.03	12.49	13.68	13.34	13.48	13
Employees Welfare and Community Development	13.08	13.59	14.43	14.08	15.22	15
Payment to Lenders	5.87	6.09	5.60	5.46	6.40	6
Proportionate Dividend to Shareholders	2.80	2.90	2.84	2.77	2.84	2.77
Total Economic Value Distributed	**302.70**	**314.40**	**305.62**	**298.12**	**305.59**	**291.86**
Economic Value Retained						
Retained Earnings for Reinvestment / Modernisation	**18.024**	**18.721**	**19.72**	**19.23**	**23.76**	**23**

ECONOMIC VALUE GENERATED & DISTRIBUTED (USD)

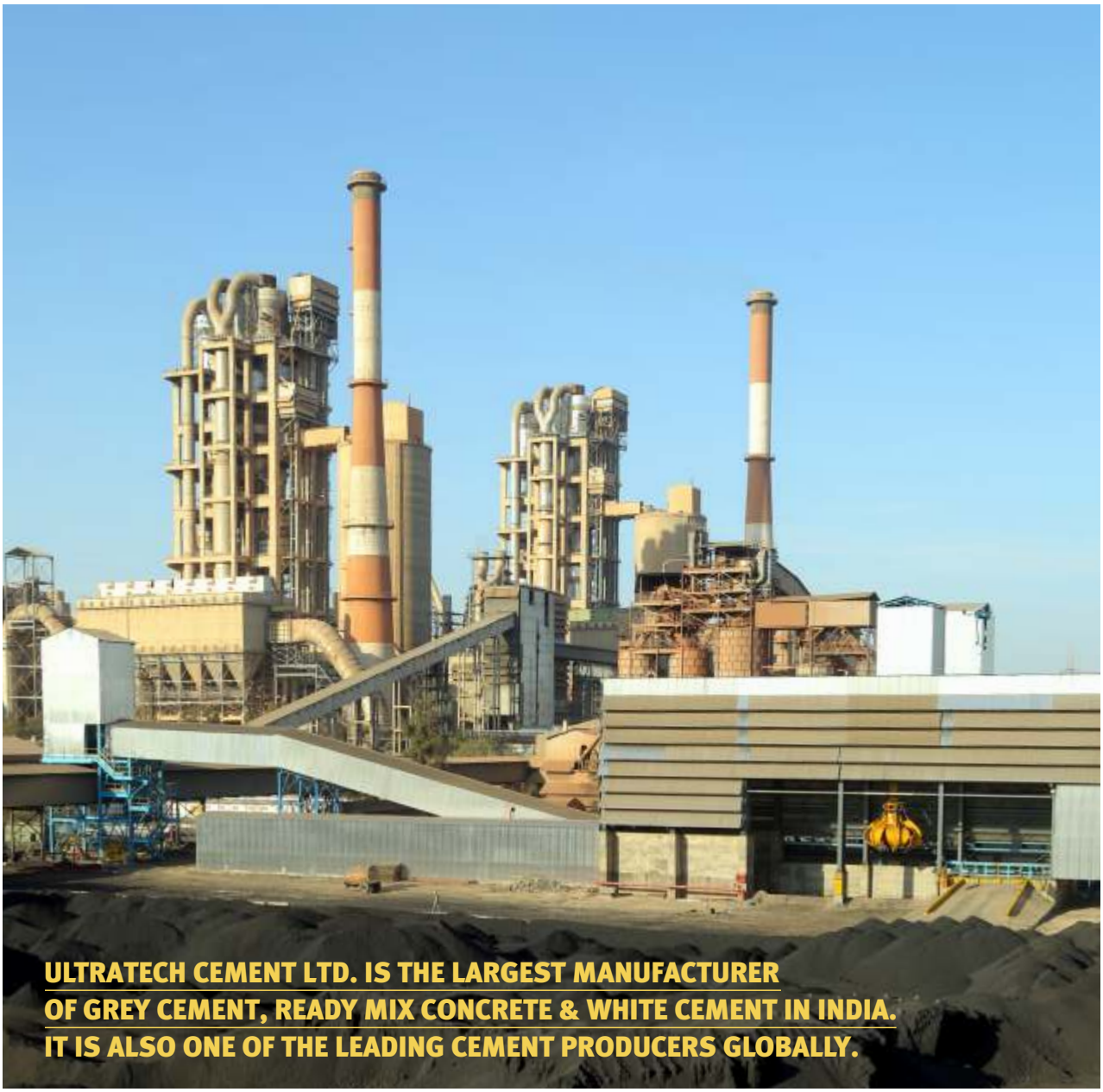
	Value in USD billion	Value in USD per bag	Value in USD billion	Value in USD per bag	Value in USD billion	Value in USD per bag
Economic Value Generated						
Gross Value of Operations	**5.13**	**5.33**	**4.92**	**4.80**	**5.09**	**4.86**
Total Economic Value Distributed	**4.84**	**5.03**	**4.62**	**4.51**	**4.72**	**4.51**
Economic Value Retained						
Retained Earnings for Reinvestment / Modernisation	**0.29**	**0.30**	**2.79**	**2.72**	**2.75**	**2.63**

Note: INR to USD conversion as on 31st March 2015: 62.53, as on 31st March 2016: 66.14 and as on 31st March 2017: 64.74

Financial Assistance Received from the Government *(In INR million)*	2014-15	2015-16	2016-17
Significant financial assistance received from the Government	**Nil**	**Nil**	**Nil**
Benefits received under state investment promotion schemes	**1,684**	**2,081**	**1,711.1**

CAPACITY EXPANSION

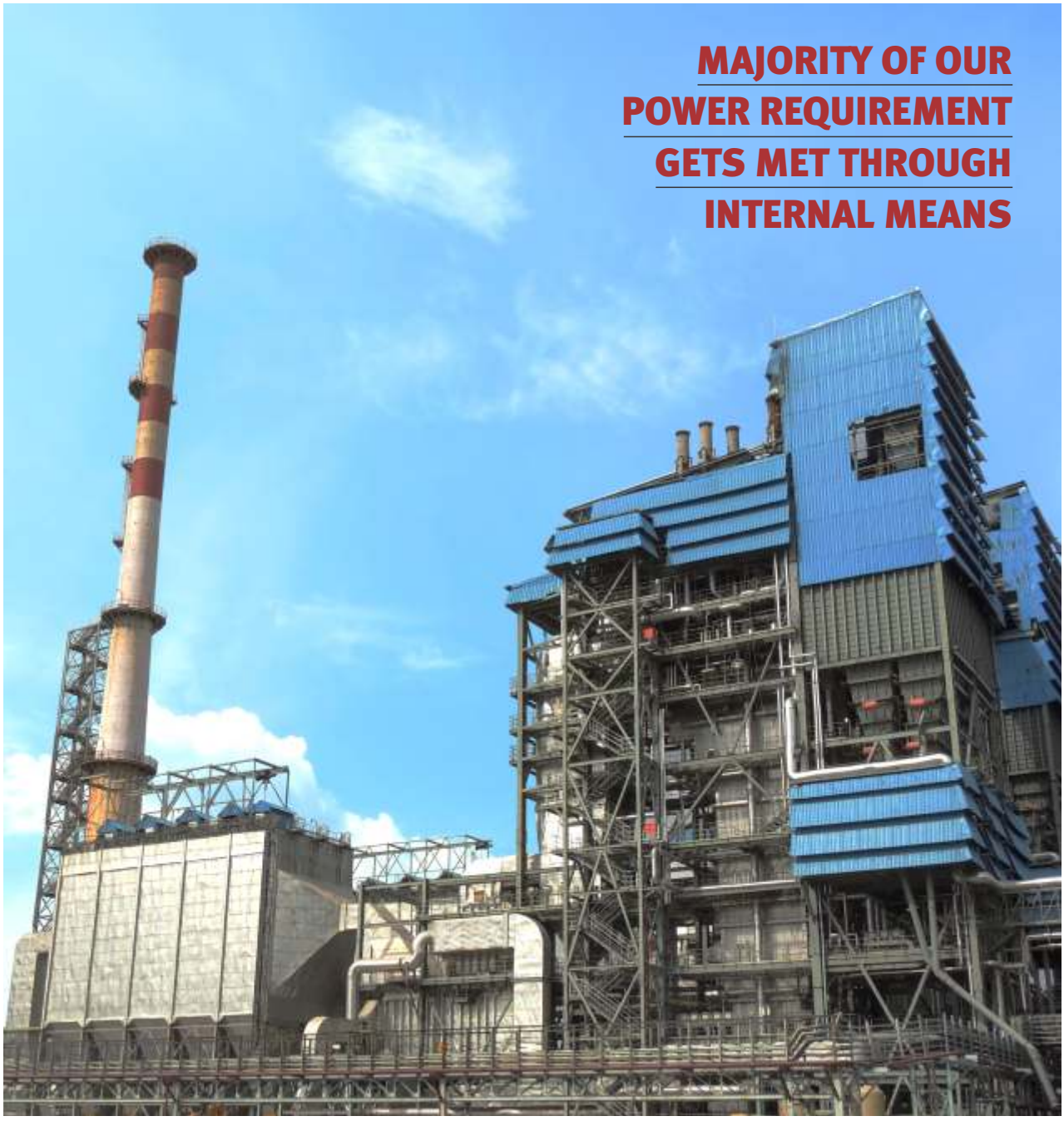
To cater to the world's fastest growing economy, we must grow faster. UltraTech has been investing ahead of the industry curve to remain competitive. We are working through two different approaches for faster growth. We are expanding our existing operations both in India and abroad, and growing inorganically through acquisition of JP Associates' cement plants. Through a combination of organic and inorganic growth, UltraTech's capacity will grow greater than 90 MTPA in coming years.



Additionally, during the reporting year, we further strengthened our capacity in response to the growing demand for building material, through the following assets and capacities:

2 MTPA cement grinding unit was commissioned at Nagpur in Maharashtra and slag grinding unit was commissioned at Patliputra in Bihar

In the cement manufacturing sector, expansion in manufacturing capacity needs to be fuelled and supported by power generation. A robust captive power supply ensures uninterrupted production. Currently, our installed WHRS capacity stands at around 59 MW which met 7.2% of our total power requirement during FY 17.



Additionally, we have solar and wind installed capacity of 2.6 MW and 1.13 MW respectively. All this, combined with our 717 MW thermal power capacity, ensure that majority of our total power requirement gets met through internal means. All our integrated units are now power self-sufficient and are also wheeling surplus power to some grinding units.

It is important to harmonise developmental activities with the environmental concerns. Hence, we got a comprehensive Environmental Impact Assessment (EIA) done for the expansion project by an independent external agency.

FINANCIAL IMPLICATIONS OF CLIMATE CHANGE

We understand that climate change poses a credible threat to the long-term continuity of business – not just at an individual company level of UltraTech, but also at Aditya Birla Group level. Conscious of this, ABG has adopted a group-wide sustainability policy with three core pillars – Responsible Stewardship, Strategic Stakeholder Engagement and Future Proofing.

MITIGATING CLIMATE CHANGE IS A NECESSARY PRECONDITION FOR US TO FUTURE-PROOF OUR BUSINESS. HENCE, WE TAKE IT UPON OURSELVES TO ADDRESS CLIMATE CHANGE SYSTEMATICALLY THROUGH CLEAR GOALS, TARGETS AND ACHIEVEMENTS.

LOCAL SUPPLY

Our global ambitions go hand in hand with local support and capabilities. The benefits - economic, social and environmental, of encouraging local supply cannot be understated. It is our continuing endeavour that even when we operate in some of the remotest corners of India, we leverage local suppliers and labour workforce to do more while doing better for everyone.

Purchase from locally-based suppliers	
2014-15	70.72%
2015-16	82.69%
2016-17	71.25%

We have been an active member of the Cement Sustainability Initiative (CSI) of the World Business Council for Sustainable Development (WBCSD), since 2006. This has given us a better understanding of the environmental and climate change initiatives. We also proactively measure our carbon footprint as per Cement Sustainability Initiative's CO_2 protocol.



To view a detailed account of our environment management measures, refer pg. 11 (CSI dashboard) and pg. 43 (environment performance chapter).

CORPORATE GOVERNANCE

Responsible Stewardship is born out of value-driven and committed governance. Future Proofing is made possible by policies and decisions in the present. And Strategic Stakeholder Engagement becomes seamless and more meaningful when stakeholders trust the integrity of the organisation. So in essence, the three pillars that support our sustainability model are reinforced by our robust corporate governance practices.

GOVERNANCE STRUCTURE

Structures are integral to our business. Some, we help build; some, help build us. Our governance structure guides us with focus on the core values.

CORE VALUES

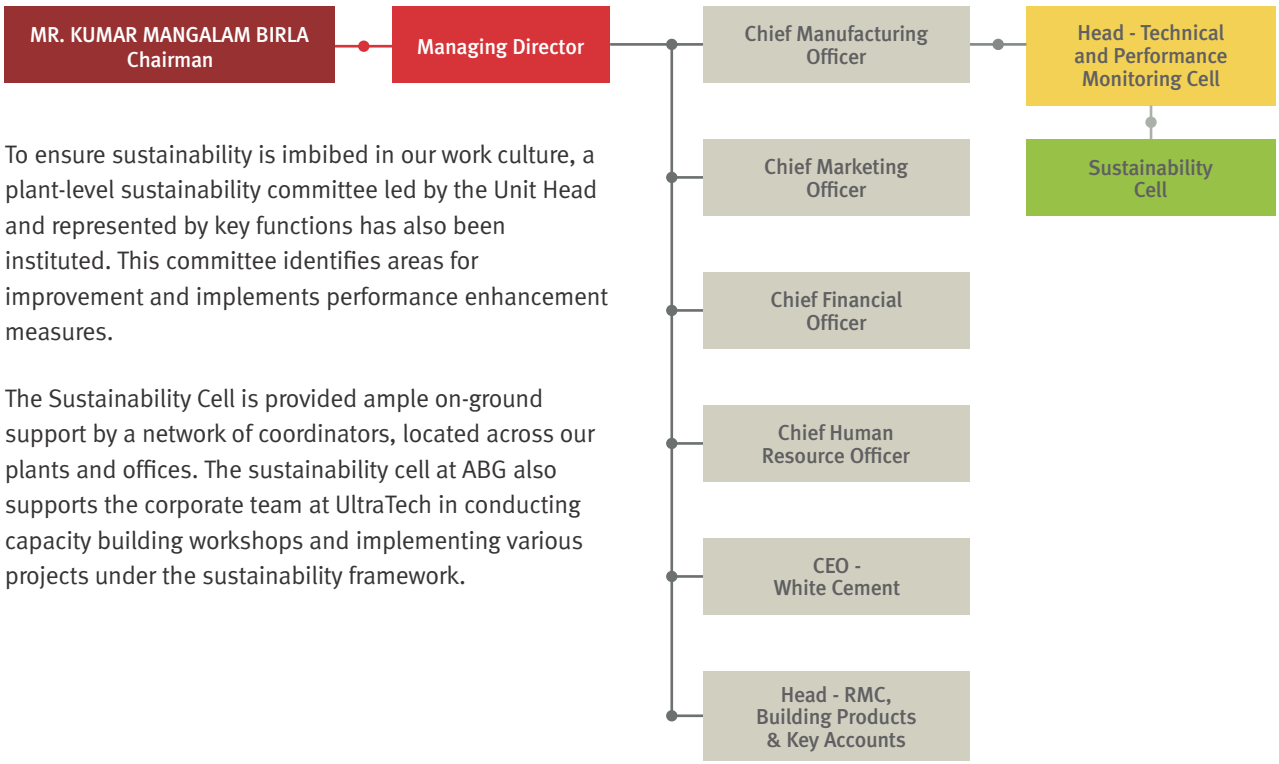
- Integrity
- Commitment
- Passion
- Seamlessness
- Speed

The Sustainability Committee, headed by the Managing Director, includes CXOs and Business Heads of Grey Cement, White Cement and RMC verticals.

The major responsibilities of the Board are:

1. To drive the implementation of sustainability roadmap across business functions and verticals
2. To set targets and identify various business risks (including climate change risk) and recommend action plans

The committee meets periodically, to discuss the work done and strategise the way forward. Outcomes of the meeting are then circulated to the committee members and a brief is presented to the Managing Director.



To ensure sustainability is imbibed in our work culture, a plant-level sustainability committee led by the Unit Head and represented by key functions has also been instituted. This committee identifies areas for improvement and implements performance enhancement measures.

The Sustainability Cell is provided ample on-ground support by a network of coordinators, located across our plants and offices. The sustainability cell at ABG also supports the corporate team at UltraTech in conducting capacity building workshops and implementing various projects under the sustainability framework.

BOARD OF DIRECTORS

Our Governance system is centred around the Board of Directors. The Board is responsible for the monitoring, control and decision making with regards to the remuneration of the Directors with the approval of shareholders. It also reviews and approves corporate strategies, business plans, projects, annual budgets, capital expenditure etc. Our Board comprises of 12 (twelve) Directors, which includes the Managing Director, the Whole-time Director and 6 (six) Independent Directors. The details of the Directors with regard to outside directorships and committee positions are as follows:

1	**Mr. Kumar Mangalam Birla**	Non-Executive	7	**Mr. S. B. Mathur**	Independent
2	**Mrs. Rajashree Birla**	Non-Executive	8	**Mr. O. P. Puranmalka**	Non-Executive
3	**Mr. Arun Adhikari**	Independent	9	**Mrs. Renuka Ramnath**	Independent
4	**Mr. R.C. Bhargava**	Independent	10	**Mr. D. D. Rathi**	Non-Executive
5	**Mr. G.M. Dave**	Independent	11	**Mr. K. K. Maheshwari**	Managing Director
6	**Mrs. Sukanya Kripalu**	Independent	12	**Mr. Atul Daga**	Whole-time Director & CFO

BOARD COMMITTEES

The Board Committees, headed by Independent Directors, ensure excellence through continuous supervision, rigorous review, and implementation of policies and procedures.

Audit Committee

Responsibilities

- Overseeing financial reporting process and disclosure of financial information
- Appointment, re-appointment, replacement or removal of the statutory auditor, cost auditor and fixation of audit fees
- Approval of payment to statutory auditors for any services rendered by them
- Review with management, the annual financial statements, before submission to the board for approval

Members

Mr. R.C. Bhargava | Mr. G.M. Dave | Mr. S. B. Mathur

Mr. D. D. Rathi | Mrs. Renuka Ramnath

Permanent Invitees

Mr. K. K. Maheshwari (Managing Director)

Mr. Atul Daga (Whole-time Director & CFO)

Nomination, Remuneration & Compensation Committee

Responsibilities

- Set the level and composition of remuneration of the Directors and the Senior Management and link it to performance
- Formulate appropriate policies and institute processes in order to identify potential candidates for Directorship and Senior Management
- Review and implement succession and development plans for Directors and Senior Management
- Devise a policy on Board diversity

Members

Mr. Kumar Mangalam Birla | Mr. G.M. Dave

Mr. Arun Adhikari





Stakeholder Relationship Committee

Responsibilities

- Issues relating to share and debenture holders including transfer / transmission of shares / debentures
- Issue of duplicate share / debenture certificate
- Non-receipt of dividend
- Non-receipt of annual report
- Non-receipt of share certificate after transfers
- Delay in transfer of shares
- Any other issues of shareholders

Members

Mr. R. C. Bhargava | Mr. G. M. Dave | Mrs. Sukanya Kripalu | Mr. D. D. Rathi

Finance Committee

Responsibilities

- Exercise all powers and discharge all functions relating to working capital management, foreign currency contracts and operation of bank accounts
- Authorise officers to deal in matters relating to excise, sales tax, income tax, customs and other judicial or quasi-judicial authorities

Members

Mr. D. D. Rathi | Mrs. Alka Bharucha | Mr. Arun Adhikari

Corporate Social Responsibility Committee

Responsibilities

- To monitor and implement the Company's CSR policy
- Recommend the activities to be undertaken during the year to the Board and amount to be spent for the same

Members

Mrs. Rajashree Birla | Mr. G. M. Dave

Mr. O. P. Puranmalka | Mr. K. K. Maheshwari

Permanent Invitees

Dr. Pragnya Ram (Group Executive President, Corporate Communications & CSR)



Risk Management Committee

Responsibilities

- Identification, assessment and classification of risks relating to business
- Conceiving mitigation plans to minimise risk
- Monitoring various risks

Members

Mr. Arun Adhikari | Mr. K. K. Maheshwari
Mr. K. C. Jhanwar

Permanent Invitees

Mr. Atul Daga (Chief Financial Officer)

For further information on the Board Structure and Functions, please refer our Annual Reports

CODE OF CONDUCT



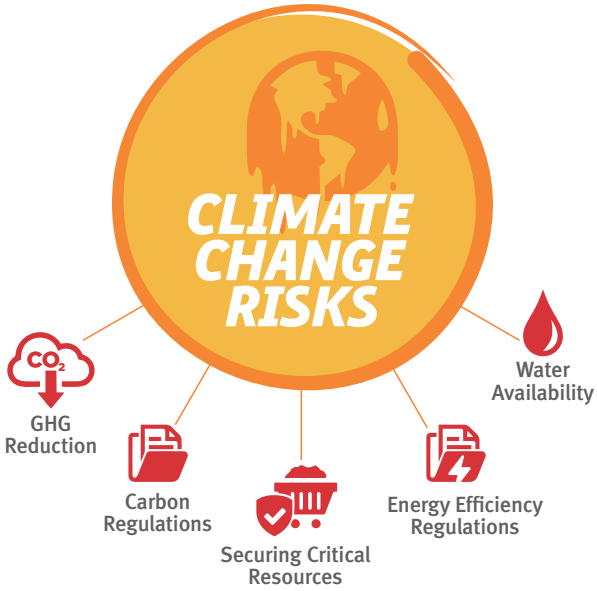
Fair and thorough enforcement of rules are as important as the formulation of right ones. At UltraTech, a comprehensive and uniform Code of Conduct applies to the entire workforce across designations. The Company website hosts a copy of the Code of Conduct, which is regularly updated to match the latest requirements. We have also laid down norms for various policies and processes, to functions like HR, procurement and investor relations, in alignment with the uniform code. Together, these measures provide our employees, the right direction towards moral conduct and foster an ethical work culture.

RISK MANAGEMENT

UltraTech follows a structured risk management approach, which encompasses identifying potential risks, assessing their potential impact, mitigating them through taking timely action and continuous monitoring. The risk management strategy and processes are regularly reviewed by the Risk Management Committees, at the corporate level and unit level.

Business risks and climate change risks are also continuously tracked and assessed by the committee, to help timely mitigation and facilitate sustainable growth.





For more information, please refer to the Product Responsibility section.

RISK MANAGEMENT MECHANISM

UltraTech has a comprehensive risk management mechanism that straddles both corporate and unit levels.

Unit Level

A risk management committee, consisting of key functional heads, has been constituted at each Unit. The risks identified from each function is aggregated and categorised by the functional head for Finance. The assessment of risks associated to climate change is the responsibility of the Unit Head, while the operational risks are analysed by different functional heads.

Corporate Level

The corporate risk management follows a similar structure, where the Chief Finance Officer (CFO) is the risk manager who collates the risks from various business heads. The sustainability team supports the Chief Manufacturing Officer (CMO) to identify the climate change risks. The risks are then marked to a ranking matrix based on criticality to the unit/organisation (reputational, regulatory and financial impact) and are noted in the risk register with the recommended mitigations/action plans. This risk register is then presented to the Apex Committee for review. Based on the degree of impact of the risk on the unit/company, the Apex Committee lays down its risk mitigation recommendations every quarter. Risks with the highest level of impacts are directly reported to the Group Apex Committee.

Third party risk assessment is carried out for legal, financial, environmental, supply chain, operational functions as well as compliance and reputation.

The Apex Committee then prioritises these risks along with the third-party agencies. Post this, a mitigation strategy is worked out and assigned to the respective business heads.

PUBLIC POLICY AND ADVOCACY



We are members of various industrial and commercial organisations such as:

- Cement Manufacturers Association (CMA)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industries (CII)
- Advertising Association of India
- Cement Sustainability Initiative (CSI) of the World Business Council for Sustainable Development

UltraTech constantly endeavours to innovate green products and incorporate green processes to ensure long-term sustainable growth and development.

In alignment to this vision, we associate with organisations under Task Forces and Committees of Bureau of Indian Standards (BIS) and Bureau of Energy Efficiency (BEE).

PRODUCT PERFORMANCE

From manufacturing building products to offering building solutions, UltraTech is a 360° building materials destination.

With every offering that bears the stamp of UltraTech, sustainability comes built-in. We are strategically focussing on development of products and services that help customers build sustainable structures which are not just more durable, but also more resource-efficient, cost-effective and conducive to human lifestyle.

We are moving in the right direction in sustainability and by being the leader today, we are giving ourselves the best possibility of achieving long term success in developing products and solutions for tomorrow.

WE LEARN FROM THE PAST, PERFORM IN THE PRESENT AND STRATEGISE A MORE SUSTAINABLE FUTURE.

We have adopted four mechanisms which help us accelerate outcomes.

REGULAR CUSTOMER ENGAGEMENT

We engage with a wide range of individual customers, professionals, retailers and distributors using a gamut of communication mechanisms.

RESPONSIBLE VALUE CHAIN

A pilfer-proof and environmentally-sensitive value chain adds to profitability and prosperity. Right from sourcing to distribution, we are strengthening our entire value chain.

CONTINUOUS INNOVATION

We have introduced a varied portfolio of products that addresses a spectrum of stakeholder and real-world concerns.

BENCHMARKING & BEYOND

Our products comply with national and international standards; and in many cases, transcend benchmarks. We understand that compliance is only the first step towards excellence.

REGULAR CUSTOMER ENGAGEMENT

UltraTech has been able to build a loyal customer base not only by providing innovative solutions quickly and easily to its customers, but also by learning from the customers, understanding their requirements and responding appropriately to their preferences.

Whether it is an insight survey of Individual house builders, technical guidance forums for engineers, construction benchmarking seminars or builders' meets - engaging with each set of customers through distinct platforms helps us understand their feedback, expectations and choices. These insights are a fuel to expand our product and service portfolio.

In addition to soliciting customers' views, we also educate them on the sustainable aspects of our products. The Technical Services Department educates the users of cement like masons and the IHB, on using cement optimally and reducing wastage.

We also share knowledge with government agencies regarding the advantages of using cement for mass housing and roads. Several seminars have been conducted on this front such as enumerating on the environmental benefits of switching from bituminous roads to concrete roads. UltraTech works closely with government schemes like Pradhan Mantri Gram Sadak Yojna, Swachh Bharat and Indira Awas Yojna, which are directed at enhancing rural infrastructure - affordable homes, roads and schools.



For more information about our engagement initiatives, please refer to the Stakeholder Engagement section on page no. 98.

CONTINUOUS INNOVATION

We manufacture a range of sustainable products that cater to the construction needs from foundation to finish. These include high-tech specialty concretes with wide-ranging attributes and properties, innovative building products and value-added services that relate to the use of concrete and construction materials.

Being India's largest manufacturer for grey cement, white cement and ready mix concrete, we believe in investing extensively in research to introduce path-breaking offerings with triple bottom line advantages.



A case in point is the development of Portland Limestone Cement that enhances conservation of raw material, and reduces energy intensiveness and emissions.



Key benefits of innovation include:

Product improvement | Cost reduction | Product development | Import substitution | Reduction in specific energy consumption | Improved product quality | Customer satisfaction | Achievement of sustainability targets

Our R&D centre is devoted to exploring new ways of sustainable product development, environment preservation and responsible use of resources.

- The Technology Innovation & Knowledge Management Centre drives technological innovation which extends beyond conventional cost management outcomes. With a team of more than 50 scientists and engineers, it focusses on raw mix, process improvements (clinker-cement conversion ratio) and the use of cost-effective hard-to-burn fuels.
- Our Research and Development Centre concentrates on the development of new products and processes with a significantly moderate environmental footprint.
- We are closely engaged with the Aditya Birla Science and Technology Company Private Limited (ABSTCPL), the corporate research and development centre for the Aditya Birla Group. It caters to the corporate research needs of the Group's businesses through multi-disciplinary experts working on applied research projects. Our active collaboration with ABSTCPL is closely linked to its corporate objectives of mineral securitisation, process debottle-necking and predictive studies, based on natural and non-renewable resource preservation, energy conservation and improved product durability.

Along with developing a green product portfolio, we also continue to innovate on our industrial by-product recycling measures and introduce sustainable technologies in our processes. Replacing traditional fuels with alternative fuels, improving energy efficiency of our products, using clinker additives and implementing waste heat recovery systems wherever possible, are some alternatives that we have adopted on our manufacturing front. These initiatives contribute towards lowering the carbon footprint of our products.



CASE STUDY

ULTRATECH CONCRETE ZIP – A COMPACT POWERHOUSE

Use of concrete for small repairing jobs often used to be a hassle to the customer, and delivering small volumes a challenge for concrete manufacturers. UltraTech Concrete Zip is a unique concrete solution to this challenge, providing liberty to the end user to plan and complete small concreting jobs.

It is a multipurpose premixed concrete available in buckets, manufactured from high-quality cement, specially selected and graded sand coarse aggregate, best-in-class high performance additives and measured quality of clean potable water. It can be specially designed as per customer's requirement in terms of quality, strength, workability and specific value-added properties required for the job.

The USP of Zip is that it can be delivered in small quantities and in congested areas, where it is difficult to transport concrete through transit mixers.



The major application avenues include column starters, minor concrete repairs, bedding in drains, manhole covers, greenhouse bases, foundations for paving slabs, small pathways and steps, concreting of sunken slabs and road repairs.

Zip is packed in compact plastic buckets of 15 litre each. Depending on the required volume, multiple buckets can be ordered.

ULTRATECH ZIP CAN BE TRANSPORTED EVEN IN SMALL VEHICLES TO THE DESIRED DESTINATION. THIS BECOMES A CONVENIENT AND COST-EFFECTIVE SOLUTION FOR OUR CUSTOMERS LOOKING AT SMALL JOBS FOR CONCRETING.

The assured quality of concrete is guaranteed due to scientifically designed mix and use of raw materials after testing as per BIS norms. Zip also provides freedom from hassles of concrete mixing on site. A couple of examples highlighting Zip's utility:

- **When a factory of corrugated boxes was facing issues of cracking of floors due to impact of heavy loads, Zip proved to be an ideal solution. This challenge was overcome by providing UltraTech Concrete Fibrecon in Zip buckets.**
- **A pavement repair solution project for Municipal Corporation Chennai to repair a pothole of an old bituminous road had a unique requirement. A premixed Zip was the right solution. The technical team recommended UltraTech Zip Concrete of M40 grade which helped overcome the challenge, and the unique service of Zip was well appreciated.**

RESPONSIBLE VALUE CHAIN

UltraTech follows a holistic and long-term approach to seed sustainability in the supply chain. Our approach entails various interventions which support our business goals, contribute to the socio-economic conditions of our suppliers as well as protect the planet. We also invite ideas from our suppliers to bring our products into the market in a more sustainable way.

PROCUREMENT MANAGEMENT

Procurement practices and selection criteria are focussed on protection of environment, societal interest, quality enhancement and cost effectiveness.

Whenever we procure a product, we analyse its impact over the entire life cycle. We dispose e-waste or hazardous waste in an environmental-friendly manner. We have a stringent vendor evaluation system which also considers social aspects of the business.

The vendor registration form of the company requires its potential vendors to specify their commitment on the following aspects.



UltraTech believes in long-term partnerships with the vendors by engaging in Annual Rate Contracts. Efficiency is ensured by providing periodical feedback on performance in terms of quality, delivery, services and environmental health & safety compliance. This helps the vendors boost performance by taking corrective actions on improvement areas.

Transparency and fair approach are maintained while dealing with the vendors during the entire procurement cycle. Efficient use of information technology reduces the procurement cycle time. We have launched a vendor portal which not only reduces the cycle time, but also empowers vendors to make use of its useful features.

Sourcing through E-procurement

E-procurement has made our sourcing process more transparent and efficient. It includes a web-based supplier portal with features like Request for Quote, submission of offers by the suppliers, generation of comparative charts and release of orders. The module is integrated with our SAP system. A reverse auction process of real time competitive bidding for buying and transportation of material, adds to the efficacy of the process. E-procurement has resulted in a more effective communication with our vendors and enabled significant reduction in paper work as well as travel hours.

Giving Preference to Local Vendors

UltraTech has always given preference to local vendors when it comes to sourcing materials. In case of PP packing bags vendors, we have optimised the vendors located near our cement plant based on their capability and capacity. This has also resulted in lower fuel consumption.

FOLLOWING THE SEA

Sea transport is the most economic mode of transport, especially when plants are situated near ports. UltraTech has its operations on the Indian west coast with the loading terminals situated at Pipavav and Jafarabad, Gujarat. The state-of-the-art system includes the cargo conveying and handling system as a part of the cement plant. This captive jetty handles about 5 million tonnes of captive cargo of cement and clinker, with more than 80% berth occupancy rate.



MONITORING VEHICLE MOVEMENT

UltraTech has implemented an RFID-based Vehicle Movement System at one of its plants to monitor real-time, in-plant movement of vehicles, improve overall safety inside the plant and reduce the overall time taken within the plant for road loading.

MAPPING SUPPLIERS

UltraTech maps the Polypropylene (PP) bag suppliers across the country to minimise distance between supplier plants and units. We also encourage and empower our PP bag suppliers to achieve 9001:2008 certification.

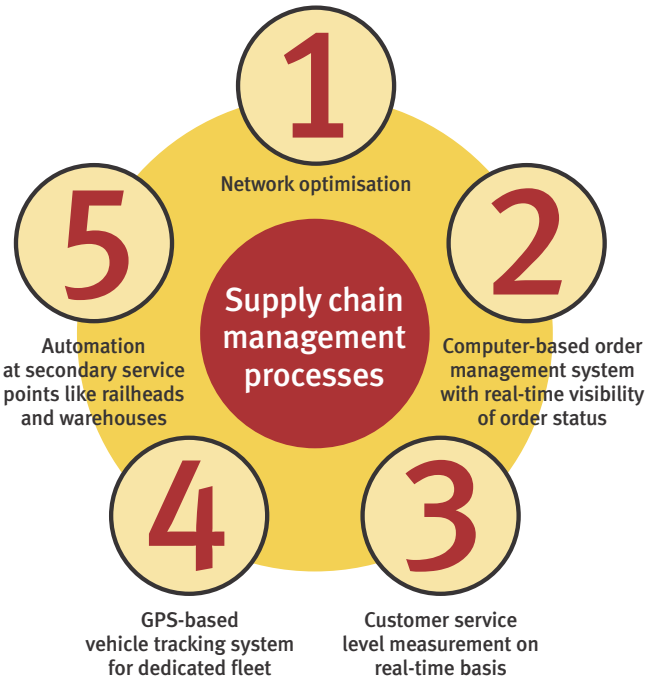
IMPROVING PACKING PERFORMANCE

After acquiring Sewagram Cement Works from JP Cement, cement dispatch from the unit increased drastically but still we were unable to match up with the market demand. There were many reasons for this, one of which was poor packer performance. High weight variation was observed during packing of the bags; it was either overweight or underweight, resulting in bottlenecks in the truck turnaround time. To address this challenge, Six Sigma concept was incorporated which reduced the weight variation and increased the quality of delivery.

LOGISTICS MANAGEMENT

The key to managing our vast scale and complexity of distribution network is the use of robust processes for planning, distribution, network design, order execution, visibility and optimal resource utilisation.

Some of the best-in-class supply chain management processes adopted by UltraTech include:



Putting sustainability at the heart of logistics management, we prefer fuel-efficient transport options and select vendors who are close to our manufacturing locations.

We import coal in bulk size vessels in collaboration with suppliers, under which about one-half of the shipment quantity is taken by us with full cost advantage of freight, and the balance is sold by the suppliers to their retail customers.

This consumes lesser fuel as compared to smaller size shipment in terms of per ton of material sailed.

BENCHMARKING & BEYOND

At UltraTech, benchmarking is going beyond what is already required. That's why we are trying to move from merely following local laws to aligning ourselves voluntarily with the international standards set by the global bodies like International Finance Corporation (IFC), Organisation for Economic Co-operation and Development (OECD) among others.

NOT ONLY DO OUR CUSTOMERS APPRECIATE OUR EFFORTS, BUT THE INDUSTRY TOO HAS GIVEN US THUMBS UP IN THE FORM OF MULTIPLE RECOGNITIONS AND ACCREDITATIONS.

We are already compliant with some of the international standards such as ISO and OSHAS, and publish our report as per the GRI standards. We also benchmark ourselves with our peers based on the CSI Key Performance Indicator (KPI) performance.



TERMINAL 2, CSIA - MUMBAI

Our strong commitment to quality and a robust distribution network, make us the preferred choice for infrastructures that support a new and vibrant India. Case in point is the extensive usage of our products in the construction of Terminal 2 at the Chhatrapati Shivaji International Airport in Mumbai.

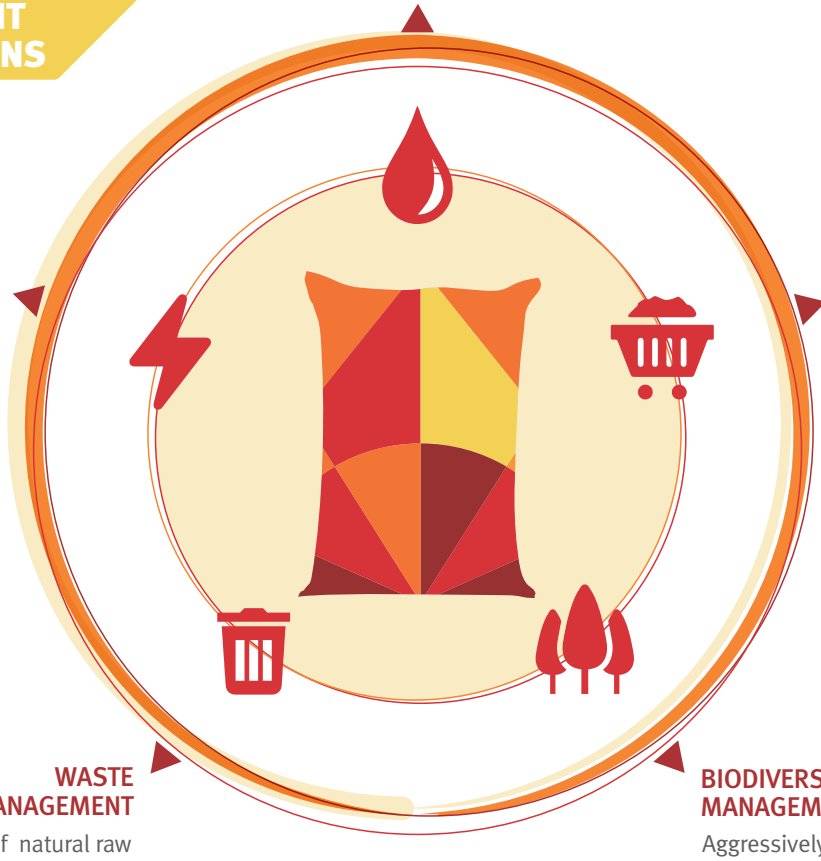


ENVIRONMENT PERFORMANCE

Natural resource management is a crucial cog for future proofing our business. Right from rationalising energy consumption to accelerating water conservation, and moderating the use of finite fossil fuels to increasing biodiversity protection - every action that we take today, be it small or large, will play a significant part in ensuring a sustainable tomorrow.

Being one of the earliest proponents of alternative fuel usage, waste heat recovery and other environment friendly practices in the country, we continue to raise the bar of our environmental performance. We have put in place a well-thought-out environmental strategy and a well-chalked-out green roadmap, with a view to measure, monitor and manage our green status. Our precautionary approach has been articulated through practices adopted by us for mitigating risk and managing our environmental performance.

KEY PILLARS OF OUR ENVIRONMENT INTERVENTIONS



WATER MANAGEMENT

Water is critical for the continuity of our operations, since most of our cement plants are in water stressed regions across the country

CLIMATE CHANGE

Energy efficiency, waste heat recovery and generation of renewable energy are our key priorities

RESOURCE MANAGEMENT

Efficient use of natural resources and reducing dependence on it by using alternate fuels and materials

WASTE MANAGEMENT

Reducing use of natural raw materials, utilisation of waste from other industries for blended cements and using industrial waste as alternative fuel

BIODIVERSITY MANAGEMENT

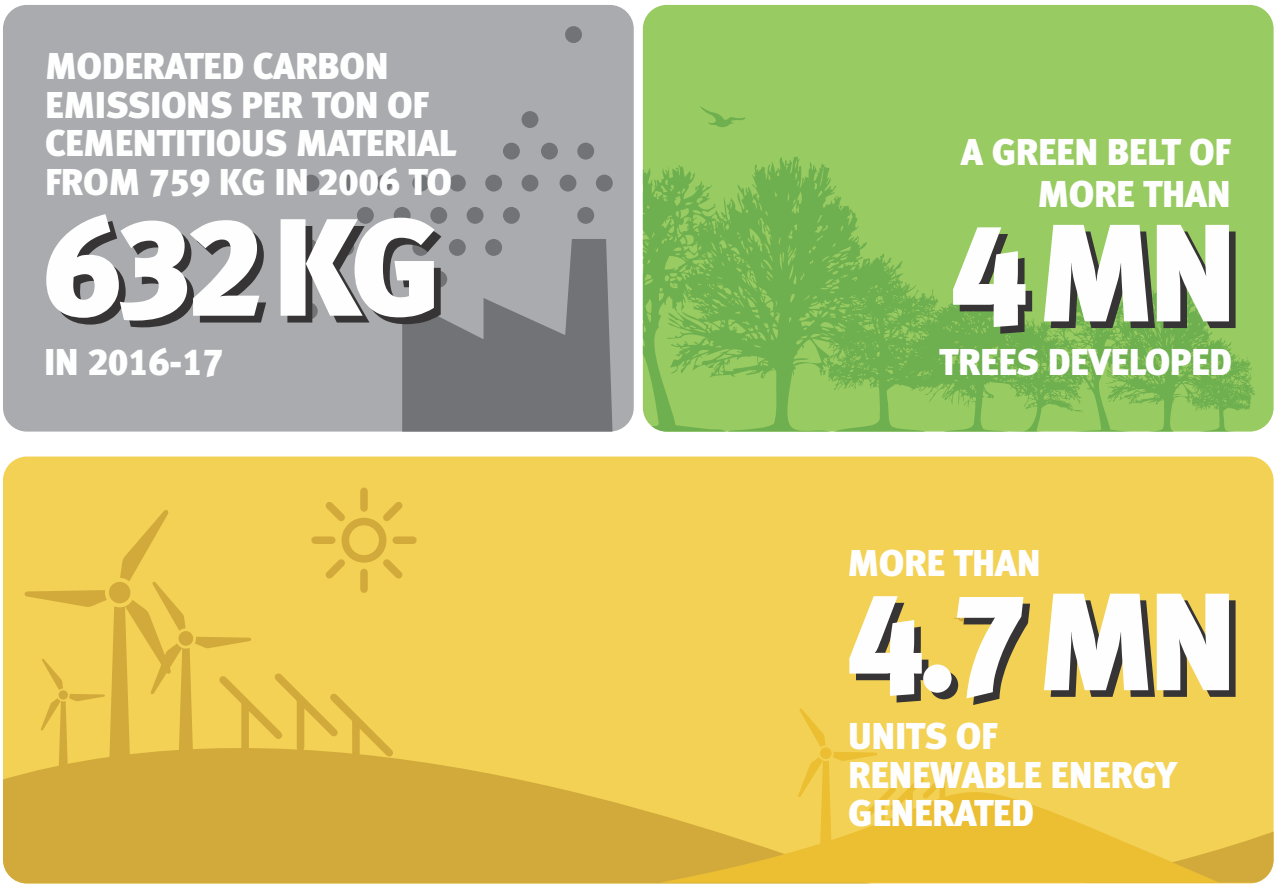
Aggressively working on tree plantation, green zone development, rehabilitation of exhausted mines and reclamation of land

46%
Jump in Waste Heat Recovery over the Last Year

10.61
Million Ton of Recycled Material Used in FY 2016-17 (Cement + RMC)

As the largest cement producer in India, we continually strive to play a key role in finding effective and responsible ways to preserve the environment. We follow the best practices in the cement industry and benchmark our sustainability practices with global players through Cement Sustainability Initiative (CSI), a part of World Business Council for Sustainable Development (WBCSD).

HIGHLIGHTS



CLIMATE CHANGE

We are aware of our dual responsibilities to the environment and to the nation's progress. Our key priorities are energy efficiency, waste heat recovery and generation of renewable energy. We annually report on our emissions performance through sustainability reports, CSI dashboard and the Climate Disclosure Project (CDP).

We have implemented various initiatives to improve our environmental performance related to NOx, SOx and dust emissions, and are continuously monitoring the same. Our specific CO_2 emissions have come down by around 24% since 1990. With respect to energy efficiency, we have overachieved the target set by the Government of India for the first Perform, Achieve and Trade (PAT) cycle and moving ahead for the next phase of the cycle.



CO-CHAIRING ROADMAP FOR CARBON INTENSITY REDUCTIONS

UltraTech was one of the co-chairs of the expert working group, for the development of roadmap outlines of a low-carbon growth pathway for Indian Cement Industry that could lead to carbon intensity reductions, jointly developed by WBCSD, CSI and the International Energy Agency (IEA) along with other CSI members.

MONITORING EMISSIONS

In our cement operations, total specific CO_2 emissions (direct) witnessed a decrease of 0.19% in FY 2016-17, as compared to the previous year. This decrease in direct CO_2 emission was due to the decrease in clinker factor.

At our RMC operations, direct specific emissions decreased by 13% and indirect specific emissions decreased by 4.46% in FY 2016-17, compared to last year.

The total Scope 3 emissions were 4.35 million ton/year in FY 2016-17.

CARBON DISCLOSURE PROJECT (CDP)

We have also been actively participating in CDP for disclosing climate related information. Our CDP response achieved a performance band of "C" in 2017.

ABSOLUTE GHG & ODS EMISSIONS

Parameter	Unit	Cement			RMC		
		2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Direct CO_2 (Includes CPP)	Thousand tCO_2/year	36,437	37,860	37,136	3.90	3.58	3.11
Indirect CO_2 (External power)	Thousand tCO_2/year	728	733	711	7.22	7.85	7.50
Total use of ODS	Equivalent ton	0.261	0.259	0.267	0	0	0

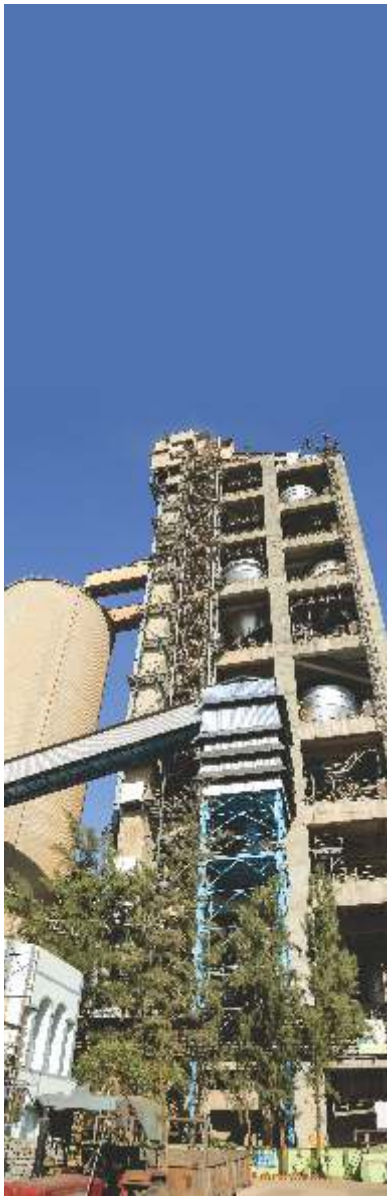
SCOPE 3 EMISSIONS

Parameter	Unit	Cement		
		2014-15	2015-16	2016-17
Scope 3 emissions	tCO_2/ year	3,477,097	4,522,167	4,350,951
	Million ton/year	3.48	4.52	4.35

SPECIFIC GHG EMISSIONS

Parameter	Unit	Cement		
		2014-15	2015-16	2016-17
Specific GHG emissions	kg CO_2 per ton of cementitious material produced	643.52	633.30	632.09*
Specific indirect GHG emissions	kg CO_2 per ton of cementitious material produced	15	14	14
Parameter	**Unit**	**RMC**		
		2014-15	2015-16	2016-17
Specific GHG emissions	kg CO_2 per m^3 of concrete produced	1.03	0.92	0.83
Specific indirect GHG emissions	kg CO_2 per m^3 of concrete produced	1.91	2.02	2.01

** In the construction sector, the concrete mix design uses high proportion of additives like flyash, slag which ultimately leads to much lower carbon footprint of 165 kg CO_2/m3 of concrete at its end use compared to 632 kg CO_2/tonne of cementitious product which is a typical carbon footprint of OPC type of cement.*



MANAGING AIR EMISSIONS

Nox Emission Reduction Strategy

UltraTech has taken initiative to reduce its NOx emission by implementing the following measures:

Primary measures

- Raw mix optimisation, coal residue optimisation and process optimisation
- Burner management - conversion of old burner with low NOx burner
- Low NOx calciner selection for new plant and modification in old calciner for incorporation of low NOx feature

Secondary measures

Installation of SNCR system

UltraTech had taken an initiative in FY 2015-16 to demonstrate technologies for primary measures and secondary measures in one of its plant locations, to chalk out future process strategy and new technology adoption to minimise NOx emission. In the reporting year the new technology low NOx burners were commissioned in two plants.

After introduction of primary measures, UltraTech Cement initiated introduction of secondary measures technology for minimising NOx emission to its lowest value in cement manufacturing process. The demonstration scheme for installation of SNCR was prepared for one of the cement plants. The system was operated for a weeks' time to establish the performance and minimum achievable NOx value. After establishing the performance, complete technical evaluation and planning has been made to introduce the new technology in cement plants.

After installation of primary & secondary measures, UltraTech cement would be able to reduce its NOx emission level and comply with the new norms irrespective of fuel quality.

Dust Emission Reduction Strategy

UltraTech has initiated technical improvement in performance of its dust control equipment in advance to comply with the new norms. The appropriate action was planned for upgradation of Electrostatic Precipitators (ESP) with approximate investment, to be incurred by UltraTech in the next two years to meet out these norms.



Based on the evaluation, in-house modification, conversion of ESP to bag house and utilisation of latest technology like high frequency convertor, were planned for reducing the dust emission level. The decision to upgrade the equipment was taken on a case-to-case basis. The reduction of emission level was targeted to less than 30 mg/Nm3 for each plant from the present level.

SOx, NOx & SPM EMISSIONS

Parameter	Cement		
(ton/year)	2014-15	2015-16	2016-17
SPM	7,087	5,915	4,558
SOx	24,343	23,834	19,595
NOx	84,611	83,117	74,594

INITIATIVE

INSTALLATION OF DUST SUPPRESSION SYSTEM

GUJARAT CEMENT WORKS I KOVAYA

Suppression of dust greatly enhances work efficiency, and ensures a safe & healthy environment not only for the employees, but also for the neighbouring community. A dust suppression system, designed in-house, has been installed at the crusher plant at GCW, Kovaya with an aim to reduce the dust of the additives, such as Black Trap, Red Ochre and High Grade Limestone, to the minimum. This has led to reduction in dust emissions.



ENERGY MANAGEMENT

Three areas drive our energy management approach:

ENERGY EFFICIENCY

WASTE HEAT RECOVERY

GENERATION OF RENEWABLE ENERGY

MAJORITY OF OUR POWER REQUIREMENT IS MET THROUGH INTERNAL MEANS - CAPTIVE POWER PLANTS AND WASTE HEAT RECOVERY.

ENERGY EFFICIENCY

Several process efficiency measures continue to be spearheaded across all stages of production at our plants, to secure energy savings. During the year, we invested INR 760 million to deploy on energy conservation equipment and various measures for conserving energy.

THIS INVESTMENT COUPLED WITH A SERIES OF UTILITY OPTIMISATION AND OPERATIONAL CONTROL MEASURES, HELPED US TAKE OUR ENERGY CONSERVATION TO 674,834 GJ COMPARED TO LAST YEAR'S 343,459 GJ.

ENERGY CONSERVED

Parameter	2014-15	2015-16	2016-17
Energy Conserved (in GJ)	129,506	343,459	674,834

In PAT cycle 1, we overachieved our target and achieved a saving of 85,040 Ton of Oil Equivalent (TOE). For PAT cycle 2, we have a target of 0.204 million TOE. At UltraTech, following levers are being utilised to achieve reduction targets outlined under the PAT scheme:

- Improvement in Clinker Factor
- Use of Alternate Fuel Resource (AFR)
- Power Generation through Waste Heat Recovery (WHR)
- Improvement in Electrical Efficiency
- Improvement in Thermal/ Operational Efficiency
- Technological Upgradation



Following are some of the initiatives taken up on this front:

- Cycle modification in different plants for reduction in heat and power consumption
- Cooler upgradation, calciner modification, VVFD installation and burner modification



- Installation of energy-efficient screw pump in coal firing system
- Process optimisation and productivity improvement through internal modifications like grinding media optimisation, and conversion of two chambers mill to single chamber mill
- Maximisation of clinker factor and improvement in raw mill grinding efficiency
- Installation of energy-efficient blower for kiln primary air
- Replacement of plant and colony lighting fixtures with LEDs
- Installation of master air controller for energy saving of compressors



Key initiatives taken up to increase energy efficiency.

Expert Optimisation System

KCW installed a plant expert optimisation system and commissioned it in the main CCR to implement the control strategies in various process loops for Pyro section & Cooler. The system communicates with the existing ABB DCS system to control the process loops and takes proactive action on programmed strategies in the software.

Outcome

Specific Power	Specific Heat
0.49 kWh/MT clinker	**1.06 Kcal/kg clinker**

Optimising for Better Efficiency

Andhra Pradesh Cement Works (APCW) witnessed a drop in the cooling efficiency of its water pump due to depreciation as well as scaling inside the pump. To address this issue, pump internals were coated, increasing the efficiency by 3% and saving power to the tune of 6,768 kWh/year.

In another initiative, switch controllers were deployed at all electrical rooms at the Line-1 Raw Mill for lighting optimisation. With the help of these, the electrical person can switch them on and off as per the requirement.

Outcome

An annual power saving of
486,000 kWh

Reduction of Heat Rate & Auxiliary Power

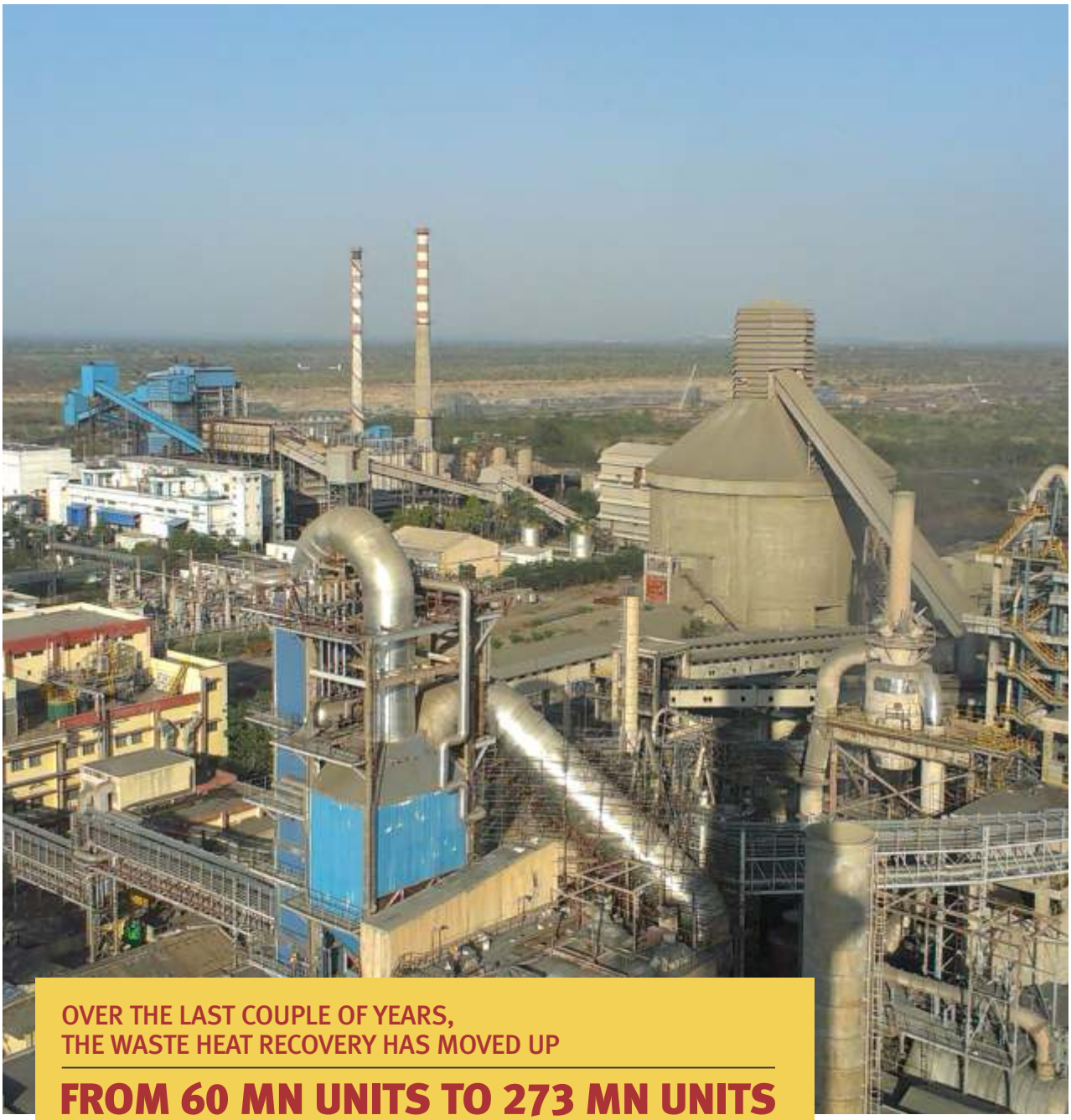
KCW reduced the heat rate and auxiliary power consumption, by replacing ACC HDG-type with ALE-type tube bundles. The replacement was done after a thorough feasibility study, followed by the pneumatic test of the system and commissioning.

Outcome

Saving	Power Saving
1,217.141 mn Kcal/annum	**2.567 mn kWh/annum**

WASTE HEAT RECOVERY SYSTEM (WHRS)

One of the earliest proponents of waste heat recovery in India, UltraTech has continuously enhanced the WHRS capacity of its operations. In the reporting period, our waste heat recovery efforts saw a significant leap. Currently, our installed WHRS capacity stands at around 59 MW which met 7.2% of our total power require



OVER THE LAST COUPLE OF YEARS,
THE WASTE HEAT RECOVERY HAS MOVED UP

FROM 60 MN UNITS TO 273 MN UNITS

ENERGY RECOVERED THROUGH WHRS

2014-15	2015-16	2016-17
222.29 TJ	672.86 TJ	984.53 TJ

RENEWABLE ENERGY

We continue to advance on our renewable energy agenda through large-scale investments in solar, wind and thermal energy projects.

717 MW THERMAL POWER CAPACITY | **2.6 MW** SOLAR POWER INSTALLED CAPACITY | **1.13 MW** WIND POWER INSTALLED CAPACITY



Following mix of alternate sources of energy was adopted in the reporting period:

Thermal Power

With a thermal power capacity of 717 MW, all our integrated units are now self-powered and some of them also generate surplus power which is utilised in our grinding units.

Alternative fuels are also used for thermal energy generation in our kilns, which help in the substitution of fossil fuels and allow better management of industrial waste without compromising end product quality, while moderating our carbon footprint.

Solar and Wind Power

Our solar installed capacity stands at 2.6 MW and the energy generated is utilised mainly to provide electricity in our townships. Going ahead, plans are in place to further increase the use of solar energy in all our manufacturing units.

Our wind power installed capacity stands at 1.13 MW. We have also entered into long-term agreements for purchasing green power and put into place plans to increase the green power share.

TOTAL ALTERNATIVE FUEL RATE

% of thermal energy consumption

2014-15	2015-16	2016-17
2.20	1.6	2.30

TOTAL WIND & SOLAR ENERGY PRODUCED

	2014-15	2015-16	2016-17
Wind Energy (At Reddipalayam Cement Works) (in TJ)	6.64	5.29	6.78
Solar Energy (At Rawan, Hirmi, Aditya, Kotputli, Rajashree, Awarpur, Reddipalayam) (in TJ)	9.95	10.71	10.27

ENERGY PERFORMANCE

DIRECT ENERGY CONSUMPTION - PRODUCTION

Parameter	Cement			RMC		
(In PJ)	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Coal and Lignite	57.95	40.55	34.44	0	0	0
Pet Coke	56.98	79.51	88.66	0	0	0
Waste Fuel	2.57	1.53	2.76	0	0	0
Others (Includes diesel oil, furnace oil, LDO, polypropylene and other fuel)	0.420	6.720	0.20	0.032	0.030	0.025
Mining and transportation	0.98	1.00	0.80	NA	NA	NA

**A significant increase in Others category appears due to addition of polypropylene in the account.*

DIRECT ENERGY CONSUMPTION - CAPTIVE POWER PLANT

Parameter	Cement			RMC		
(In PJ)	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Coal and Lignite	32.38	24.41	19.73	0	0	0
Pet Coke	13.19	19.78	30.26	0	0	0
Other Fuels	0.15	0.14	0.36	0.023	0.020	0.017

INDIRECT ENERGY CONSUMPTION

Parameter	Cement			RMC		
(In TJ)	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Electricity Purchased	2,738	2,799	1,930.74	31.42	31.29	32.97

SPECIFIC ENERGY CONSUMPTION - CEMENT

Energy Consumption	2014-15	2015-16	2016-17
Specific thermal energy consumption (kcal/kg of clinker)	717.15	713.56	708.55
Specific electrical energy consumption (kWh/ton of cement)	85.3	82.3	78.7

SPECIFIC ENERGY CONSUMPTION - RMC

Energy Consumption	2014-15	2015-16	2016-17
(in GJ/100 m^3 concrete produced)	2.27	2.09	2.02

RESOURCE MANAGEMENT



We follow a dual approach for efficient waste management:

Lesser the waste, easier its management

We prevent waste by using raw materials judiciously

Reuse is the most productive form of management

We substitute fossil fuels and raw materials with waste material - generated not only from our plants, but also from other industries

Out of the total raw material used for production, 13.58% was recycled material comprising of fly ash, slag, waste gypsum, etc. Over and above focussing on reduction of waste at source, we also ensure responsible disposal. Waste inventory gets mapped on a regular basis and it is sent to authorised recyclers for recovery and disposal.

How are we responding to the Resource Challenge?

- ☑ **Innovations for 'closing the loop'**
- ☑ **Technical upgradation to enhance mine life**
- ☑ **Increasing use of low-grade limestone**
- ☑ **Greener concrete mix**
- ☑ **Increasing the share of green energy**

JUDICIOUS USE OF RAW MATERIAL

We continue to explore ways to reduce dependence on natural resources through utilisation of low grade limestone, use of alternate sources and productive use of waste.

Waste Management Performance

Total hazardous waste (solid + liquid) disposal decreased by 28% in FY 2016-17 in comparison to the previous year. For RMC, it decreased by 22% compared to the previous year, due to reuse of oil.

Across our sites, we do not import or export waste which has been deemed hazardous under Basel Convention. Also, there were no significant spills because of our operations in the reporting period.



HAZARDOUS WASTE DISPOSED - CEMENT

(in ton)	2014-15	2015-16	2016-17
Hazardous waste (solid)	282	871	816
Hazardous waste (liquid)	876	1,254	709

HAZARDOUS WASTE DISPOSED - RMC

(in ton)	2014-15	2015-16	2016-17
Hazardous waste (solid)	15	14	10
Hazardous waste (liquid)	1	1	1

NON-HAZARDOUS WASTE DISPOSED - CEMENT

(in thousand ton)	2014-15	2015-16	2016-17
Non-Hazardous waste (solid)	2,004	1,998	2,619*

** Increase due to the overburden waste from mines in RDCW*

NON-HAZARDOUS WASTE DISPOSED - RMC

(in thousand ton)	2014-15	2015-16	2016-17
Non-Hazardous waste (solid)	69	73	73

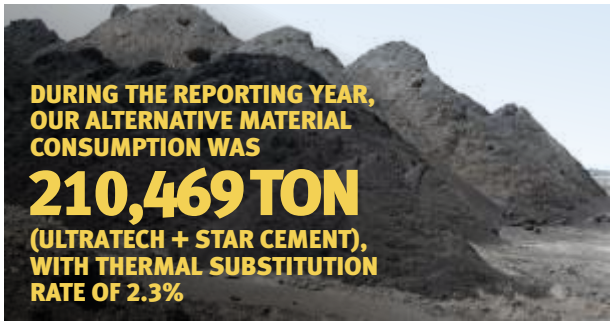
CONSTRUCTIVE USE OF ALTERNATIVE MATERIAL

Alternative Materials

We use industrial waste as alternative fuel and material in cement manufacturing. This serves a dual purpose: reducing the requirement of natural raw materials without compromising on the product quality, and moderating carbon footprint.

We use alternative materials like fly ash, chemical gypsum and slag which help in conserving natural raw materials used for the cement production.





CEMENT
10,220



TOTAL RECYCLED MATERIAL USED 2016-17
(in thousand ton)

RMC
357



RECYCLED MATERIAL CONSUMPTION - BY CATEGORY

Parameter	Cement			RMC		
(in thousand ton)	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Fly Ash	7,757	8,314.33	8,754	268.7072	277.25	256.31
Slag	512	544	605	69.45149	80.61	100.10
Waste Materials such as gypsum (also includes chemical and marine gypsum)	902	864.44	806	0	0	0
Silica Fume	0	0	0	0.56	2.52	0.88
Other Industrial Wastes	133.92	282.48	80	0.67	3.79	0.067
Total Recycled Material Used	**9,305**	**10,006**	**10,220**	**399**	**364**	**357**

TOTAL MATERIAL CONSUMPTION

Parameter	Cement			RMC		
	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Natural Raw Materials Million ton	59.44	61.94	65.19	7.36	7.43	7.16
Associated Materials Ton	26,392	24,260	60,484#	37.62	31.95	30.56
Semi-manufactured Goods Thousand ton	9.03	6.84	7.91	78.94	85.85	101.17
Packaging Materials (plastic & paper bags) Thousand ton	56.79	65.88	67.83	NA	NA	NA

 # Due to increase in the use of refractories and castables

CASE STUDY

AN ALTERNATIVE TO AN ALTERNATIVE

UTILISATION OF POND ASH INSTEAD OF DRY FLY ASH | PANIPAT CEMENT WORKS

Challenge

With rapid growth in the construction industry, the world is witnessing an ever-increasing demand for concrete.

While fly ash is a well-known alternative material for cement production, there was a need to find an alternative for fly ash to meet the high market demand, and limit the burden on natural resources.

Action

One of the options to address this challenge was to increase the utilisation of pond ash in Portland Pozzolona Cement. PCW conducted laboratory tests by blending some percentage of pond ash and then did a comprehensive analysis of cement quality on various parameters such as CPK value analysis, quality analysis and cost benefit analysis. The tests confirmed that use of pond ash in concrete doesn't pose any adverse effect on the product quality and is as per the company benchmarks.



Outcome

Pond Ash consumed

15,154 MT

Benefits

- REDUCED CONSUMPTION OF NATURAL RESOURCE
- BROUGHT DOWN THE CEMENT COST* WITHOUT AFFECTING ITS QUALITY
- AVOIDED PLANT STOPPAGE DUE TO LESS FLY ASH STOCK

** the cost of pond ash is quite less compared to that of dry fly ash*

WATER MANAGEMENT

Our water conservation agenda is spearheaded by a systemic **3R approach: reduce, recycle and reuse.**

Harvesting rainwater, recharging groundwater, recycling wastewater and reducing freshwater use are standard operating procedures at our manufacturing plants.



How are we responding to the Water Challenge?

- ☑ **Source water vulnerability assessments**
- ☑ **Aquifer studies for withdrawal and mitigation impacts**
- ☑ **Integrated watershed management**

3 out of 13 integrated plants achieved water sufficiency - these plants are not dependent on any groundwater or fresh water sources

Rainwater harvesting is used in most of our units to reduce our dependence on groundwater

Star Cement, Dubai recorded 22% reduction in specific water consumption

Collaboration of UltraTech with CSI and ICRISAT for integrated water management at its sites

UltraTech has entered into an agreement with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) to conduct hydrological modelling for quantifying water resource availability and identifying suitable National Resource Management (NRM) interventions at Andhra Pradesh Cement Works located at Tadipatri in Andhra Pradesh.

This pilot project is a result of the collaboration of CSI with ABG for improving the granularity of the India Water Tool. The project involves undertaking detailed modelling exercises at the watershed level. Scope of the project involves identifying, implementing, monitoring, verifying, etc. of the on-ground interventions for harvesting and storing of rain water.

Increasing water availability and efficient use to enhance agricultural productivity leads to improvement in the livelihoods of rural poor in fragile dry land areas. GIS-enabled maps resulting from the exercise will be shared with the WBCSD coordinator for uploading on the India Water Tool.

ICRISAT has completed the study and submitted their report comprising of the soil and water analysis of the site, interventions and the budget required to implement them. UltraTech is in the process of analysing the interventions and prioritising the same.

A similar study will also be taken up at Rajashree Cement Works to increase the availability of water and improve the livelihood of the villagers around the site.

HARVESTING RAINWATER

With the objective of reducing raw water consumption, Gujarat Cement Works took up rainwater harvesting at the Thermal Power Plant (TPP). The rainwater was directly channelised into the storage tank of TPP by natural flow through manholes. This led to raw water savings of 1,152 kl till September 2016-17. This initiative has been featured on the group-wide knowledge management site and has been made a best practice. In a similar initiative, a pit was made to save rainwater, which was pumped to the cement plant saving 450 kl of water per day.

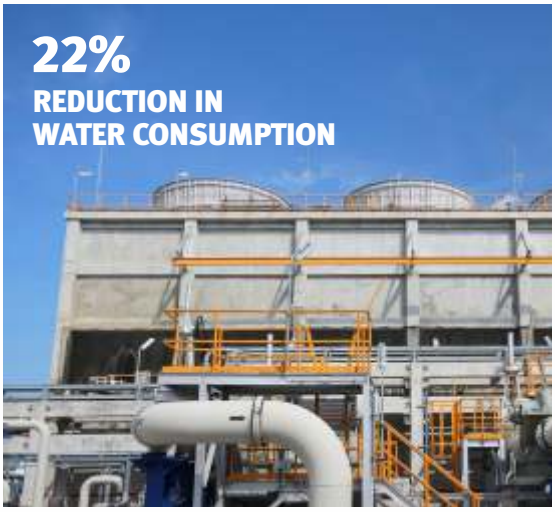


INCREASING THE USE OF TREATED WASTEWATER

To utilise the treated wastewater from STP process cooling in line-III clinker cooler, Rajashree Cement Works laid an additional 200-metre pipeline from the existing wastewater tank. Earlier, 80 to 90 KLD freshwater was used for the purpose which has now been replaced by the treated water. A similar initiative was also taken up at the raw mill where treated wastewater was used instead of 30 KLD freshwater for mill internal cooling.

DE-SILTING OF LAKE CHANNEL

Reddipalayam Cement Works took up de-silting of Chetti Lake channel and cleaning of connecting drainages at Ariyalur town by sharing the cost of de-silting work equally among the cement units based on the request by the district collector. The initiative led to the filling of water in the lake which is now being used by the villagers for their livestock throughout the year.



REDUCING SPECIFIC WATER CONSUMPTION

UltraTech's Star Cement in Dubai embarked on the challenging exercise to moderate water consumption in FY 2016-17. A number of initiatives were listed. The odds appeared high. The Company created teams, delegated responsibilities and empowered them.

The plant achieved a significant 22% reduction in water consumption. Specific water consumption decreased from 69 in 2015-16 to 54 litres per MT of clinker in 2016-17.

WATER WITHDRAWAL BY SOURCE

Parameter	Units	Cement			RMC		
		2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Surface Water	Million m^3	5.89	4.32	5.18	0	0	0
Groundwater	Million m^3	3.19	3.49	2.90	0.49	0.46	0.43
Rainwater	Million m^3	5.75	6.10	6.47	0.01	0.01	0.01
Water from Municipality	Million m^3	0.40	0.31	0.30	0.70	0.75	0.72
Water Recycled & Reused	% of water withdrawn	10.99	12.92	13.10	5.20	5	3.23

BIODIVERSITY

At UltraTech, we are committed to operate responsibly with a view to ensure sustainability for all life forms. We continue to work passionately to enhance the green spread in and around our quarry sites, manufacturing units, residential colonies and nearby villages.

Collaboration of UltraTech with International Union for Conservation of Nature and Natural Resources (IUCN)

UltraTech entered into an agreement with IUCN for developing detailed biodiversity and ecosystem services management plan for one of its sites. The site was selected based on the Integrated Biodiversity Assessment Tool report. This pilot project is a result of the collaboration of IUCN with ABG for the implementation of biodiversity policy, technical standards and guidelines developed by the Group Sustainability Cell, so as to replicate the same with other Group companies.

Sewagram Cement Works in Gujarat has been selected as the pilot site for conducting this study. The scope of the project involves ecosystem services review of the site and development of management plan. IUCN has already completed three seasons of site assessment covering post monsoon, peak winter and post winter.

The team has also conducted a capacity building workshop to develop the understanding of UltraTech staff on the basics of biodiversity and ecosystem services, management, linkages and identifying priority ecosystem services.

This project will also help in the replication of biodiversity assessment and development of management plan for other sites with high biodiversity value, if any.



In the reporting period, our Cement Business planted **283,873 SAPLINGS** with a survival rate of 78.15%, and our RMC units planted **2,967 SAPLINGS** with a survival rate of 84%.

PLANTATION DASHBOARD

Parameter	Units	Cement			RMC		
		2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
Total Number of Saplings Planted	Number	240,556	171,312	283,873	3,101	3,098	2,967
Saplings Survival Rate	%	85.81	83.17	78.15	77	90	84



Green Belt Development

All our units pursue the objective of biodiversity conservation and convert dug up mines into green belts through seeding various afforestation programmes and rejuvenating local biodiversity. Below is a glimpse of some such initiatives:

Sewagram Cement Works, Kutch - Gujarat

Kutch is a semi-arid district where water is scarce. Despite this drawback, the unit took up landscaping around the operations through optimum utilisation of resources. Saplings were planted and nurtured by using STP water through drip and sprinkling irrigation system. Such a feat was achieved by training the team through knowledge sharing sessions.

Kotputli Cement Works

KCW has been running an environmental awareness campaign for the last five years with the objective of raising awareness of the community and encouraging them to adopt conservation practices.



CASE STUDY

TURNING BARREN LAND INTO FERTILE GROUND

Challenge

At the time of commissioning of the Jafrabad Plant in the late '70s, the leased land and surrounding areas were completely barren, devoid of any vegetation.

Unfavourable conditions, such as high velocity saline winds from the sea, constant shifting of sand by these winds, poor quality of soil in the area and scarcity of potable water made it difficult for even the grass to survive.

Undertaking plantation in this area was thus, a highly challenging task.

Action

Narmada Cement- Jafrabad Works decided to reclaim this barren land and through interventions make it conducive for plantation.

The work related to reclamation was planned and as far as possible, attempts were made to backfill the area and grow vegetation on it, thereby improving the fertility of the land. Vermicompost was used as a source of plant nutrients to restore the original land.

A total of 32.57 hectare of land was covered under reclamation and backfilling by using overburden and then spreading top soil (black cotton soil extracted during mining) over this area. Large-scale plantation was then carried out.



Outcome

Total land area covered

32.57 HECTARE

- GREEN BELT DEVELOPED ALL ALONG THE LEASE BOUNDARY
- A CENTRALISED NURSERY HAS BEEN ESTABLISHED TO SUPPLY ADEQUATE SAPLINGS FOR PLANTATION
- THE PLANTATION AND AFTERCARE HAS RESULTED IN NEARLY 0.2 MILLION SURVIVING TREES
- THE FIRMER SOIL NOW SUPPORTS VEGETATION AND RETAINS WATER FOR UNDERGROUND RECHARGE
- ADVERSE EFFECT OF SALINE WINDS REDUCED TO A LARGE EXTENT

CASE STUDY

RDCW REHABILITATION EFFORTS BEAR FRUITS

Challenge

To support biodiversity and create a better habitat for various organisms in the exhausted ML1 mines by taking up rehabilitation work, and to create a learning site for environment education and awareness.

Action

15,000 selective indigenous trees such as Azhadiractaindica, Pungamiapinnata, Cassia fistula and Thespeciapopulne have been planted all along the mines' boundary and mines' rehabilitated areas

600 selective fruit trees including Tamarindusindica, Mangiferaindica and Jamun were planted in the mines' area to attract birds and animals

500,000 m^3 rainwater harvesting structure was developed to recharge groundwater table and attract water-borne birds

Tree seeds were collected from mature trees and were sown directly in the field during monsoon season to create an informal plantation forest

Partnered with Tamil Nadu Forest Department for saplings and plantation works, and post plantation care

5,000 Bamboo plants were planted using tissue cultured 'Bheema' variety

Biodiversity and conservation awareness was created among the employees



SAFETY PERFORMANCE

At UltraTech, safety is non-negotiable. It has been embraced as the 'only way to operate' by engaging with all stakeholders - employees, suppliers, contractors, as well as the community.

This thrust on safety is an outcome of a structured intervention approach, with an involvement right from the top and an articulation of our corporate goal:

Zero Harm. Zero Injuries. Zero Excuses.

In 2016, we successfully completed a 6-year-long safety excellence drive, instilling and embedding safety culture within the organisation. Over the years, we have reinforced our safety focus through a 360° intervention approach right from policies to practice, from awareness to action, from boardroom to shop floor, and from mines to customer premises.

SAFETY GOVERNANCE



11
Accident-free Years
Recorded at
Ratnagiri Cement Works

Marked Decrease
in Lost Time Injuries
for Directly Employed
Employees

We have a zero-tolerance policy for safety breaches. Whether it is setting rigorous safety standards or evaluating safety perception, senior leaders are driving the safety ownership and spreading the message across the organisation right up to the workers.

29 CRITICAL STANDARDS, 20 PROCEDURES AND 13 GUIDELINES ARE IN PLACE AND ARE MANDATORY AT ALL OUR FACILITIES.

Top-down implementation:

Our Safety Board is chaired by the Managing Director and bifurcated into eight sub-committees, each chaired by a Unit Head.

Leadership is involved in various safety activities. Visible safety training is carried out for the line managers and front line engineers by leadership teams. Leaders at all levels also carry out safety observations for behaviour safety improvement.

We are aligned voluntarily with international standards set by global bodies - Occupational Health and Safety Advisory Services (OHSAS).

IMPLEMENTATION HIGHLIGHTS

- Structural stability checks were carried out over a year across plants and priority wise action plan prepared. Progress is being tracked on a periodic basis.
- Plants were audited by third party experts and followed up with identification of action areas for further correction.
- Incident investigations were accorded high value. They were reviewed at unit and corporate level, for learning and preventing similar incidents. 10 to 15 employees were coached at each of our integrated plants to hone their skills for the investigation process.
- Mechanical Integrity Quality Assurance was carried out at two units (Hirmi and Rawan) by Dupont and improvement areas identified.
- High-risk activities' videos, prepared with the help of an outside agency, were shared with plants for training workers.
- Focus on off-the-job safety was enhanced with several initiatives including 'Train-the-Trainer' programmes on Road Safety.
- The Company's policy on Safety, Health and Environment continued to extend to its subsidiaries.
- Conducted business with only those vendors who are approved on stringent safety parameters.
- Periodical feedback was provided to vendors on their performances in terms of Environment, Health and Safety, to help them improve their performance.
- Our safety mascot Zekk continued to share safety learnings, tips and slogans across the organisation regularly.
- Assessment of safety professionals was conducted by Belbin India with the objective of enhancing personal effectiveness by aligning individual strengths to job responsibilities as well as leveraging team strengths by understanding the technique of collaboration.

CASE STUDY

NURTURING SAFETY CHAMPIONS. BUILDING SAFETY OWNERSHIP.

To enhance the safety skills of wage board employees and develop them to become the champions of our zero-harm goal, a unique programme 'Sankalp' was launched this year by Narmada Cement Jafrabad Works (NCJW).
The training approach was designed keeping in mind the needs of identified trainees and its implementation was assigned to experienced personnel.



Training was imparted on aspects including:

safety standards & procedures | life-saving rules | safety observation process | contractor field safety audit | occupational health | emergency preparedness | communication and interpersonal skills

As a result, wage board employees were developed as 'Suraksha Veers' (safety champions). These employees have developed a better understanding on the subject and started participating actively in the safety excellence journey.

Suraksha Veers are also taking greater ownership in cascading the importance of safety among their peers.

KEEPING SAFETY AT THE CORE OF ALL ACTIONS

At UltraTech, we gauge the success of our project through its safety quotient. Safety best practices are accorded the highest priority across all stages of projects, right from planning to implementation. Highlighted below is one of the success stories:

11 SAFE YEARS AT RATNAGIRI

Ratnagiri Cement Works marked 11 years of safe journey. The unit has completed three major projects within this journey without any loss time work case, medical treatment case and restricted work case. A key factor behind this feat was the commitment of all employees and contract workforce towards driving the safety excellence journey. The unit is expected to continue their progress in this journey with the same spirit and achieve more milestones in the days to come.



CASE STUDY

SAFETY MANAGEMENT AT AWARPUR CEMENT WORKS

A clinker bulk loading project (approximately 3,000 MT clinker per day) was successfully completed through best-in-class management and monitoring of safety measures such as:

- Safety rounds every morning
- Safety training and motivational programmes
- Strict compliance with safety processes and policies
- Completion of maximum jobs at ground level to minimise the risk of working at height
- Rewards, recognitions and instant prizes to encourage safe practices
- On-ground presence of team leaders and safety interactions
- Advice from technical experts involved at other sites
- Safe and efficient working environment and infrastructure
- Proper use of personal protective equipment
- Emergency rescue planning

A 360° APPROACH TO SAFETY MANAGEMENT PLAYED A KEY ROLE IN DEVELOPING A STRONG SAFETY CULTURE. IT LED TO THE ACCOMPLISHMENT OF THE PROJECT WITH ZERO INJURY INCIDENTS WITHIN A RECORD TIMEFRAME.



SAFETY REPORT

	2014-15		2015-16		2016-17	
Parameters	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Number of fatalities (Directly employed)	0	0	1*	1*	1	1
Number of fatalities per 10,000 (Directly employed)	0	0	1*	1*	1	1
Number of fatalities (Indirectly employed)	0	0	3	3	2	2
Number of fatalities (Involving third parties)	1	1	0	0	0	0

	2014-15		2015-16		2016-17	
LTIFR	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement	UltraTech	UltraTech + Star Cement
Lost Time Injuries (LTIs) per million man-hours (Directly employed)	0.51	0.61	0.35	0.37	0.40	0.38

*This is off-site related fatality



TRAINING THE TRAINER ON ROAD SAFETY

UltraTech embarked on a journey to spread the importance of safety beyond the workplace, under the umbrella of iCare initiative. One of its programmes focussed on entrenching off-the-job safety sensibility among the employees.

THE MONTH OF JANUARY 2017 WAS OBSERVED AS ROAD SAFETY MONTH AND COMPLIANCE WITH FIVE ROAD SAFETY RULES WAS REINFORCED.



A business-wide training programme was conducted to increase awareness on road safety covering our employees and their families.

To achieve the objective, a select group of about 50 potential trainers were identified from across UltraTech Cement who would conduct these training programmes in their respective units/zones/offices.



PEOPLE PERFORMANCE

The differentiator between a good company and a great company is its intellectual capital. People have always been the key contributors of UltraTech's growth story. Hence, it is only natural for us to follow the 'Employee First' policy. Be it providing growth, recognition, training, recreation or motivation - we invest in people with a focus on nurturing their future.



BEING PART OF THE ADITYA BIRLA GROUP, WE PROVIDE A UNIFORM WORKING ENVIRONMENT AND EXPERIENCE TO ALL EMPLOYEES ACROSS UNITS, VERTICALS, BUSINESSES AND GEOGRAPHIES, THROUGH OUR GROUP-WIDE 'ONE HR' POLICY.

OUR TALENT STRENGTH

PARAMETER	2014-15	2015-16	2016-17
No. of employees (in numbers)	14,724	14,950	14,682
Attrition (in %)	5.30	4.48	4.75

Attrition Rate
4.75%

E-learning
500 Modules
in Multiple Languages

Total
297,210
Training Hours

EMPLOYEE VALUE PROPOSITION

A Culture of Meritocracy	Transparency & Responsiveness	Excellence through Learning	Cultural Diversity	Fun at Work
Meritocracy creates a level playing field where talent can be identified, appraised and encouraged. This in turn promotes performance, which is at the heart of UltraTech's work culture.	Transparency builds trust, while responsiveness strengthens dialogue. We believe in maintaining transparency across processes and being an active listener.	Learning is a lifelong process and ensures development when pursued continuously. We encourage learning and nurture development of our employees through a host of specialised training programmes which are tailored to individual requirements.	We recognise the importance of cultural diversity in our workforce and provide a fertile ground for our global workforce to grow and excel.	It is our endeavour to make work fun, because we believe that employees deliver their best when they enjoy what they are doing.

WORKFORCE MANAGEMENT

Companies thrive because of good workforce management. We believe in attracting the best talent and providing the best environment so that they perform par excellence, and ensure that UltraTech retains its leadership position.

ORIENTATION PROCESS

Stronger the foundation, higher the growth. UltraTech's comprehensive induction programme lays a firm foundation for a lasting relationship with new employees.

Conducted by senior professionals across functions, all new joinees undergo this programme which includes introducing them to their individual, departmental and unit-based roles, responsibilities, and goals; acquainting them with the overall vision and values of the organisation; and providing an overview of SOPs like safety norms and code of conduct.

AARAMBH

A BEGINNING OF A PROMISING JOURNEY



VIKRAM CEMENT WORKS ADVANCED ON ITS ONBOARDING PROCESS WITH THE LAUNCH OF 'AARAMBH', ENCOMPASSING INTERVENTION FOR JOINEES AT THREE STAGES - PRE-JOINING, JOINING DAY AND POST-JOINING.

A stepwise process map has been prepared chalking out various services to be offered to joinees, timelines for delivery of these services and people accountable for implementation.

Upon accepting the offer, the recruit is sent a document including information on facilities like accommodation and transportation as well as all amenities available in the vicinity like grocery store, hospital and school. This ensures ease of settling down in a new area. The joining documents are also handed over to the new joinee, one day before the date of joining so that the individual can become a contributing member as quickly as possible.

The quality of facilities delivered to the new employees is tracked every month and a performance board is shared with all service providers which includes feedback from the new employees.

An HR professional has been dedicated to oversee the implementation of this entire process.

As a result of this programme, new joinees feel welcomed and valued, reaching expected levels of productivity in the shortest time possible. This programme will also reduce attrition and improve the employee satisfaction quotient.

GROWTH OPPORTUNITIES



Employees at UltraTech are encouraged to grow vertically or horizontally, based on their aspirations. They achieve growth through a spectrum of opportunities: learning & development, leadership platforms, competitive remuneration, fair appraisals and motivating career development options.

MERITOCRACY-BASED APPRAISAL



UltraTech's Annual Compensation Review is a comprehensive and transparent appraisal process. A true growth compass, it factors in parameters like self-assessment, supervisor assessment, business performance, employee performance, market information and variable pay.

INTERNAL RECRUITMENT SYSTEM



Employees are encouraged to pursue career moves which are mutually beneficial, to them as well as the organisation. True to our 'Employee First' philosophy, internal talent is provided the first right to apply for any open position over external candidates. Be it in India or abroad, vacancies across locations are first posted on the internal portal.

We follow a practice of no hiring outside ABG for middle and senior management roles. In the last 3 years, we have had many inter-business and intra-business movement of employees across levels.

NURTURING LEADERSHIP

Empowering our best talent with stimuli to climb the leadership ladder is a continuing pursuit. Building a leadership pipeline is a part of our talent identification process wherein candidates with high potential are spotted, and then exposed to challenging projects and stimulating roles.

We follow a unique '2/2/2 Philosophy', which implies that every employee must work across two businesses, two functions (or sub-functions) and two geographies for a broader understanding of the business and the Company. This enables one to become a well-rounded leader.

TRAINING & DEVELOPMENT



With rapidly advancing technology and fast changing business landscape, it is imperative that our employees are in step with best & next practices.

TECHNICAL TRAINING

UltraTech has a state-of-the-art training centre which is supported by more than 40 subject matter experts. This unique, forward-looking initiative is dedicated extensively to train graduate engineer trainees and make them job-ready.

TECHNOLOGY LEADERS

High performers with expertise in functional areas are selected to work on process improvement projects like mining, coolers and thermal power plant.

EXECUTIVE EDUCATION

We have an ongoing relationship with the Birla Institute of Technology and Science (BITS), and our employees are encouraged to pursue a degree in subjects such as Power and Process Engineering.

ONLINE MBA

This is an opportunity to upgrade employee skills on the job, through our e-learning modules. Several of our management cadre employees have seized the opportunity and completed their online MBA course from U21, Singapore.

TRAINING

PARAMETER	2014-15	2015-16	2016-17
Total training hours	324,016	274,581	297,210
Training hours per employee	22	19.31	20.93

AVERAGE TRAINING HOURS PER PERSON PER YEAR

	2014-15			2015-16			2016-17		
CATEGORY	Male	Female	Total	Male	Female	Total	Male	Female	Total
Leaders	19	0	19	14	0	14	16	0	16
Managers	28	23	28	23	23	46	29	36	64
Executives	26	14	26	21	13	34	21	10	31
Workers	11	10	11	15	17	32	16	5	21

EMPLOYEE ENGAGEMENT

Effective engagement acts as a bridge between employee needs and organisational goals. While it drives job satisfaction, high productivity and low turnover, soliciting feedback from employees also develops in them, a sense of belonging towards the organisation.

At UltraTech, we rely on our people's feedback to develop robust processes, policies or initiatives. Provided below are few of our new and ongoing engagement initiatives that give us a perspective on where we stand on the employee satisfaction index.

For a complete list of our employee engagement platforms, refer the stakeholder engagement section.

SAMIKSHA - FEEDBACK SESSION WITH NEW EMPLOYEES



Formal Joint Management-worker safety and health committees have been established at plant level, which typically represents the entire workforce within the plant.

The initial experience of newly joined employees has a direct bearing on the longevity of their association with the organisation. To understand the pulse of new joinees, 'Samiksha' has been set-up as a platform at Vikram Cement Works – Khor (Neemuch) to understand their onboarding experience. New employees are encouraged to share their feedback on various elements including:

- **Joining formalities**
- **Meeting with senior management**
- **Guesthouse services**
- **House allotment and related services**
- **Settling of family members**
- **Quality of neighbourhood amenities like school and hospital**

BASED ON THE FEEDBACK RECEIVED IN THE SAMIKSHA SESSION, THE EFFECTIVENESS OF EMPLOYEE ONBOARDING PROCESS IS IMPROVED.

HR SHIKSHA - TAKING PEOPLE POLICIES TO THE PEOPLE

What good are human resource policies and procedures, if the intent and meaning of these documents are not clearly communicated to the wider spectrum of the organisation.

HR-Shiksha is a drive to educate employees about people processes. It also proactively clarifies the misconceptions related to the people policies prevailing among the employees.

HR Shiksha not only provides an open platform for employees to share their views, issues and queries on people development related policies, but also increases the participation of employees in various people related drives.

EMPLOYEES CAN ALSO WRITE IN WITH THEIR QUERIES AT A DESIGNATED EMAIL ID CREATED FOR THE PURPOSE. THE DETAILS OF QUERIES RAISED AND RESOLVED, ARE RECORDED BY THE UNIT HR AND PRESENTED TO UNIT HEADS AND FUNCTIONAL HEADS, MONTHLY.

SUPPORT BEYOND WORK

Peace of mind in an employee, goes a long way in improving the productivity. We endeavour to support our employees in various walks of life such that they remain happy and motivated.

PRATIBHA SCHOLARSHIPS

'Pratibha', ABG Employees' Children's Education Scholarship Plan was launched in 2004, to reward academic excellence. Under this plan, the most deserving children of employees across the Group level are awarded scholarships to pursue professional education. The scholarship programme is driven centrally in partnership with Business and Unit teams.



CASE STUDY

SHARING IS EMPOWERING

'Margdarshan' is a one-to-one skill building programme, in which a senior leader helps a young professional to hone his/her technical skills.

The emphasis is on transferring skills and experience of the area experts, called 'Dronas' to seekers called 'Arjunas'. The pairing of Dronas and Arjunas is done in 1:3 ratio.

The objective is to address the challenge of learning cycle time reduction through experiential learning.

Highlights

- Identification of Unit Margdarshan Coordinators
- Finalising critical learning objectives for each department
- Scheduling online classes, attendance and examinations
- Regular review and recognition
- Involvement of family members for better engagement
- Online system to track the progress and create the knowledge base
- Involvement of stakeholders to measure the effectiveness
- Providing platform for two-way learning



Outcome

The outcomes have been very encouraging:

Qualitative

- INCREASE IN PROBLEM SOLVING, DECISION MAKING AND ANALYTICAL ABILITIES
- CREATION OF A CULTURE OF LEARNING AND KNOWLEDGE SHARING
- ENHANCED TEAM BONDING AND DEVELOPMENT OF INTERPERSONAL RELATIONSHIPS

EMPLOYEE WELLNESS

Challenges come in different forms and can only be addressed by a diversity of people who bring with them a variety of strengths. Being an equal opportunity employer, merit is the only parameter for recruitment at UltraTech. This approach has led us to build our teams with an array of experience, demographics and skill set.

The two pivotal areas of focus in our diversity policy are:

LOCAL EMPLOYMENT

We continue to hire for potential and train for skill. We give preference to hiring from within the local communities we operate in. This not only cascades prosperity across the neighbouring villages and towns, but also strengthens our social license to operate.

GENDER DIVERSITY

Female employees have traditionally represented a small percentage of the total workforce in the cement sector. To change this representation and make our workforce more gender diverse, we have institutionalised a host of women-friendly initiatives.

The Women Empowerment & Engagement (WEE) initiative at UltraTech works on the issues of importance for the women employees. It also includes a WEE community - an intranet based forum for women employees of UltraTech.

We have a zero-tolerance policy towards any form of sexual harassment and conform to the Group policy on prevention of sexual harassment at the workplace.

HUMAN RIGHTS

We adhere in intent and action, to the Group policy on Human Rights, which enunciates:

- **Support and respect the protection of internationally proclaimed human rights**
- **Make sure that we are not complicit in human rights abuses**
- **Uphold the freedom of association and the effective recognition of the right to collective bargaining**
- **Elimination of all forms of forced and compulsory labour**
- **Abolition of child labour**
- **Elimination of discrimination in respect of employment and occupation**

The policy is in line with the principles ascribed in the UN Global Compact and is binding on all employees. Child labour or forced labour are strictly prohibited at our operations. Stringent checks that screen any underage worker trying to enter our facilities, are deployed to ensure the same. All our formal agreements with trade unions cover health and safety aspects as a step to ensure the well-being of the workforce.

We respect an employee's freedom to opt for a union, however we do not support any bias or discrimination towards any specific group. Currently, 26% of permanent employees are unionised.

No complaint related to human rights was received during the last financial year.

WELCOMING MOTHERS BACK TO WORKPLACE

Launched in 2014, the comprehensive Maternity Support Programme provides options and choices to female employees, so that they can effectively manage the maternity phase and return to work in a seamless manner.

The maternity programme is a bouquet of benefits available to full-time Management cadre women employees who have completed at least 18 months of service with the organisation. It includes maternity leave, mediclaim coverage, prenatal support through 'Healthy Pregnancy Programme', phase-back programme to support the returning mothers and emotional assistance support through the 'World of Women Network'.



MATERNITY LEAVE STATISTICS

DESCRIPTION	Employees entitled to maternity leave	Employees who took maternity leave (FY 2016-17)	Employees who returned to work after maternity leave ended (FY 2016-17)	Employees returning from maternity leave in FY 2015-16	Employees who took maternity leave in FY 2015-16, returned to work and were employed for 12 months after return
No. of employees (in numbers)	200	12	8	3	3
Rate (in %)			67		100

WORKFORCE DASHBOARD

TOTAL WORKFORCE: GENDER-WISE BREAKUP

TOTAL WORKFORCE	2014-15		2015-16		2016-17	
Category	M	F	M	F	M	F
Permanent Employees	14,379	245	13,969	244	13,951	248
Contractors	23,547	777	23,325	683	23,703	451
Others	139	3	309	8	132	0

TOTAL WORKFORCE: REGION-WISE BREAKUP

TOTAL WORKFORCE	2014-15		2015-16		2016-17	
Category	Within Country	Outside Country	Within Country	Outside Country	Within Country	Outside Country
Permanent Employees	14,342	382	13,673	540	13,757	442
Others	24,385	81	24,009	316	23,931	265

TURNOVER: GENDER-WISE BREAKUP

TOTAL WORKFORCE	2014-15		2015-16		2016-17	
Gender	M	F	M	F	M	F
Turnover	768	17	646	24	672	25

TURNOVER: REGION-WISE BREAKUP

TOTAL WORKFORCE	2014-15		2015-16		2016-17	
Region	Within Country	Outside Country	Within Country	Outside Country	Within Country	Outside Country
Turnover	774	11	563	107	674	23

TURNOVER: AGE-WISE BREAKUP

TOTAL WORKFORCE	2014-15			2015-16			2016-17		
Age Group	‹30	30-50	›50	‹30	30-50	›50	‹30	30-50	›50
Turnover	270	397	118	236	311	123	174	370	153

SOCIAL PERFORMANCE

For generations, the Aditya Birla Group has been reaching out to communities with the spirit and culture of sharing and caring. At UltraTech, we are carrying this legacy forward by taking concrete steps to co-create value for business and the society.

We pursue a project-based approach with a robust implementation structure, monitoring process and a team of professionals in place across all locations. To erase barriers of accessibility and, go deeper and wider, we collaborate with district rural development authorities, local hospitals, healthcare institutions and district panchayati raj institutions with the objective of empowering the community.



Even before it became mandatory to invest a portion of our annual profit into CSR, we engaged in a number of programmes to raise the standard of life of people from the weaker sections.

13 States	407 Villages	1.3 Million Beneficiaries

Our CSR Outreach

We have identified 54 villages that will be transformed into model villages. We work across 407 villages across 13 states. This transformation will make these villages self-reliant in education, healthcare, infrastructure, agriculture, watershed management and sustainable livelihood.

Our Board of Directors, our Management and our colleagues across UltraTech are committed to inclusive growth.



FOR THE YEAR 2016-17, OUR CSR SPEND WAS INR 541.5 MILLION, WHICH IS OVER 2% OF THE AVERAGE NET PROFITS OF THE LAST THREE FINANCIAL YEARS.

OUR CSR VISION

"To actively contribute to the social and economic development of the communities in which we operate and beyond. In so doing, build a better, sustainable way of life for the weaker sections of society and raise the country's Human Development Index."

Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the notification issued by the Ministry of Corporate Affairs dated 27th February 2014 under Section 135 of the Companies Act 2013, the Company's Corporate Social Responsibility (CSR) is enunciated. Our CSR policy also conforms to the National voluntary Guidelines on Social, Environment and Economic Responsibilities of Business released by the Ministry of Corporate Affairs, Government of India in collaboration with FICCI Aditya Birla CSR Centre for Excellence (July 2011). The Company CSR policy was outlined in 2010 in the Companies' Annual Report and on its website. UltraTech Cement Limited is a part of Aditya Birla Group. For every Company in the Aditya Birla Group, reaching out to underserved communities is part of our DNA. We believe in the trusteeship concept. This entails transcending business interests and grappling with the "quality of life" challenges that underserved communities face and working towards making a meaningful difference to them.

IMPLEMENTATION PROCESS: IDENTIFICATION OF PROJECTS

All projects are identified in consultation with the community in a participatory manner, literally sitting with them and gauging their basic needs. We recourse to the participatory rural appraisal mapping process. Subsequently, based on a consensus and in discussion with the village panchayats, and other stakeholders, projects are prioritized.

Arising from this the focus areas that have emerged are Education, Health care, Sustainable livelihood, Infrastructure development, and espousing Social causes. All of our community projects/programmes are carried out under the aegis of The Aditya Birla Centre for Community Initiatives and Rural Development. The activities are in line with Schedule VII of the companies Act, 2013 as indicated:

In education our endeavour is to spark the desire for learning and knowledge at every stage through

- **Formal schools**
- **Balwadis**
- **Quality elementary education**
- **Aditya Bal Vidya Mandirs**
- **Girl child education**
- **Non formal education**

In Health care our goal is to render quality health care facilities to people living in the villages and elsewhere through

- **Hospitals**
- **Primary health care centres**
- **Mother and Child care projects**
- **Immunization programmes with a thrust on polio eradication**
- **Programmes to address malnutrition**
- **Anganwadi**
- **Adolescent health**
- **Health care for visually impaired, and differently abled**
- **Preventive health care through awareness programmes**
- **Non communicable diseases**

In Sustainable Livelihood our programmes aim at providing livelihood in a locally appropriate and environmentally sustainable manner through

- **Formation of Self Help Groups for women empowerment**
- **Skill Enhancement and Vocational training**
- **Partnership with Industrial Training Institutes**
- **Agriculture development and better farmer focus**
- **Animal Husbandry**
- **Soil and Water conservation**
- **Watershed development**
- **Agro Forestry**

In Infrastructure Development we endeavour to set up essential services that form the foundation of sustainable development through

- **Basic infrastructure facilities**
- **Housing facilities**
- **Safe drinking water**
- **Sanitation & hygiene**
- **Renewable sources of energy**

To bring about Social Change we advocate and support:

- **Dowry less marriage**
- **Widow Remarriage**
- **Awareness programmes on anti social issues**
- **De-addiction campaigns and programmes**
- **Espousing basic moral values**
- **Gender equality**

Prior to the commencement of projects, we carry out a baseline study of the villages. The study encompasses various parameters such as-health indicators, literacy levels, sustainable livelihood processes, and population data-below & above the poverty line, state of infrastructure.

From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the marginalized. These plans are presented at the annual planning and budgeting meet. All projects/programmes are assessed under the agreed strategy, and are monitored every quarter, measured against targets and budgets. Wherever necessary, midcourse corrections are affected. The surplus arising out of the projects/programmes does not form part of the business profit of the Company.

The Aditya Birla Centre for Community Initiatives and Rural Development provides the vision under the leadership of its Chairperson, Mrs. Rajashree Birla. The CSR committee of Directors at the Board level comprises of:

1	**Mrs. Rajashree Birla**	Chairperson	3	**Mr. O. P. Puranmalka**	Director
2	**Mr. G. M. Dave**	Independent Director	4	**Mr. K. K. Maheshwari**	Managing Director
Permanent Invitee	**Dr. (Mrs.) Pragnya Ram**	Group Executive President, Corporate Communications and CSR			

All projects/programmes are placed before the CSR committee, specifying modalities of execution of such projects/programmes and the implementation schedules.

A robust implementation structure, monitoring process and a team of professionals is in place at the Company units.

The Company takes all actions to comply with Section 135 of the Companies Act, 2013 and the rules made thereafter. To measure the impact of the work done, a social satisfaction social audit/impact assessment study is carried out by a third party.

PARTNERSHIPS

Collaborative partnerships are formed with the Government, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders. This helps widen the Company's CSR reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

In collaboration with FICCI, we have set up Aditya Birla CSR Centre for Excellence to make CSR an integral part of corporate culture.

The Company engages with well established and recognized programs and national platforms such as the CII, FICCI, ASSOCHAM to name a few, given their commitment to inclusive growth.

BUDGETS

A specific budget is allocated for CSR activities. This budget is project/programme driven.

INFORMATION DISSEMINATION

The Company's engagement in this domain is disseminated on its website, Annual Reports, in-house journals and through the media.

MANAGEMENT COMMITMENT

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

HEALTHCARE

PREVENTIVE HEALTHCARE | CURATIVE HEALTHCARE | QUALITY / SUPPORT PROGRAM

PREVENTIVE HEALTHCARE

- Immunisation (Pulse - polio, Neo - natal) Health Check-up camps
- Ambulance Mobile Dispensary Program
- Safe & Hygienic Drinking Water
- Sanitation blocks
- Mother and Child Health care (Ante Natal Care, Pre Natal Care and Neonatal care)
- Adolescent Health care
- Healthy baby competition
- Support to family planning activities

CURATIVE HEALTHCARE

- Gen. Health camps
- Specialised Health Camps
- Eye camp's
- Treatment Camps (Skin, cleft) Reproductive and Child Health

QUALITY / SUPPORT PROGRAM

- Referral services
- Treatment of BPL, old age or needy patient
- HIV- AIDS Awareness Program
- RTI/ STD Awareness program





- We conducted 244 rural medical and awareness camps and 46 speciality camps servicing 162,551 villagers. Among these feature health check-ups for ailments such as malaria, diarrhoea, diabetes, hepatitis, arthritis, skin diseases, gynaecological disorders and cardiac related issues. Thousands of villagers in the remotest areas also availed the facilities offered by us through our rural mobile medical van services. Those afflicted with serious ailments were referred to our hospitals.

- At the Company's 8 hospitals, housed at Khor, Shambhupura, Kharia Khangar, Kovaya, Jafrabad, Sewagram, Rawan and Malkhed over 49,447 patients were given the necessary medical attention.

- At eye camps conducted by us 11,718 persons were treated. Of these 3,249 patients at Khor, Shambhupura, Awarpur, Malkhed, Kharia Khangar, Kotputli, Kovaya, Jafrabad and Dankuni were operated for cataract and intra-ocular lens fitted for their vision. The teams also distributed 3,732 spectacles to correct the vision of the senior citizens.

- At dental check-up camps and school health camps in Kharia Khangar, Awarpur, Tadipatri, Malkhed, Khor, Kovaya, Reddipalayam, Dankuni, Shahjahanpur and Hirmi 3,417 persons received treatment.

- At blood donation camps, we had 320 donors in Ginigera, Jafrabad, Kovaya, Khor, Hirmi, Kharia Khangar and Reddipalayam.

- We have tried to strengthen the preventive health care efforts and reached out to a population of 1,544 through camps on Yoga, Homeopathy and Ayurveda at Hirmi, Kovaya and Jaffrabad.

- In addition to supporting Government health programmes we have also equipped the Chittorgarh district hospital with two dialysis machines to ease the life of patients.

MOTHER AND CHILD HEALTH CARE

- In collaboration with the District Health Department, over 226,722 children were immunised against polio in 1,272 booths. Further, more than 4,778 children were immunised against BCG, DPT and hepatitis-B across the Company's Units.

- Nearly 8,237 women participated in antenatal, post-natal care, mass immunisation, nutrition and escort services for institutional delivery. These camps were organised at Khor, Kharia Khangar, Kotputli, Kovaya, Rawan, Hirmi, Durgapur, Malkhed, Tadipatri, Bhatinda and Awarpur form part of our reproductive and child health care programmes.

- Our focused programme on adolescent health care covered, 2,322 girls at Government Girls High Schools and Kasturba Gandhi Balika Vidyalayas.

- As a result of our intensive motivational drive towards responsible family raising 1,147 villagers opted for planned families at Khor, Kharia Khangar, Kotputli, Kovaya, Rawan, Hirmi, Durgapur, Malkhed, Tadipatri and Awarpur.

SAFE DRINKING WATER AND SANITATION

- The installation of Reverse Osmosis plants and water tanks has had a beneficial impact on villagers. Until now, 16 plants have been installed around our operational areas in Tadipatri, Awarpur and Kharia giving more than 26,932 villagers access to safe drinking water. Backed by our initiatives villages around Khor, Shambhupura, Hotgi over 80,000 villagers have been able to access safe drinking water.

- Under the Swachha Bharat Abhiyaan, we have facilitated the construction of more than 1,600 individual toilets in villages around Hirmi, Rawan, Khor, Kovaya, Jafrabad, Awarpur, Kharia Khangar and Arrakonam.

- In addition to the more than 100 school toilets earlier constructed for the girl child, we are committed to maintain toilets in 57 schools at Tadipatri.

EDUCATION

PRESCHOOL EDUCATION | SCHOOL EDUCATION PROGRAM | EDUCATION SUPPORT | VOCATIONAL/TECHNICAL EDUCATION | VOCATIONAL TRAINING

PRESCHOOL EDUCATION

- Strengthening Angan Wadi Centre and balwadies

SCHOOL EDUCATION PROGRAM

- Education Material (Study materials, Uniform, Books etc) Scholarship (Merit and Need based scholarship)
- School competitions
- Quality of Education

EDUCATION SUPPORT PROGRAMS

- Village knowledge centre and library) Adult and Non formal education Celebration of National days / International days, Computer education Reducing drop-out and continuing Education
- Career counseling and orientation
- Value education programmes

VOCATIONAL AND TECHNICAL EDUCATION

- Strengthening ITI'S
- Skills based Individual training program

We have tied up with 54 primary schools under the Sarva Siksha Abhiyan (SSA) programme at Kovaya, Jafrabad, Sewagram, Malkhed, Khor, Rawan, Hirmi, Tadipatri, Shambhupura, Kharia Khangar, Kotputli, Awarpur, Ratnagiri, Magdalla, Reddipalayam, Jharsuguda, Hotgi, Pataliputra, Wanakbori, Panipat, Bhatinda, Jhajjar, Jharsuguda, Dadri and Durgapur. Over 23,648 students in these schools have received technical support, study materials, school bags and uniforms.

To encourage the spirit of excellence, 3,976 children from different schools in Malkhed, Tadipatri, Reddipalayam, Hirmi, Khor, Rawan, Awarpur and Shambhupura were accorded scholarships.





Access to education is every child's right. UltraTech works with governments, NGOs and other agencies to facilitate quality education to children, living in the towns and villages near our operation sites.

Rural schools were extensively supported in the campaign for enrolment (Shala Praveshotsav), and in reducing dropout rates of students at Jaffrabad, Tadipatri , Awarpur, Hirmi, Rawan, Malkhed, Jharsuguda, Kovaya Pataliputra, Durgapur, Magdalla, Urlikanchan, Bhatinda, Panipat, Dadri, Ginigera, Hotgi, Arrakonam, and Shambhupura.

We reached out to 120 schools and 11,583 children.

The response to our special coaching classes and career counselling programmes at Malkhed, Kovaya, Jafrabad, Kotputli, Kharia Khangar, Reddipalayam, Shambhupura and Awarpur has been encouraging. We covered 39,395 students.

At Rawan, Malkhed, Khor, Hirmi, Shambhupura, Ratnagiri, Magdalla, Kovaya, Jhajjar, Urlikanchan, Awarpur,Sewagram and Kharia Khangar we conducted 6-monthly computer literacy programmes. These benefitted 1,342 rural students and helped to enhance their skills on various operating systems for self-development.

Our talent search programmes drew 6,672 children from different schools in Reddipalayam, Kotputli, Rawan, Awarpur and Shambhupura.

We assist in the delivery of mid-day meal programmes in schools at Jafrabad, Jharsuguda, Hotgi and Durgapur through need-based support and to maintain basic hygiene.

At Rawan, Hirmi, Kotputli, this year, 1,597 girls and boys were given special coaching to compete in the entrance examination for Navodaya schools. So far 40 students from villages close to Hirmi and Rawan have made the grade. Around 70% of them belong to underprivileged families. Importantly there has been an overall reduction in the number of dropouts due to better understanding and learning of subjects.

Libraries set up in villages across our areas of operation are accessed by 22,000 students.

Smart Class Computer Project Utkarsh in collaboration with the government of Rajasthan has begun in Kharia Khangar, which will reach out to 22,100 children. A similar initiative at Khor seeks to cover 500 children across 4 schools

The Sarva Shiksha Abhiyaan supported Kasturba Ballika Vidyalayas at Malkhed, Reddipalyam, Kharia, Jaffrabad, Kovaya and Tadipatri have been strengthened with basic needs and have yielded excellent results with empowered citizens,

We support two residential schools at Kovaya (Gujarat) and Gulbarga (Karnataka) meant for visually challenged children. Further we also work with a child centre for special children at Reddipalayam and it has been successful in mainstreaming excellent children development.

In 18 villages surrounding Khor, Durgapur, Jafrabad, and Malkhed, more than 1,569 women in the 25-60 age group actively participate in our functional literacy programmes. For their convenience, these are conducted during the evening when the women are free from household chores.

Extended facilities such as school transport and other support systems were availed of by 29,309 students.

At Shambhupura, Aditya Cement, Rajasthan, we are transforming 20 schools into model schools. School infrastructure, library and teaching tools are being contemporised. More than 2,322 students have enrolled at these schools.



VOCATIONAL TRAINING

- We provided vocational skills training to 3,645 participants at Tadipatri, Hirmi, Khor, Shambhupura, Kharia Khangar, Rawan, Magdalla, Jharsuguda, Kovaya, Jafrabad, Arrakonam, Awarpur, Reddipalayam, Malkhed, Kotputli, Arrakonam, Jaffrabad, Ratnagiri and Magdalla.

- In the recent past, Birla White in Rajasthan has widened its Applicator's Training Programme to include women and unskilled construction workers. Through this programme, so far we have trained more than 6,000 people including 1,100 women in the specialised application of Birla White putty. This has been a boon for the underprivileged.

- Over 854 students have been trained at Rajashree Cement's Kagina Industrial Training Centre. The Centre, which trains 150 students every year, to become electricians, fitters, mechanics and welders. Students who have completed the course have been gainfully employed in the organized sector. Several of the students further continue with higher level education for better employment. There is a record 100% result every year.

- We also manage an ITI near Raipur through the public private partnership model

SUSTAINABLE LIVELIHOOD

AGRICULTURE PRODUCTIVITY | ANIMAL HUSBANDRY | NON FARM & SKILLS BASED INCOME GENERATION PROGRAM | NATURAL RESOURCE CONSERVATION PROGRAMS | SELF HELP GROUP (SHG)

AGRICULTURE PRODUCTIVITY

- Agriculture & Horticulture training programme
- Transfer of Technology- Demonstration plots (Support for horticulture plots)
- Seeds Improvement Program
- Support for improved agriculture equipment

ANIMAL HUSBANDRY

- Treatment and vaccination
- Breed improvement
- Productivity Improvement programs and training

NON FARM & SKILLS BASED INCOME GENERATION PROGRAM

- Skills based training programs
- Rural Enterprise Development

NATURAL RESOURCE CONSERVATION PROGRAMS

- Watershed Management Programmes
- Bio gas support program
- Solar energy support
- Other energy support programs - (low smoke wood stocks/sky light..)
- Plantation/Green Belt Development/Land improvement/water conservation (small structures)







AGRICULTURE PRODUCTIVITY

- On the agricultural front, we reached out to marginalized farmers, and enabled them to increase their productivity. Training in crop diversification, advance cropping techniques and other processes to improve yield, floriculture, integrated pest management and post-harvest technology has been a value addition to their skills. These agri-based programmes were attended by 3,810 farmers at Reddipalyam, Khor, Kharia Khangar, Shambhupura, Malkhed, Rawan, Jafrabad, Tadipatri, Awarpur, Hirmi, Jharsuguda, Durgapur and Bhatinda.

- The initiative of crop diversification and resource management with small farmers with scattered landholdings has bettered the livelihood of 208 farmers in three villages of Jharsuguda and two villages at Jaffrabad. This programme started with just two farmers a couple of years back.

- To comprehend contemporary cropping pattern and techniques, 204 farmers from Reddipalyam and Hirmi were taken for a visit to the nearby district Krishi Vigyan Kendras in Tamilnadu and Chattisgarh.
- To ensure cost optimisation through economies of scale in the procurement of inputs, to realise better margin through collective marketing of agricultural produces, to avail all the facilities and services under different schemes and to enrich knowledge by exchanging ideas and information, we promoted 14 farmers club at Jharsuguda and Malkhed benefitting 104 farmers. Additionally, 137 farmers were aided with agricultural implements in the villages at Tadipatri and Jaffrabad.
- At Khor we have initiated demonstration plots in wastelands for practicing method demonstration in horticulture for augmenting the income of small farmers through low input farming.
- To support the Green Energy movement, we have installed 121 biogas plants at Jafrabad, Kovaya and Neemuch.
- Under the social forestry programme, we encouraged plantation at Rawan, Hirmi, Shambhupura, Kotputli, Awarpur, Hirmi kotputli, Ratnagiri and Aligarh distributing saplings and helping tree planting on roads and wastelands.
- The public private partnership (PPP) watershed management project in the Neemuch district of Madhya Pradesh is on the consolidation phase. Our collaborator is the Watershed Mission implemented by the Madhya Pradesh Government. Facilitated by a dedicated multidisciplinary team, the project involves making farmers and local people aware of rainwater harvesting, training them in diverse agro-based activities and ways to support watershed management. In all, 75 structures have been constructed. Additionally, we have constituted watershed user groups and watershed samities comprising of 540 farmers. They have been strengthened for organised action, collective bargaining and knowledge sharing and they share the responsibility to steer the socio-economic and cultural development of the villages.
- The construction of water harvesting structures at Sewagram, Sambhupura, Kharia, Jafrabad Nagpur and Tadipatri will enable water availability during the distress period for a population of more than 23,000.



ANIMAL HUSBANDRY

- Through our farmer support projects, 37,811 animals were immunised in veterinary camps held at our units at Malkhed, Kotputli, Kharia. Khangar, Khor, Shambhupura, Hirmi, Rawan, Awarpur, Sewagram, Kovaya, Jafrabad and Wanakbori.
- The Navjeevan Gaushala at Kharia Khangar, accords shelter to 722 stray cows and oxen and does lifesaving service in the arid climate of Rajasthan.
- We have tied up with BAIF for integrated breed programme at our Kovaya, Jafrabad, Wanakbori locations in Gujarat and Khor in Madhya Pradesh. These programmes have reached out to 2,002 milch cattle this year. The resultant strengthening of the milk yield for the previously reached out cattle, have increased the incomes of 3,670 owners .
- The fodder support programme at the drought prone areas Sewagram addresses the distress needs of 14 villages in collaboration with the panchayats.



SELF HELP GROUP (SHG)

- Across the Company over 840 SHGs empower 7,940 households economically and socially. Most of the SHGs have been linked with various economic centres. Women are engaged in a series of activities like tailoring, weaving, knitting, handicrafts, beauty parlour, mushroom cultivation, food processing and running small business.
- The carpet centres continues for more than a decade and a half to produce high quality carpets with 100% of the carpets exported through business tie-ups. At Reddipalayam, 310 women contribute significantly to the running of their family through their earnings from their tailoring jobs.







RURAL INFRASTRUCTURE DEVELOPMENT

- New Roads/Culverts/Bridges/Bus Stands, Repair Roads/Culverts/Bridges/Bus StandsCommunity Halls/ Housing, Other Community Assets and shelters.
- Support for Roads/Culverts/Bridges/Bus Stands -
- Community Halls
- Rural Housing



Our activities here continue. As in the past, we have helped the locals through building of approach roads, construction and repair of community halls and assets, public rest places, solar lights and maintaining bathing ghats. This is done at Awarpur, Shambhupura, Tadipatri, Kotputli, Panipat, Kharia Khangar, Khor, Bhatinda, Aligarh, Dadri, Rawan, Hirmi, Durgapur, Jharsuguda, Kovaya, Jafrabad, Ratnagiri, Magdalla, Malkhed, Hotgi, Tadipatri, Arrakonam, Ginigera, Dankuni, Jhajjar and Reddipalayam.

Through our interventions, we have reached out to 573,052 people across all our Units.

SOCIAL ISSUES AND EMPOWERMENT

- Institutional building & strengthening
  Formation of community based organization (SHGs), Support to development organizations, Oldage Home, Orphanage
- Social programmes to minimise causes of poverty and awareness
  Support to mass marriage/widow remarriage, National/ International day celebrations with community, Support with basic necessities. Community awareness program, Awareness campaign social abuse Early marriage
- Promotion of culture/sports
- Support to rural cultural program, Festivals & Melas
  Support to Rural Sports.
- Disaster relief programs

To bring in social reform through attitudinal changes, we work with communities. Our work includes advocacy against child labour, illiteracy, child marriages, the marginalisation and abuse of the girl child and women, drunken behaviour, maintaining poor hygiene and so on. We also promote rural sports, cultural programmes and the celebration of national events/days in the locale.



The annual socio cultural Ulhas Utsav at Awarpur is a well-liked programme, imbibing awareness, encouraging empowerment and along with development processes stoking positive relationships. It recognises perseverance, merit, team work and community well being. A similar programme has been initiated at Khor.

Giving emphasis on traditional sports we support training facilities for wrestling at Jhajjar.

The teams supported more than 200 poor couples for solemnising mass marriages in Kovaya, Jafrabad, Hirmi, and Rajashree Cement. The aim is to minimize poverty. This year we reached out to 292,000 people in the socio-cultural programmes.

ACCOLADES/AWARDS We bagged the IICA NGO BOX CSR Awards for Rajashree Cement, Golden Peacock Award for Birla White, FICCI Commendations for Rajashree Cement and Hirmi Cement, Exceed Award for Vikram Cement and Fame Award for Gujarat Cement. We have also been recognized by the district administration in the districts we work.



FOCUS-AREA WISE IMPACT	FY 2014-15	FY 2015-16	FY 2016-17
Education			
School Enrolment Programmes	7,300	9,965	11,583
Support with Educational Materials	19,241	21,005	23,648
Merit Scholarships	1,500	4,578	3,976
Support to Residential School Programmes	600	630	660
School Competitions	2,140	6,467	6,672
Computer Training	1,100	548	1,342
Support to Midday Meal	1,500	1,694	1,732
Special Coaching	2,800	3,080	3,240
Smart Classes	1,500	1,800	22,100
School Infrastructure	25,000	28,094	29,309
Support to Anganwadis	10,243	5,411	5,597
Literacy (Formal and Non-formal)	400	400	560
School Functions Awareness	21,650	35,914	22,000

FOCUS-AREA WISE IMPACT	FY 2014-15	FY 2015-16	FY 2016-17
Healthcare			
Mobile Medical Camps	134,643	134,995	14,4334
Eye Camps (IOL Operations)	4,869	4,903	3,249
Support with Spectacles	3,700	3,500	3,732
Support Camp for Differently Abled	-	-	-
Speciality Medical Camps	13,100	13,273	13,417
Low-smoke Wood Stoves	200	100	0
Support to National Pulse Polio Campaign	180,000	226,512	226,722
Immunisation of Children	4,100	4,672	4,778
School Health Programmes	4,400	4,416	4,800
Antenatal Healthcare Programmes	7,620	8,122	8,237
Adolescent Health Programmes	3,820	2,270	2,322
Interventions for Planned Families	1,991	1,126	1,147
Toilets (Water and Sanitation)	740	1,039	1,340
Reverse Osmosis Plants (Water and Sanitation)	10,000	21,000	24,000
Drinking Water	80,000	80,000	80,000

FOCUS-AREA WISE IMPACT	FY 2014-15	FY 2015-16	FY 2016-17
Sustainable Livelihood			
Vocational Training	3,035	3,450	3,645
Putty Applicators Training	6,000	6,000	6,000
Industrial Training Centres	150	150	148
Agriculture Training and Orientation	3,659	3,582	3,810
Animal Husbandry Treatment and Vaccinations (No. of Animals)	40,386	40,500	37,811
Animal Husbandry Breed Improvement (No. of Milch Animals)	1,813	1,813	2,002
Self Help Group Women's Training	840	848	892
Watershed Management	22,000	-	23,000
Bio-Gas	-	-	42
Rural Infrastructure			
Community structures – Roads / Community Halls / School Repairs / Public Utilities	475,178	539,051	573,052
Social Welfare (Programme Stakeholders / No. of Participants)			
Social Empowerment and Support Programmes including Support to the Aged / Cultural Programmes / Awareness Sessions	263,893	287,421	292,000

RESPONSIBLE STEWARDSHIP

STAKEHOLDER ENGAGEMENT

FUTURE PROOFING

UNDERSTAND FROM EXPERTS, THE EXTERNAL CHANGES, THE PROBABILITY OF THEIR OCCURRENCE AND THE POSSIBLE IMPACT THAT THEY MAY HAVE ON OUR BUSINESS.



STAKEHOLDER ENGAGEMENT

SPOTTING MEGATRENDS

Change is constant, but never before have we witnessed it at such an accelerated pace. Trends that would earlier take decades to sprout and blossom, now storm markets in weeks. Businesses that miss important trends, often lose leadership and face existential crisis, whereas companies that stay in step with evolving industry paradigms post impressive growth. In a nutshell, trends matter. We at UltraTech, actively source out experts and think tanks to keep abreast with developing trends and unfolding business scenarios.

STAKEHOLDER ENGAGEMENT

We communicate with a wide spectrum of stakeholders through multiple channels of engagement. This year we interacted with our communities, suppliers and employees as part of our sustainability report development process to understand their views on the areas/issues that need to be further improved/addressed by the management.

CONTINUOUS CONSULTATION, HOLISTIC AND TRANSPARENT DISCLOSURE OF VITAL COMPANY INFORMATION AND REGULAR ENGAGEMENT WITH OUR STAKEHOLDERS, FORM THE ROBUST FOUNDATION OF OUR BUSINESS VALUE SYSTEM.

OUR ENGAGEMENT APPROACH

The engagement has the following fundamentals in common:

Informative	Descriptive	Interactive	Collaborative	Proactive	Inclusive
					
Disclose key information honestly and in a timely manner.	Communicate comprehensively to provide a holistic picture.	Identify stakeholder concerns through regular feedback and set the priorities accordingly.	Encourage active collaborations with stakeholders to get an external viewpoint.	Identify and address concerns before they escalate in severity.	Ensure that every stakeholder feels a part of the Company's progress.

OUR STAKEHOLDER CIRCLE

OUR BUSINESS IS INTRICATELY LINKED TO OUR STAKEHOLDERS.

We have mapped our external as well as internal stakeholders based on the level of impact they have on our business and vice-versa. The stakeholder engagement circle is a 360-degree inclusive approach to involve all stakeholders that affect our business.



OUR ENGAGEMENT PLATFORMS

We have devised a combination of platforms, formal and informal, to receive honest feedback from as well as disseminate desired information to all the stakeholders.

STAKEHOLDERS	ENGAGEMENT PLATFORMS	ENGAGEMENT TOPICS
Shareholders, Lenders and Investors		
	Annual report and regulatory filings	Financial performance
	Annual general meeting	Annual performance and new projects
	Shareholder meetings and presentations	Change in governance structure
	Carbon Disclosure Project report	Disclosure on our carbon performance
	Sustainability report	Triple bottom line performance
	Grievance redressal	Addressing concerns
	One-on-one meetings, investor conferences, investor calls	Clarity on business direction
Government and Regulatory Authorities		
	Annual report and regulatory filings	Ethical business conduct
	Meetings on government directives and policy development	Regulatory compliance
	Facility inspections	Environmental stewardship
	Regular meetings	Safety
		Resolution of stakeholder grievances

STAKEHOLDERS	ENGAGEMENT PLATFORMS	ENGAGEMENT TOPICS
Employees		
	Organisation health survey	Health and safety
	Annual performance review	Career growth and progression, competitive compensation
	Employee health checks	Work-life balance
	Employee volunteering in engagement activities	Building camaraderie
	Intranet, annual report, sustainability report	Regular sharing of company information
	Employee recognition activities	Employee motivation
Customers		
	Company website	Product information
	Product campaigns	Product benefits and features
	Satisfaction surveys	Product quality and feedback
	Grievance redressal	Timely availability and building trust
	Customer oriented initiatives	Building relationships
	Feedback surveys	Product and service innovations
Suppliers and Contractors		
	Contract procedures and project reviews	Product quality and pricing
	Facility inspections	Supply quality
	Review meetings	Organisation's performance and timely payments
	Vendor interaction meets	Cost overrun for compliance with company laws
	Feedback forms	Unbiased treatment and redressal, if required
	Annual performance report	Adherence to SLA (Service Level Agreement)
	Annual stakeholder meets	Business security and growth
Local Community		
	Community need assessments	Focus areas
	Disaster management workshops	Emergencies
	Community visits	Building relationships
	Satisfaction surveys	Living standards
	Meetings with community heads	Direction and application

STAKEHOLDERS	ENGAGEMENT PLATFORMS	ENGAGEMENT TOPICS
Media and NGOs		
	Published articles	Transparency
	One-on-one interactions	Timely information on future plans
	Direct contact during activities	Support on social issues
	Social surveys	Identification of effort areas
		Disclosure on compliance

CELEBRATING A DECADE OF ACTIVE ENGAGEMENT



The Cement Sustainability Initiative (CSI), a sector-project of the World Business Council for Sustainable Development (WBCSD), is a global effort by 23 major cement producers with operations in more than 100 countries who believe there is a strong business case for the pursuit of sustainable development.

Collectively, these companies account for around 30% of the world's cement production.

UltraTech has been a member of the Cement Sustainability Initiative (CSI) since 2006. This includes regular and active participation in various focus area working groups, workshops, forums, discussions and chairing various committees. This sustained engagement over 10 years has helped us gain perspective of the cement industry's stakeholder segments and globally relevant issues, as well as opportunities for cross-learning amongst global cement companies.



Birla White YuvaRatna Awards

The Birla White YuvaRatna Award continues to challenge the young engineers and architects to redefine the frontiers of space. In sync with Make in India drive initiated by Govt. of India, Birla White, the white cement brand of UltraTech Cement, promoted the concept of Design in India at the 13th edition of Birla White YuvaRatna Awards.

With the rising interest in promoting metro rail systems as the public transport of choice, Birla White identified this as the central theme at the YuvaRatna Awards. This year YuvaRatna Nxt was introduced, where students were asked to develop designs and applications using Birla White products as part of design décor. The shortlisted design is proposed to submitted to the Government to support the initiative of 'Design in India'.

CUSTOMERS

We proactively engage with our customers to disseminate product related information and gather feedback as it not only allows us to track market trends and demands, but also provides insights on innovations and disruptive products entering the market.

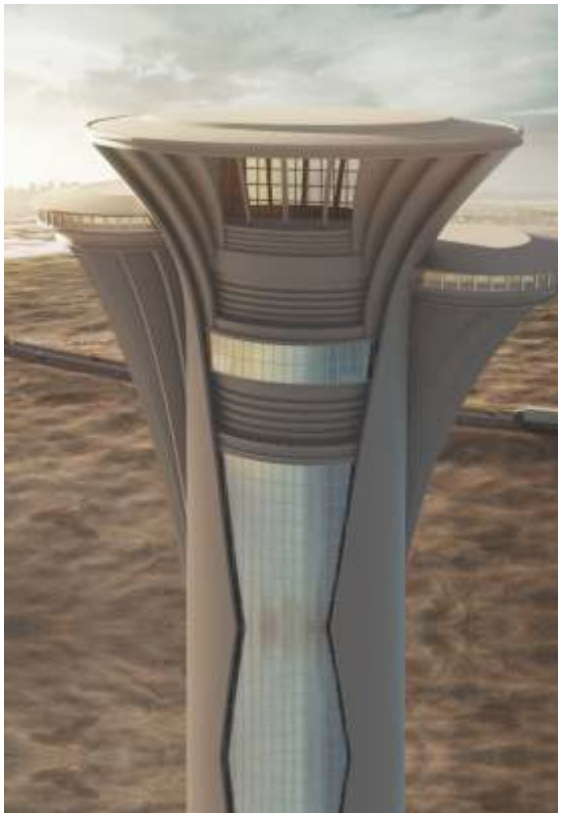
Mason Engagement

Masons, who use their skill to create homes, buildings and monuments using our cement, are our real influencers and one of our most loyal repeat purchasers.

To actively interact with masons, we introduced Mason Engagement – a pan-India influencer engagement programme.

Under this programme, a mobile application generates a unique virtual ID that flags each purchase made by the user. Purchases get converted into points, which is updated to the user through an SMS in the local language. Based on the points accrued, the user is rewarded in the form of technical training programmes and gifts.

The idea was to collaborate with them to understand their visualisation of a beautiful city or nation, while keeping its heritage intact.





Build Beautiful with Design Wall

Engineers and architects form a vital part of our customer base, and regular interactions with them provide an insight into their current creative inspirations and latest trends in the industry.

The 'Design Wall' initiative at AceTech exhibition showcases, promotes and fosters latest technologies in the construction, architecture and design industry.

As part of our Build Beautiful campaign, we engaged with leading architects and engineers at the Design Wall.

Under the theme 'You create the Future - Build Beautiful', the participants were asked to redesign the current, unplanned, clustered cityscape of Mumbai displayed on our wall, by placing square blocks on the canvas based on their imagination.

EMPLOYEES

We strive to create and maintain, an enabling and nurturing environment for our workforce. A clear communication channel is an important part of such an environment.

VIBES

Our comprehensive employee satisfaction survey - VIBES, is designed to provide an insight into the motivations and challenges among our employees. It is a platform which engages all our employees, union workers, wage board workers and contractors, to provide an opportunity for unbiased discussion and evolving innovative work practices.



Marketing and Manufacturing Town Hall

With the vision of giving the best to our employees to bring out the best from them, the Town Hall offers valuable performance analysis and review of the company's projects, resource allocations and safety initiatives, leading to the identification of concern areas for the employees.



An insight into the marketing campaigns, and feedback from various dealers and masons was shared with the employees so that they are aware of the brand image and positioning, thereby enhancing their emotional connect with the brand.

Operational Excellence Conclave

The Operational Excellence Conclave is a platform for the leadership to share UltraTech's Excellence Vision, and develop a sustainable roadmap towards achieving the same through active interaction with employees.



The Conclave held in this reporting period, was aimed at promoting an informed and empowered work environment, through diligent analysis and alignment of the unit's excellence objectives to that of the business. Best practices for operational excellence followed at UltraTech were featured.

The conclave was attended by participants from our Integrated Units, Grinding Units, Birla White, Star Cement and RMC SBUs.

SUPPLIERS & CONTRACTORS

We constantly engage with our suppliers through performance assessments and reviews to help them identify opportunities and risks. Consistent communication provides the suppliers with support to develop their sustainability performance, in line with ours.

Xcelerate Awards

We believe in the power of 'partnership' and the first ever All India Logistics Vendors Meet further strengthened the relationship we share with our transport partners. The event, first of its kind in the cement industry, was attended by 50 top primary transporters of cement and RMC from across India. At the event, which was a mix of appreciation activities and entertainment, outstanding contributions from each zone were honoured and awarded.



PP Bag Vendors Meet



Progress of our vendors is a critical part of our long-term growth. In recognition of the contribution of PP bag vendors to the success of UltraTech, a vendor meet was organised for our bag manufacturers from across the country and the best rated vendors were felicitated for their valuable contribution.

The meet also saw the audience receive valuable inputs on topics ranging from cost control measures to packaging best practices adopted by the industry.

Joint Improvement Projects with Suppliers

We continue to strengthen our bond with suppliers through Joint Improvement Projects that help them grow with us. Initiatives like the usage of by-products or leftover materials as raw materials or substitutes, common inventory for possible stores and spares, cost optimisation and strict quality adherence through annual rate contracts and annual maintenance contracts, improving the life cycle of critical spare parts and import substitution have ensured a win-win situation. We are also collaborating with other organisations for cost control towards transportation.

Supplier Satisfaction Drives & Recognition

A systematic approach to identifying relevant areas of intervention and execution for supply chain partners has been evolved to enable mutually beneficial outcomes. As part of this, supplier satisfaction drives are conducted on a regular basis to understand their difficulties and expectations. These drives also offer scope for improvement at our end.

We also understand that nothing triggers performance like appreciation. Hence, we make it a point to laud the achievements of our suppliers in quality and execution, through letters of recognition and appreciation.

RESPONSIBLE STEWARDSHIP

STAKEHOLDER ENGAGEMENT

FUTURE PROOFING

EMBED SUSTAINABILITY TRENDS INTO OUR STRATEGIC BUSINESS PLANS TO MITIGATE PROBABLE RISKS AND HARNESS EMERGING OPPORTUNITIES



FUTURE PROOFING

INTELLIGENT HEDGING

Anticipating the future is only half the battle. Developing capabilities to leverage it, is the significant other half. At UltraTech, we strongly believe that a stitch in time keeps the business fit and fine. We thus work meticulously to make our business risk-resilient and opportunity-ready by embedding flexibility, adaptability and innovation. A progressive strategy drives continuous investments in talent, training and technology, so that we are ahead of the curve and equipped to embrace the future as it unfolds.

'Future proofing' is a key pillar of our sustainability strategy to immunise ourselves from future challenges. It consists of two components. The first one involves scanning the time horizon for disruptions by discussing the global megatrends with experts in the fields of climate, water, human rights, supply chain management etc., while the second one is to test our current business models and strategies against various scenarios designed to simulate what the world will potentially look like in 2030 and 2050.

Identification of such factors in advance is critical to ensuring preparedness and provide sufficient response time to develop an action plan, and put systems and processes in place. The following are the key future risks and opportunities, and how we are responding to them.

RISK / OPPORTUNITY	PRESENT / FUTURE SCENARIO	OUR RESPONSE
Water Availability and Use	• Operations in water-stressed and water-critical areas • Higher water cost in future • Socio-environmental impacts of water withdrawal in local communities	• Source water vulnerability assessments • Aquifer studies for withdrawal and mitigation impacts • Integrated watershed management
Resource Management	Increasing constraints on availability and access to natural resources (limestone, coal etc.)	• Innovations for 'closing the loop' • Technical upgradation to enhance mine life • Increasing use of low-grade limestone • Greener concrete mix • Increasing the share of green energy
Climate Change and Energy	• Cement production causes approx. 5% of global GHG emissions and 7% of India's total GHG emissions • Impact of INDC's PAT • Carbon tax • Investor expectations on carbon performance • Fuel price volatility	• New product development, increasing absorption by securing availability, overcoming technical constraints • Improving energy efficiency • Transport and logistics optimisation • Waste-to-energy recovery • Strategic long-term plan for GHG emissions reduction and mitigation linked to planned business growth • Optimisation of fuel mix, strategy for renewable energy

INDEPENDENT ASSURANCE STATEMENT

Independent Limited Assurance Statement to UltraTech Cement Limited on their Sustainability Report for Financial Year 2016-17

To the Management of UltraTech Cement Limited, B Wing, Second Floor, Ahura Centre, Mahakali Caves Road, Andheri (E), Mumbai, Maharashtra. India.

INTRODUCTION

UltraTech Cement Limited ('the Company' or 'UTCL') has requested KPMG (Registered) in India ('KPMG', or We) to provide an independent assurance on its Sustainability Report for the FY 2016-17 ('the Report'). The Company's management is responsible for identifying its material issues, engaging with its stakeholders and developing the content of the Report. KPMG's responsibility is to provide limited assurance on the Report as described in the scope of assurance.

REPORTING CRITERIA

UTCL applies sustainability reporting criteria derived from the following:

- Global Reporting Initiative (GRI) G4 guidelines' 'in accordance Core' option
- Key performance indicators as per the Cement Sustainability Initiative's 'Safety in the cement industry: Guidelines for measuring and reporting' and 'CO_2 and Energy Accounting and Reporting Standard for the Cement Industry'
- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses in India, issued by the Ministry of Corporate Affairs, Government of India.

ASSURANCE STANDARDS USED

We conducted our assurance in accordance with

- Limited Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information,
  - Under this standard, we have reviewed the information presented in the report against the characteristics of relevance, completeness, reliability, neutrality and understandability.

SCOPE, BOUNDARY AND LIMITATIONS

The scope of assurance covers the sustainability disclosures of UTCL for the period 01 April 2016 to 31 March 2017.

The boundary of the report covers the economic, environmental and social performance of UTCL's operations in India, Sri Lanka, Bangladesh, the UAE and Bahrain as stated in the 'Our Approach to Reporting' section of the Report.

We have carried out assurance visits to the following sites:

- **Integrated Plants:** Aditya Cement Works, Andhra Pradesh Cement Works, Jafrabad Cement Works and Vikram Cement Works.
- **Grinding Plants:** Bhatinda Cement Works, Dankuni Cement Works, Jhajjar Cement Works, and Ratnagiri Cement Works.
- **RMC Plants:** Naroda-Ahmedabad, Santhal-Ahmedabad, OMR-Chennai, Ponnamalai-Chennai, Miyapur- Hyderabad, Nacharam-Hyderabad, Kalyan-Mumbai, Panvel-Mumbai, Khandsa Road, Navrangpur, Wagholi and Sahibabad
- **Bulk Terminals:** Bangalore Bulk Terminal and Shankarpally Bulk Terminal.

The assurance scope excludes:

- Verification of data and information related to UTCL's financial performance, sourced from its audited annual report for FY 2016-17
- Data from the Ready Mix Concrete (RMC) plants operated by the company for specific customers, within their premises on a temporary basis
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions of the Company.

The General and Specific Standard Disclosures subject to assurance were as follows:

General Standard Disclosures

- Strategy and Analysis - G4-1
- Organisational Profile - G4-3 - G4-6, G4-8 - G4-11, G4-14 - G4-16
- Identified Material Aspects and Boundaries - G4-17 - G4-23
- Stakeholder Engagement - G4-24 - G4-27
- Report Profile - G4-28 - G4 - 33
- Governance - G4-34
- Ethics and Integrity - G4 -56

Specific Standard Disclosures

- Economic
  - Economic Performance (G4-DMA, G4-EC2)
- Environment
  - Materials (G4-DMA, G4-EN1, G4-EN2)
  - Energy (G4-DMA, G4-EN3, G4-EN6)
  - Water (G4-DMA, G4-EN8, G4-EN10)
  - Emissions (G4-DMA, G4-EN15 - G4-EN18, G4-EN20- G4-EN21)
- Social
  - Labour Practices and Decent Work
    - Employment (G4-DMA, G4-LA1, G4-LA3)
    - Labour/Management Relations (G4-DMA, G4-LA4)
    - Occupational Health and Safety (G4-DMA, G4-LA5 - G4-LA6)
    - Training and Education (G4-DMA, G4-LA9)
  - Society
    - Local communities (G4-DMA, G4-SO1)

KPMG (Registered)
1st Floor, Lodha Excelus
Apollo Mills Compound, N. M. Joshi Marg,
Mahalaxmi, Mumbai - 400 011, India.

Tel.: +91 (22) 3989 6000
Fax: +91 (22) 3090 2511
www.kpmg.com/in

ASSURANCE PROCEDURES

Our assurance processes involve performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the standard disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances. The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement.

Our assurance procedures also included:

- Assessment of UTCL's reporting procedures for sustainability reporting regarding their consistency with the application of GRI G4 guidelines.
- Evaluating the appropriateness of the quantification methods used to arrive at the data presented in the Report.
- Verification of systems and procedures used for quantification, collation, and analysis of sustainability disclosures included in the Report.
- Understanding the appropriateness of various assumptions, estimations and used by UTCL for data analysis.
- Discussions with the personnel responsible for the evaluation of competence required to ensure reliability of data and information presented in the Report.
- Assessment of the stakeholder engagement process through personal interviews and review of relevant documentation.
- Assessment of data reliability and accuracy.
- Verification of key performance data through site visits on an annual basis for
  - Testing reliability and accuracy of data on a sample basis
  - Reviewing of the processes deployed for collection, compilation, and reporting of sustainability disclosures at corporate and site level

Appropriate documentary evidence was obtained to support our conclusions on the information and data verified. Where such documentary evidence could not be collected due to confidentiality of the information, our team verified the same at UTCL's premise.

CONCLUSIONS

We have reviewed the Sustainability Report of UTCL. Based on our review and procedures performed as per the scope of work, nothing has come to our attention that causes us not to believe that the sustainability data and information presented in the Report is appropriately stated, in material aspects, and in line with the reporting principles of GRI G4 Guidelines.

We have provided our observation to the company in a separate management letter. These, do not, however, affect our conclusions regarding the Report

INDEPENDENCE

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of the ISAE 3000 (revised) standard. Our work was performed in conformance to the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies International Standard on Quality Control (ISQC) 1 and the practitioner complies with the applicable independence and other ethical requirements of the International Ethics Standards Board for Accountants (IESBA) code

RESPONSIBILITIES

UTCL is responsible for developing the Report contents. UTCL is also responsible for identification of material sustainability issues, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of UTCL in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to UTCL those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UTCL for our work, for this Report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.



Prathmesh Raichura
Director

KPMG in India
25 June, 2018

G4 CORE CONTENT INDEX

General Standard Disclsoures

G4 Disclosure	Page Number	Omissions
Strategy & Analysis		
G4-1	Page 1-2	
Organisational Profile		
G4-3	Page 5	
G4-4	Page 7	
G4-5	Back Cover	
G4-6	Page 6	
G4-7	Page 5,6	
G4-8	Page 5,6	
G4-9	Page 3, 6, 7, 23	
G4-10	Page 80	
G4-11	Page 78	
G4-12	Page 38-40	Total number of suppliers engaged by the organisation and estimated number of suppliers in the supply chain Location of suppliers by country or region Estimated monetary value of payments made to suppliers
G4-13	Page 23-27	
G4-14	Page 42	
G4-15	Page 10, 32, 45	
G4-16	Page 10, 32, 45	
Identified Material Aspects and Boundaries		
G4-17	Page 7	
G4-18	Page 10	
G4-19	Page 114	
G4-20	Page 114	
G4-21	Page 114	
G4-22	Page 10	
G4-23	Page 10, 114	
Stakeholder Engagement		
G4-24	Page 96-105	
G4-25	Page 96-105	
G4-26	Page 96-105	
G4-27	Page 96-105	
Report Profile		
G4-28	Page 10	
G4-29	Page 10	

G4 Disclosure	Page Number	Omissions
G4-30	Page 10	
G4-31	Page 10	
G4-32	Page 10, 111	
G4-33	Page 10	
Governance		
G4-34	Page 28-32	
Ethics and Integrity		
G4-56	Page 30	

Specific Standard Disclosures

Category: Economic		
Material Aspect: Economic Performance		
G4-DMA	Page 15	
G4-EC1	Page 23-26	
G4-EC2	Page 27	
Category: Environmental		
Material Aspect: Materials		
G4-DMA	Page 17	
G4-EN1	Page 54-57	
G4-EN2	Page 56	
Material Aspect: Energy		
G4-DMA	Page 16	
G4-EN3	Page 49-53	
G4-EN5	Page 53	
G4-EN6	Page 49	
Material Aspect: Water		
G4-DMA	Page 15	
G4-EN8	Page 58-60	
G4-EN10	Page 60	
Material Aspect: Emissions		
G4-DMA	Page 16	
G4-EN15	Page 45-47	
G4-EN16	Page 45-47	
G4-EN17	Page 45-47	
G4-EN18	Page 45-47	
G4-EN20	Page 46	
G4-EN21	Page 47	

G4 Disclosure	Page Number	Omissions
Category: Social		
Sub Category: Labor Practices and Decent Work		
Material Aspect: Employment		
G4-DMA	Page 19	
G4-LA1	Page 80	
G4-LA3	Page 79	
Material Aspect: Labour/Management Relations		
G4-DMA	Page 18	
G4-LA4	Page 78	
Material Aspect: Occupational Health and Safety		
G4-DMA	Page 18	
G4-LA5	Page 66	
G4-LA6	Page 65-70	
Material Aspect: Training and Education		
G4-DMA	Page 19	
G4-LA9	Page 74-75	
Sub Category: Society		
Material Aspect: Local Communities		
G4-DMA	Page 17	
G4-SO1	Page 81-95	

Materiality Aspect Mapping Table

Material Topic	GRI Aspects	Boundary
Economic Performance	Economic Performance	Internal
Resource Management	Materials	Internal
Climate Change Energy and Air Emissions	Energy	Internal
	Emissions	External
Water Availability & Water Use	Water	Internal
Employee Well-being	Employment	Internal
	Training and Education	Internal
Health & Safety	Occupational Health and Safety	Internal
Labour Management	Labour/Management Relations	Internal
Community Relationship Management	Local Communities	Internal & External

Registered Office
UltraTech Cement Limited
B Wing, Second Floor, Ahura Centre, Mahakali Caves Road,
Andheri (E), Mumbai, Maharashtra, India.

+91 22 669 17800 +91 22 669 28109

www.ultratechcement.com

cognito