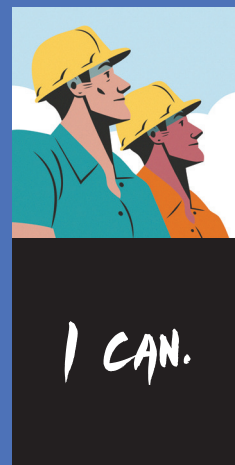


Annual Report
2018

Ambuja Cements Limited



Give a man orders and he will do the task reasonably well. But let him set his own targets, give him the freedom and the authority, and his task becomes a personal mission:

I CAN.

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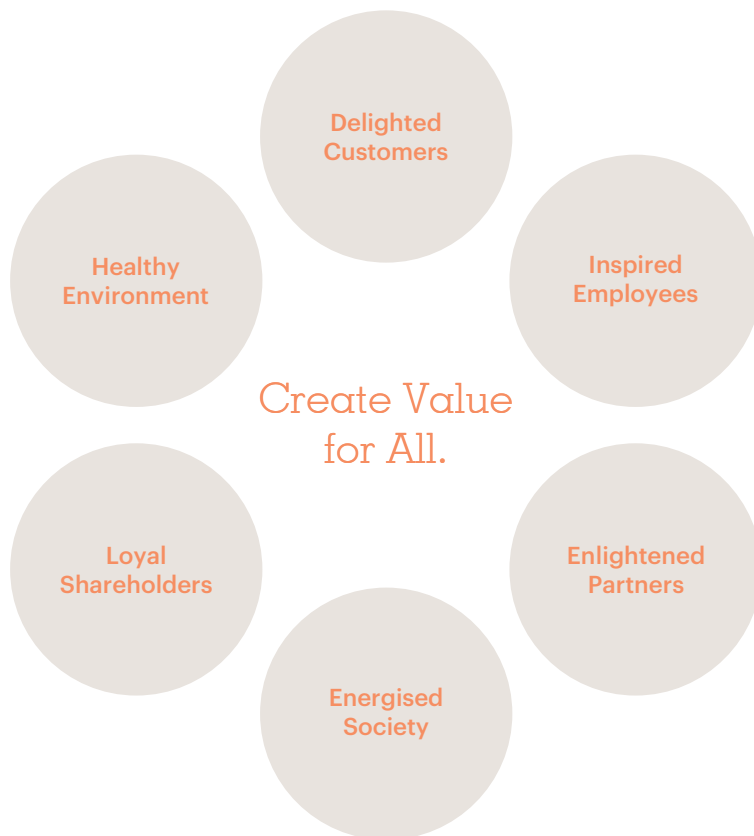
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Notice

Our Vision

To be the most sustainable
and competitive
company in our industry.

Our Mission



Corporate Information

Board of Directors

Mr. N.S. Sekhsaria
Chairman & Principal Founder

Mr. Jan Jenisch
Vice Chairman

Mr. Nasser Munjee

Mr. Rajendra P. Chitale

Mr. Shailesh Haribhakti

Dr. Omkar Goswami

Mr. Haigreve Khaitan

Ms. Usha Sangwan
(ceased w.e.f. 21st December, 2018)

Mr. Christof Hassig

Mr. Martin Kriegner

Mr. Roland Kolher

Mr. B. L. Taparia

Ms. Then Hwee Tan
(Director w.e.f. 18th February, 2019)

Mr. Ajay Kapur
Managing Director & CEO
(upto 28th February, 2019)

Mr. Bimlendra Jha
Managing Director & CEO
(w.e.f. 1st March, 2019)

Chief Financial Officer

Mr. Suresh Joshi

Company Secretary

Mr. Rajiv Gandhi

Executive Committee

Mr. Ajay Kapur
Managing Director & CEO

Mr. Suresh Joshi
Chief Financial Officer

Mr. Vilas Deshmukh
Chief Manufacturing Officer

Mr. Deepak Mehra
Chief Marketing Officer

Mr. Rajeev Mehta
Chief Logistics Officer

Ms. Meenakshi Narain
Chief HR Officer

Auditors

M/s. Deloitte Haskins & Sells LLP
Statutory Auditors

M/s. P. M. Nanabhoy & Co.
Cost Auditors

M/s. Rathi & Associates
Secretarial Auditors

Corporate Office

Elegant Business Park,
MIDC Cross Road 'B',
Off Andheri-Kurla Road,
Andheri (E), Mumbai 400 059.
website: www.ambujacement.com

Registered Office

P. O. Ambujanagar, Tal. Kodinar
Dist. Gir Somnath, Gujarat 362 715.

Committees of the Board

Audit Committee

Mr. Rajendra P. Chitale
Chairman

Mr. Nasser Munjee

Dr. Omkar Goswami

Mr. Martin Kriegner

Mr. Ajay Kapur
Permanent Invitee

Mr. B. L. Taparia
Permanent Invitee

Nomination and Remuneration Committee

Mr. Nasser Munjee
Chairman

Mr. N. S. Sekhsaria

Mr. Shailesh Haribhakti

Mr. Martin Kriegner

Mr. Ajay Kapur
Permanent Invitee

Stakeholders' Relationship Committee

Mr. Rajendra P. Chitale
Chairman

Mr. Haigreve Khaitan

Mr. Ajay Kapur

Mr. B. L. Taparia

Corporate Social Responsibility & Sustainability Committee

Mr. N. S. Sekhsaria
Chairman

Mr. Nasser Munjee

Mr. Rajendra P. Chitale

Mr. Martin Kriegner

Mr. B. L. Taparia

Mr. Ajay Kapur

Mrs. Pearl Tiwari
Permanent Invitee

Risk Management Committee

Mr. Rajendra P. Chitale
Chairman

Mr. Nasser Munjee

Mr. Shailesh Haribhakti

Dr. Omkar Goswami

Mr. Ajay Kapur

Compliance Committee

Mr. Haigreve Khaitan
Chairman

Dr. Omkar Goswami

Mr. Shailesh Haribhakti

Mr. B. L. Taparia

Mr. Ajay Kapur

Registrar and Transfer Agent

Link Intime India Pvt. Ltd.
C-101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai - 400 083.
Telephone: (022) 4918 6000
Fax Number: (022) 4918 6060
Email: rnt.helpdesk@linkintime.co.in

Chairman's Letter

Dear Shareholders,

The Indian economy continued to strengthen in 2018, reclaiming its position as the world's fastest growing economy. This economic growth was led by a number of factors, including macro-economic policies, improved consumer sentiment and structural reforms introduced by the Government. The impact of these structural reforms are reflected in the World Bank's 'Ease of Doing Business' report for 2019, where India climbed 23 places to rank 77th among the 190 countries surveyed, making it the only country to place among the top 10 most improved countries for the second consecutive year. This clear improvement in India's ranking will strengthen the Government's reformist credentials.

The nation's economic growth had a positive impact on the Cement industry, which posted a higher growth rate than the previous year at 9%. Increased demand continued to be led by key infrastructure projects like roads and metros, and the Government-led 'Housing for All' programme. This allowed the industry's capacity utilisation to improve by approximately 3%, over 2017.

The Company took many significant steps forward this year and had several remarkable achievements. I would like to highlight a few of them.

Our Greenfield Marwar-Mundwa project is now approved with a revised clinker production capacity from 1.71 MTPA to 3.1 MTPA, a 1.8 MTPA cement grinding capacity and related infrastructure like a Waste Heat Recovery

System and a Captive Power Plant. The total investment in the project is ₹ 2350 crores.

Following the mandatory Board and shareholders' approvals, Ambuja and ACC entered into a Master Supply Agreement in May last year to unlock various areas of synergy that will accrue incremental benefit to both companies.

The Company won two limestone blocks for our MCW and Marwa-Mundwa plants last year, ensuring a secure future supply of limestone. In 2018, Mangu mines at Darlaghat kick-started operations, while two other mines at Lodhva and Maldi-Mopar are slated to begin operations soon.

Our captive coal block at Gare Palma started production ahead of schedule in November 2018. While this is yet another step to reduce our dependency on the market, it will also provide long term energy security for our Bhatapara unit, at a competitive cost.

This year our people's determination and resilience - their quintessential *I Can* spirit - ensured our continued progress on many fronts.

To counteract elevated fuel and energy prices, coupled with the weakening of the Rupee, we continued to focus on 'least-cost fuel mixes', increased our usage of alternative fuels to 5.5%, significantly improved our efficiency parameters and achieved a lower clinker factor.

On the Marketing front, our consumer's needs were identified and innovative solutions were rolled out to complement the entire