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CHAPTER-IV
ASSOCIATED CEMENT COMPANY – A PROFILE OF THE COMPANY

In the chapters II and III the conceptual and functional framework of materials management and growth and development of cement industry in the world, India and Karnataka, respectively, have been presented. This Chapter is devoted to a brief presentation on the profile of Gulbarga District a Profile of ACC ltd. It is hoped that such a Study provides the true perspective of both the land and the organization which is the focus of the Study.

4.1. PROFILE OF GULBARGA DISTRICT
4.1.1 Location and Boundary

Gulbarga district, is one of the three districts that were transferred from Hyderabad State to Karnataka state at the time of re-organization of the state in 1956. The district is one among the 30 districts of Karnataka State. It is located in the Northern part of the state and lies between North latitude 17° 10 and 17° 45 and between east longitude 76° 10 and 77° 45. It is bounded on the west by Bijapur district of Karnataka and Solapur district of Maharashtra, on the north by Bidar district of Karnataka and Zaheerabad district of Andhra Pradesh and on the south by Yadgira newly formed district of Karnataka. The district constitutes 7 revenue blocks and 8 educational blocks, they are Afzalpur, Aland, Chincholi, Chittapur, Gulbarga (North), Gulbarga (South), Jewargi and Sedam.

4.1.2. Historical Background

Gulbarga, popularly called as “Kalaburagi” by the local people, was once a capital of the Bahamani Kingdom Gulbarga has rich historical and cultural traditions. Bahamanis, the earliest Muslim empire of South India chose Gulbarga to be their capital and ruled from here from 1347 to 1425 A.D. Mentioned as Kalburagi, Kalumbarige, Kalabargge, etc. in ancient inscriptions, Gulbarga is
popularly known as “Kalburgi” by the locals. Gulbarga district has its roots deep in history. The famous dynasties of the south, the Satavahans, the Chalukyas of Badami, the Rastrkuta, Shahis, the Aidil shahis, the Nizam Shahis have ruled over the district.

In 1504 Gulbarga was permanently annexed to Adil Shahi kingdom of Bijapur. In 1657 with the invasion of Mir Jumla it passed into the hands of Mughals. Later with the establishment of Asaf Jahi (Nizam) Dynasty of Hydrabad (1724 - 1948) Gulbarga came under it. In 1863 when Nizam Government formed Jillabandi, Surpur (Shorapur) became district headquarter, with nine Talukas of which Gulbarga was one of them. In 1873 Gulbarga was formed into Separate district with seven taluks. With reorganization of states in 1956 Gulbarga became Part of Karnataka State and Divisional headquarter.

The Bahamani rulers built Gulbarga city with Palaces, Mosques, Gumbazs, Bazaars and other public buildings. There are five score large and small Mosques and three score and ten Darghas in Gulbarga. The City is described as a “Garden of Gumbazs” So also number of Temples, churches and other religious centers are spread all over the city.

4.1.3. Geographical Features

Gulbarga district occupies 16,224 square kilometers area. It is the largest district in the state in Geographical area which constitutes 8.46 percent area of the state. The district is sub-divided into 2 revenue sub-divisions viz. Gulbarga and Sedam. There are 7 revenue blocks in the district namely Aland, Afzalpur, Chincholli, Chittapur, Gulbarga, Jewargi and Sedam. There are 8 educational blocks in the district namely Afzalpur, Chincholli, Chittapur, Gulbarga North, Gulbarga South, Jewargi and Sedam. The district has got 32 Hobalis, 04 town municipals, 4 muncipals, 7 Taluk Panchayats, 220 Grama Panchayats, 9 Assembly constituencies in the district.
Table 4.1

Salient features of Gulbarga District

<table>
<thead>
<tr>
<th>Feature</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographical area</td>
<td>10951 Sq.Kms</td>
</tr>
<tr>
<td>Revenue District</td>
<td>01</td>
</tr>
<tr>
<td>Revenue Blocks</td>
<td>07</td>
</tr>
<tr>
<td>Educational Blocks</td>
<td>08</td>
</tr>
<tr>
<td>Hoblies</td>
<td>32</td>
</tr>
<tr>
<td>Town Municipal Corporation</td>
<td>04</td>
</tr>
<tr>
<td>Corporation</td>
<td>01</td>
</tr>
<tr>
<td>Zilla Panchayats</td>
<td>01</td>
</tr>
<tr>
<td>Zilla Panchayat Members</td>
<td>43</td>
</tr>
<tr>
<td>Taluka Panchayats</td>
<td>07</td>
</tr>
<tr>
<td>Taluka Panchayat Members</td>
<td>155</td>
</tr>
<tr>
<td>Gram Panchayat</td>
<td>220</td>
</tr>
<tr>
<td>Gram Panchayat Members</td>
<td>3820</td>
</tr>
<tr>
<td>Revenue Villages</td>
<td>872</td>
</tr>
<tr>
<td>Number of Habitaisons</td>
<td>1719</td>
</tr>
<tr>
<td>Assembly Constituencies</td>
<td>09</td>
</tr>
<tr>
<td>Member of Legislative Council</td>
<td>03</td>
</tr>
<tr>
<td>Parliamentary Constituencies</td>
<td>01</td>
</tr>
<tr>
<td>Member of Parliament</td>
<td>02</td>
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</table>

Source: Statistical outline of Gulbarga district -2012

4.1.4. Administrative Structure

It consists of two sub divisional administrative units, namely Gulbarga and Sedam, it consists of seven taluks namely, Afzalpur, Aland, Chincholli, Chittapur, Gulbarga, Jewargi and Sedam. There are 873 revenue villages, 32 hoblies and 220 Gram Panchayats in the district.
Deputy Commissioner and Chief Executive Officer of Zillapanchayat (ZP) look after the district administration. The Zillapanchayat has an elected body represented by 44 ZP members, one of which will be chairman and one will be vice chairman. The ZP will have different sub committees like Health and Education, Agriculture, Social justice etc. Health and Education sub committee looks after the department of Education. Similarly at Taluk level Tahashildars and Taluk Panchayat Executive Officers (TPEO) looks after the administration of the block along with the elected body of taluk panchayat. In the district 220 Grama panchayats (GP) are established which look after the development of the villages comes under their jurisdiction. The GPs are also having an elected body headed by the chairman. The term of all the elected bodies i.e. ZP, TP and GP is 5 years.

4.1.5. Demographic Profile

As per 2011 Census the total population of the district is 21.74 lakhs which constitutes 4.93% of State population. The domestic decadal growth is 21.02% which is higher than the state average of 17.25%. 33.85 per cent of the families (ie.1, 26,586) in the district are BPL families. The sex ratio is 963 and density of the population is 196. The other important demographic indicators of the district are listed below:
Table 4.2
Block wise demographic Information

<table>
<thead>
<tr>
<th>Sl no</th>
<th>Blocks</th>
<th>Revenue</th>
<th>Population</th>
<th>Sex</th>
<th>Population</th>
<th>Number of Habitations</th>
<th>Area in Sq.Km</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Villages</td>
<td>Male</td>
<td>Total</td>
<td>Ratio</td>
<td>Density</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Afzalpur</td>
<td>91</td>
<td>92538</td>
<td>92538</td>
<td>944</td>
<td>138</td>
<td>167</td>
</tr>
<tr>
<td>2</td>
<td>Aland</td>
<td>134</td>
<td>152233</td>
<td>152233</td>
<td>951</td>
<td>171</td>
<td>234</td>
</tr>
<tr>
<td>3</td>
<td>Chincholi</td>
<td>132</td>
<td>113309</td>
<td>113309</td>
<td>974</td>
<td>143</td>
<td>286</td>
</tr>
<tr>
<td>4</td>
<td>Chittapur</td>
<td>120</td>
<td>186390</td>
<td>186390</td>
<td>964</td>
<td>208</td>
<td>321</td>
</tr>
<tr>
<td>5</td>
<td>Gulbarga</td>
<td>136</td>
<td>348665</td>
<td>348665</td>
<td>934</td>
<td>391</td>
<td>320</td>
</tr>
<tr>
<td>6</td>
<td>Jewargi</td>
<td>144</td>
<td>119598</td>
<td>119598</td>
<td>967</td>
<td>129</td>
<td>194</td>
</tr>
<tr>
<td>7</td>
<td>Sedam</td>
<td>115</td>
<td>97709</td>
<td>97709</td>
<td>1005</td>
<td>191</td>
<td>197</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>872</strong></td>
<td><strong>1110442</strong></td>
<td><strong>1110442</strong></td>
<td><strong>963</strong></td>
<td><strong>196</strong></td>
<td><strong>1719</strong></td>
</tr>
</tbody>
</table>

Source: Census 2011

4.1.6. Literacy Scenario

The literacy rate of Gulbarga district is increased by 12.11 in 2001. The male and female literacy have also increased by 10.44 and 13.91 respectively. Female literacy rate has registered more than that of male literacy during the decade. This is due to the DPEP and other programmes which were concentrated to increase the female literacy in the district.
Table 4.3

Literacy performance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Afzalpur</td>
<td>16.02</td>
<td>23.7</td>
<td>37.62</td>
<td>50.9</td>
<td>3</td>
</tr>
<tr>
<td>Aland</td>
<td>18.53</td>
<td>24.8</td>
<td>39.12</td>
<td>52.9</td>
<td>2</td>
</tr>
<tr>
<td>Chincholli</td>
<td>16.81</td>
<td>21.3</td>
<td>33.41</td>
<td>48.6</td>
<td>5</td>
</tr>
<tr>
<td>Chittapur</td>
<td>18.71</td>
<td>25.46</td>
<td>38.72</td>
<td>49.5</td>
<td>4</td>
</tr>
<tr>
<td>Gulbarga</td>
<td>31.05</td>
<td>38.65</td>
<td>57.38</td>
<td>66.5</td>
<td>1</td>
</tr>
<tr>
<td>Jewargi</td>
<td>15.24</td>
<td>20.87</td>
<td>32.84</td>
<td>44.1</td>
<td>7</td>
</tr>
<tr>
<td>Sedam</td>
<td>15.75</td>
<td>21.67</td>
<td>34.5</td>
<td>44.8</td>
<td>6</td>
</tr>
<tr>
<td>DISTRICT</td>
<td>18.87</td>
<td>25.2</td>
<td>39.08</td>
<td>51.04</td>
<td></td>
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</tbody>
</table>

Source: Census of India -2011

Table 4.4

LITERACY RATE (%) AS PER CENSUS-2011

<table>
<thead>
<tr>
<th>Block</th>
<th>Rural</th>
<th>Urban</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Total</td>
</tr>
<tr>
<td>Afzalpur</td>
<td>62.60</td>
<td>35.80</td>
<td>49.50</td>
</tr>
<tr>
<td></td>
<td>71.70</td>
<td>51.90</td>
<td>62.20</td>
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<tr>
<td></td>
<td>63.60</td>
<td>37.50</td>
<td>50.90</td>
</tr>
<tr>
<td>Aland</td>
<td>64.10</td>
<td>37.60</td>
<td>51.60</td>
</tr>
<tr>
<td></td>
<td>72.60</td>
<td>51.50</td>
<td>62.50</td>
</tr>
<tr>
<td></td>
<td>66.00</td>
<td>39.20</td>
<td>52.90</td>
</tr>
<tr>
<td>Chincholli</td>
<td>61.10</td>
<td>33.20</td>
<td>47.20</td>
</tr>
<tr>
<td></td>
<td>75.80</td>
<td>53.30</td>
<td>65.10</td>
</tr>
<tr>
<td></td>
<td>62.30</td>
<td>34.70</td>
<td>48.60</td>
</tr>
<tr>
<td>Chittapur</td>
<td>53.30</td>
<td>29.30</td>
<td>41.30</td>
</tr>
<tr>
<td></td>
<td>74.80</td>
<td>53.40</td>
<td>64.40</td>
</tr>
<tr>
<td></td>
<td>61.00</td>
<td>37.70</td>
<td>49.50</td>
</tr>
<tr>
<td>Gulbarga</td>
<td>62.60</td>
<td>35.50</td>
<td>49.40</td>
</tr>
<tr>
<td></td>
<td>83.80</td>
<td>67.80</td>
<td>76.10</td>
</tr>
<tr>
<td></td>
<td>76.30</td>
<td>56.10</td>
<td>66.50</td>
</tr>
<tr>
<td>Jewargi</td>
<td>56.40</td>
<td>28.00</td>
<td>42.40</td>
</tr>
<tr>
<td></td>
<td>74.80</td>
<td>51.70</td>
<td>63.50</td>
</tr>
<tr>
<td></td>
<td>57.90</td>
<td>29.90</td>
<td>44.10</td>
</tr>
<tr>
<td>Sedam</td>
<td>51.20</td>
<td>27.90</td>
<td>39.40</td>
</tr>
<tr>
<td></td>
<td>75.70</td>
<td>55.30</td>
<td>65.70</td>
</tr>
<tr>
<td></td>
<td>56.40</td>
<td>33.40</td>
<td>44.80</td>
</tr>
<tr>
<td>DISTRICT</td>
<td>58.76</td>
<td>32.47</td>
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<tr>
<td></td>
<td>75.60</td>
<td>54.99</td>
<td>65.64</td>
</tr>
<tr>
<td></td>
<td>63.36</td>
<td>38.36</td>
<td>51.04</td>
</tr>
</tbody>
</table>

Source: Census of India-2011

As per the Census data the literacy rate in 7 blocks is shown in the above table. Except Gulbarga block, were literacy rate is 66.50, which is above the National but, below the State Level average (65.38 & 66.60) all other blocks have
been below the state and National level so these blocks are considered as educationally backward blocks.

4.1.7. Important Tourist Places and Religious Centres

Sannati: Sannati was an important city in the southern part of Ashoka’s empire. The excavations at Sannati have yielded relics of special significance dating back to the mouryan period.

Malkhed: Malkhed is believed to have been the capital of Rastrakutas.

Religious Centers:

Deval Ganagapur: A famous temple of Shri Dattatraya is in Deval Ghanagapur in Afzalpur Taluka. The temple attracts lakhs of devotees every year from all over the country. The speciality of this sacred place is devotees irrespective of their status i.e. both the rich and the poor advance with a begging bowl from door to door seeking a morsel of food as prasadam. By doing so they are believed to earn the virtues and purified souls.

Bhima-Amarja Sangam at Gangapur: There are Koti Theerthas there. The Avadumbara Tree at Gangapur is as powerful as the KalpaVriksha. Near the Aswatha Tree is Narasimha Teertha, and northwards to it are the PapaVinasini Teertha, Varanasi Teertha, Rudrapada Teertha, Chakra Teertha, Koti Teertha, manmadha Teertha etc. There is the Kalleshwara temple there. It is holy as Gokarna."

Khwaja Bande Nawaz: Sayyad Hazarat Khwaja Bande Nawaz Gesu Daraaz was a suf saint. He came to Gulbarga to propagate Islam. Despite his mastery over Persian, he learnt urdu. He lived in Gulbarga from 1407 to 1422. The saint was much respected and revered by all alike. The annual urus in his memory takes place on the 15th of Zakid month which attracts devotees from all over the country.
The Dargha is known for its religious as well as architectural features. The simple walls of the Dargah are decorated with sentences from the Quran painted in gold. The paintings on the walls and domes are in Turkistan and Iranian style.

**Sharanabasaveshwar Temple:** Sharanabasaveshwar, native of Aralagundagi village in Jewargi Taluk, came propagating virashaivavisim and made Gulbarga his area of activity. He passed away at Gulbarga and a temple was built in due course over his sacred tomb. Adi Doddappa Sharan became his diciple and stood by him. Their joint effort resulted and founding the Sharan Basaveshwar Mahadasoha Pitha. The Sharana Basaveshwar temple is an excellent piece of architecture of 20th century. Sharana Basaveshwar fair takes place for 15 days commencing from chaitra Bahula Panchami. Mahatma Gandhiji visited the temple in 1927. During the freedom struggle also the Sharanbasaveshwar Dasoha pitha had played an important role. Now it seems number of educational institutions.

**Buddha Vihara at Gulbarga**

Buddhism was prevalent in this part of Gulbarga from the days of Buddha which has been supported by recent archaeological excavations made in this region. At Sannathi which is on the banks of river Bhima the ruins of a Buddhist stupa has been excavated. Similarly in Kanaganahalli. Site which is named after a Buddha disciple Kanadamuni. Buddhist ruins, relics and some stone inscriptions were discovered. Buddha Vihara at Gulbarga. It is constructed in Gulbarga by Siddhartha Vihar Trust and is recently inaugurated by Her Excellency the President of India Smt. Prathiba Devisingh Patil and His holiness Dalai Lama was the distinguished guest, who graced the inaugural function.

**Jayatheerth Monastery in Malkhed:** Jayatheerthcharya, a great commentator had stayed at this place. The existing monastery which stands on the bank of the river Kagina. It attracts lakhs of devotees every year all over the country to observe the birth anniversary of the great commentator.
Kshemalingeshwar Temple: It is a famous temple of Narona in Alanda Taluka, which is believed to be called 'Dakshina Kashi'. It attracts number of devotees across the state.

Shri Kshetra Yanagundi: One of the famous religious centers exists in Gurumithakal of Yadgir educational district. Devotees visit from all over the country seeking the blessings of the Mata Manikeshwari. Every year the celibate Yogini Mata Manikeshwari graces the devotees on the occasion of Shivaratri appearing from the cave, which is the place for her austere penance.

4.1.8. Ecological

- **Appankere**
  A huge water body which is an integral part of Gulbarga natural heritage is a Tank, popularly called “Appankere”. Situated in the center of the city, the tank presents an impressive look when it is full. The tank bund and the garden near by is a popular outing place for the locals.

- **Yeti poth nala and Nazarapur falls**: These falls are the major falls in Gulbarga district of Chincholli block. There are magnificent to view in rainy days.

- **Chandrampalli Dam**: It is about 10 Km from Chincholi and has the Gottan Gotta forest in the background. It is most suitable for Eco tourism.

- **Gottam Gotta forest**: Around 7 km from chandrapalli. It is an ideal place for trekking.

- **Uplloan Hills**: Around 10 km from Gulbarga. It is highly suitable place for to visit in and around Gulbarga City.

- **The Kesaratgi Farm**: An existing farm of the zilla panchayat. It has lot of potential to be developed as a picnic spot in Gulbarga.

Gulbarga, which is one of the biggest districts in the entire state, is known for its communal harmony and national integration, though it was influenced by the rule
of Nizam. The people of this region upheld the maxim “Unity in diversity” by showing their solidarity, fraternity, compassion and concern towards fellow human being in the trying times. It is the land which has nurtured to various outstanding people, seers and saints and veteran politicians, dedicated educationists, and consecrated revolutionaries; such as Sharanabasaveshwar a propagator of Sharana Principles, Khaja Bande Nawaz a famous Persian scholar and a propagator of Islam, Late Sri Chandrashekhar Patil, Late Sri Veerendra Patil, Late Sri Bapugowda Darshanapur, Late Smt Sarita Kusumakar Desai, Late Sri Shrinivas Gudi and Late Sri Ganghadhar Namoshi have left an indelible impression because of their political diplomacy. Precisely, Late Sri Annarao Ganamukhi, Late Sri Mahadevappa Rampure, Late Sri Vittalrao Devalgaonkar are the such people without whom Gulbarga district could not have acquired a certain degree of literacy status in the education sector. Besides Late Sri Ramanand Teerth, Sri Vidyadhar Guruji and Sri Saradar Sharangowda Patil are great revolutionaries, who are ever remembered for their selfless service and indomitable spirit to emancipate the region from the Nizam’s tyranny. Gulbarga, despite his stigma i.e. under privileged Hyderabad Karnataka region, is developing slowly with a giant pace. However the region needs to be improved much. Let’s hope for the best in the days to come. The High Court circuit bench inaugurated in the year 2008, in the Hyderabad Karnataka region. So for most of the cases which held in Bangalore will be sent to Gulbarga to get the judgments.

4.1.9. Socio-Economic Profile

In recent years a High Power Committee was constituted by the Govt. of Karnataka to look into the problem of regional imbalances in the state. The committee (Popularly know as Nanjundappa Committee) submitted its report in 2002. The committee, on the basis of various socio-economic indicators assessed the development of 175 taluks in the state. The committee has identified The
committee has identified six talukas among the seven talukas in the Gulbarga district as the most backward talukas.

Table: 4.5
MOST BACKWARD TALUKAS OF GULBARGA DISTRICT

<table>
<thead>
<tr>
<th>TALUKA</th>
<th>RANK IN STATE</th>
<th>INDEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEDAM</td>
<td>155</td>
<td>0.72</td>
</tr>
<tr>
<td>CHITTAPUR</td>
<td>165</td>
<td>0.65</td>
</tr>
<tr>
<td>AFZALPUR</td>
<td>170</td>
<td>0.62</td>
</tr>
<tr>
<td>ALAND</td>
<td>172</td>
<td>0.61</td>
</tr>
<tr>
<td>CHINCHOLI</td>
<td>173</td>
<td>0.57</td>
</tr>
<tr>
<td>JEWARGI</td>
<td>174</td>
<td>0.57</td>
</tr>
</tbody>
</table>

Source: Report of the High Power Committee for Redressal of Regional Imbalance in Karnataka, Govt. of Karnataka, Bangalore 2002

4.1.10. Cultural Characteristics
The people of this region have unique style of costume i.e. they foster the traditional dresses which symbolize their indianisation in exposing through the dresses. The chief of them is Pache and Shirt, the women wrap the chief garment i.e. Saree. As days are passing the people of this district are fascinated towards modern and modest dresses, stepping into the shoes of western. as the proverb goes, 'The grass on the other hedge looks greener'.

The people of this district are famous in fostering the traditions. They are conservative and orthodox. As for rituals are concerned there is no compromise in omitting the scientific outlook. Still they observe some religious practices. Besides celebrating the festivals in order to show care their universal solidarity and fraternity. Gulbarga district stands out for all cultural, national and regional
festivals. People in the villages and the city dwellers celebrate the regional festivals with religious fervor and great gusto.

During the time of harvest they do perform some plays. Through the plays they convey the message to their own community to rectify the evils in the society which are still prevailing.

4.1.11. Irrigation

It is predominantly an agricultural district divided into two agro climatic zones namely eastern transition and north eastern dry zone. The zones indicate the predominance of rain dependent dry land agricultural area. The normal rainfall of the district is 777 mms. The climate of Gulbarga District is generally dry and healthy. The net sown area in the district is 85.1 per cent of the total cultivable land area, which is 13821.94 square kilometers.

The major crops grown in the district are jowar, red gram, sunflower and groundnut. In terms of productivity the yields of principal crops is lesser than the state average. The variation in rainfall and endemic pest attack has affected productivity of tur (red gram). The production and productivity of jowar has been improving because of better use of fertilizer and plant protection measures. In case of oil seeds the area and production has been decreased.

Agriculture in the district mainly depends upon the rainfall and the net area irrigated to net area sown is 14%, which is below the state average of 24%. Bhima, Kagina, Mullamari, Benne Tora and Bori rivers flow in the district. The medium irrigation projects in the district is Chandrampalli, apart from this, the medium projects of Amarja, Mullamari and Benne Tora are also to be completed. There are 36 lift irrigation schemes and 445 minor irrigation tanks in the district.
Cattle, Poultry, Sheep, Goats and Buffaloes constitute the major livestock of the district. It is to be noted that poultry and goat-rearing activities will increase the burden of work for children.

Though 18.73 percent of men and 25.86 per cent of women are agricultural laborers, they do not have yearlong employment. There is also temporary migration of full families or male workers. The migration is more in Afzalpur, Aland, Chittapur, and Chincholi blocks they are migrating in the month of November. In the former case children get enrolled to school but fail to attend thereafter when they move out of their villages with their parents for employment. In the latter case, females left behind by the males in the family hardly evince any interest in schooling of their children or participate in Gramsabha meetings, SDMC meetings etc.
4.2. Profile of ACC

4.2.1. Introduction

ACC (ACC Limited) is India's foremost manufacturer of cement and concrete. ACC's operations are spread throughout the country with 16 modern cement factories, more than 40 Ready mix concrete plants, 20 sales offices, and several zonal offices. It has a workforce of about 9,000 persons and a countrywide distribution network of over 9,000 dealers. Since inception in 1936, the company has been a trendsetter and important benchmark for the cement industry in many areas of cement and concrete technology. ACC has a unique track record of innovative research, product development and specialized consultancy services. The company's various manufacturing units are backed by a central technology support services centre - the only one of its kind in the Indian cement industry. ACC has rich experience in mining, being the largest user of limestone. As the largest cement producer in India, it is one of the biggest customers of the domestic coal industry, of Indian Railways, and a considerable user of the country's road transport network services for inward and outward movement of materials and products.

Among the first companies in India to include commitment to environmental protection as one of its corporate objectives, the company installed sophisticated pollution control equipment as far back as 1966, long before pollution control laws came into existence. Today each of its cement plants has state-of-the art pollution control equipment and devices. ACC plants, mines and townships visibly demonstrate successful endeavours in quarry rehabilitation, water management techniques and ‘greening’ activities. The company actively promotes the use of alternative fuels and raw materials and offers total solutions for waste management including testing, suggestions for reuse, recycling and co-processing.
ACC has taken purposeful steps in knowledge building. It runs two institutes that offer professional technical courses for engineering graduates and diploma holders which are relevant to manufacturing sectors such as cement. The main beneficiaries are youth from remote and backward areas of the Country. ACC has made significant contributions to the nation building process by way of quality products, services and sharing expertise. Its commitment to sustainable development, its high ethical standards in business dealings and its on-going efforts in community welfare programmes have won it acclaim as a responsible corporate citizen. ACC’s brand name is synonymous with cement and enjoys a high level of equity in the Indian market. It is the only cement company that figures in the list of Consumer Super Brands of India

4.2.2. ACC Ltd – A developmental saga

ACC Ltd is India's foremost manufacturer of cement and concrete. The company is engaged in the manufacture of cement and ready-mixed concrete. They manufacture a range of portland cement for general construction and special applications. In addition, they also offer two products namely, bulk cement and ready mix concrete. The company's operations are spread throughout the country with 16 modern cement factories, more than 40 Ready mix concrete plants, 20 sales offices, and several zonal offices. Their subsidiaries include ACC Concrete Ltd, Bulk Cement Corporation (India) Ltd, ACC Mineral Resources Ltd, Lucky Minmat Ltd, National Limestone Co Pvt Ltd and Encore Cements & Additives Pvt Ltd. ACC Ltd was incorporated on August 1, 1996 as The Associated Cement Companies Ltd. The company was formed by merger of ten existing cement companies. In the year 1944, they established India's first entirely indigenous cement plant at Chaibasa in Bihar. In the year 1956, they established bulk cement depot at Okhla, Delhi. In the year 1965, the company established Central Research Station at Thane. In the year 1973, they acquired The Cement Marketing Company of India. In the year 1978, they introduced energy efficient precalcinator
technology for the first time in India. In the year 1982, the company commissioned their first 1 MTPA plant in the country at Wadi, Karnataka. In the year 1982, the company incorporated Bulk Cement Corporation of India, a joint venture with the Government of India. In the year 1993, they started commercial manufacture of Ready Mixed Concrete at Mumbai. In the year 1999, they commissioned captive power plants at the Jamul and Kymore plants in Madhya Pradesh. The house of TATA was intimately associated with the company upto 1999. In the year 1999, the Tata group sold their 7.2% stake in the company to Ambuja Cement Holdings Ltd, a subsidiary of Gujarat Ambuja Cements Ltd and in the year 2000, Tata group sold their remaining stake in the company to Gujarat Ambuja Cements Ltd. In the year 2001, the company commissioned a new plant of 2.6 MTPA capacity at Wadi, Karnataka. In the year 2003, IDCOL Cement Ltd becomes a subsidiary of the company, which was renamed as Bargarh Cement Ltd during the year 2004. In the year 2004, the company was named as Consumer Superbrand by the Superbrands Council of India, becoming the only cement company to get this status. In the year 2005, the company completed the modernization and expansion project at Chaibasa in Jharkhand, replacing old wet process technology with a new 1.2 MTPA clinkering unit, together with a captive power plant of 15 MW. In the year 2006, the subsidiary companies Damodhar Cement & Slag Ltd, Bargarh Cement Ltd and Tarmac (India) Ltd merged with the company. Also, the name of the company was changed from The Associated Cement Companies Ltd to ACC Ltd with effect from September 1, 2006. In the year 2007, the company commissioned wind energy farm in Tamilnadu. In July 2007, the company sold their entire shareholding in their wholly owned subsidiary ACC Nihon Castings Ltd at a consideration of Rs. 30 crore to V N Enterprises Ltd of Hindustan Udyog Group. In the year 2008, the ready mixed concrete business was hived off to a new subsidiary called ACC Concrete Ltd. They acquired 40% stake in Alcon Cement Company Pvt Ltd to strengthen their presence in Goa. Also, they acquired 12.41% equity shares of Bulk Cement Corporation (India) Ltd
from IDBI Bank Ltd, thereby increasing their shareholding in the said subsidiary company to 94.65%. In March 2008, the company sold their wholly owned subsidiary, ACC Machinery Company Ltd for a consideration of Rs. 45 crore. In July 7, 2008, they inaugurated ACC Cement Technology Institute at Jamul. In the year 2009, the company commissioned one 15 MW CPP as a part of Bargarh plant expansion. The additional captive power generating capacity of 50 MW in Wadi, 15 MW in Bargarh and 25 MW in Chanda is scheduled to be commissioned and stabilized in 2010. They inaugurated new Grinding plant of capacity 1.60 million tonnes at Thondebhavi in Karnataka. During the year, the company acquired 100% equity stake in National Limestone Company Pvt Ltd, making it as a wholly owned subsidiary of the company. Also, they acquired 100% equity stake in Encore Cements & Additives Pvt Ltd which has a slag grinding plant in Vishakhapatnam in coastal Andhra Pradesh. Consequently, ECAPL became a wholly owned subsidiary of the company with effect from January 28, 2010. In September 2009, the company installed and commissioned a coal washery in Jamul. Also, the company is in the process of commissioning a coal washery in the Bargarh plant in 2010. In January 4, 2010, Kudithini Cement Grinding Plant was inaugurated in Karnataka with a capacity of 1.1 MTPA of Portland Slag Cement. In April 2010, the company commissioned a 2.5-MW wind energy farm near Satara, Maharashtra, at a cost of Rs. 13 crore. The wind farm has two 1.5-MW turbines. The power from the wind farm will be supplied through a wheeling arrangement to the company's Thane Complex and Bulk Cement Corporation (India) Ltd, a subsidiary company at Kalamboli, near Mumbai. In the year 2010, the company commissioned the the 2.5 MW wind mill project in Maharashtra. Also, they commissioned one CPP of 25 MW at Wadi, two 15 MW CPPs at Bargarh and one 25 MW CPP at Chanda during the year. The company through their wholly owned subsidiary ACC Mineral Resources Ltd entered into joint venture agreements with Madhya Pradesh State Mining Corporation Ltd for development of four coal blocks. In April 2010, the company completed the
acquisition of a 45% equity stake in Asian Concrete and Cements Pvt Ltd. This company commenced production from their new grinding unit during the year. In June 2010, the Financial Express-EVI Green Business Leadership Award 2009-10 was conferred on ACC Ltd for being the 'Best Performer' in the cement category. This award is an acknowledgement of ACC's commitment towards its environmental friendly initiatives in the country. In November 2010, the company commissioned the world's largest kiln with a capacity of 12500 tpd at Wadi in the State of Karnataka. They commenced trial production in the clinkering unit at Chanda in Maharashtra having a kiln capacity of 7000 tpd and commenced commercial production during the first quarter of the financial year 2011. In the year 2011, the company installed the world's largest kiln at Wadi, Karnataka with a capacity of 12,500 tonnes per day. The Operations of the state-of-the-art kiln at Wadi and the cement grinding plants at Kudithini and Thondebhavi stabilized during the year. The new clinkering unit at Chanda in Maharashtra also stabilized its operations during the year. The cement mill at Chanda was successfully commissioned during the year under review and commercial operations have commenced in January 2012 after appropriate ramping up. In November 2011, the Secretarial and Share Departments of the company received an ISO 9001-2008 certification from Det Norske Veritas (DNV) AS Certification Services. During the year, the company made an application to the Honorable High Court of Judicature at Bombay for approval to a scheme of amalgamation of three of the company's wholly owned subsidiaries viz. Encore Cement and Additives Pvt Ltd, Lucky Minmat Ltd and National Limestone Company Pvt Ltd. The amalgamation process is currently in progress. The company is planning to set up a new clinker production facility of 2.79 MTPA and allied grinding facility at Jamul. The company is also planning decentralized grinding stations which will use clinker produced at Jamul. The project will be implemented in phased manner and scheduled for completion by first quarter of 2015.
4.2.3. **Organization Structure**: ACC's organization structure was revised in 2006, added thrust was given to sustainable development with the corporate office and plants to coordinate activities relating to waste management, alternate fuels and raw materials, social responsibility and occupational health and safety. All these were placed under the supervision of the managing Directors. The following chart shows hierarchical departments of ACC Ltd:
FIGURE 4.1 Organization Structure of ACC, General
4.2.4. Human Resources

ACC has a large workforce of about 9,000 people, comprising experts in various disciplines assisted by a dedicated workforce of skilled persons. ACC employees, referred to as the ACC Parivar, come from all parts of the country and belonging to a variety of ethnic, cultural and religious backgrounds. ACC employees display a strong sense of loyalty to the Company and their special stellar qualities as ‘value-adding’ human capital are well known in the industry.

ACC has clearly stated guidelines concerning recruitment, termination, career advancement, performance appraisal, professional and employee ethics and code of conduct. The Company’s personnel policies and processes enshrine equal opportunities to all and non-discrimination with regard to gender, caste, creed, ideology or other opinion, whether social, political or religious. Also ensured is a due process for employee consultation and participation in organizational development and policy formulation.

4.2.4. Recruitment

Recruitment in ACC is a very fair and transparent process with adequate opportunities to look for suitable candidates internally as well as from outside. Applicants are generally invited on the basis of specific advertisements in newspapers and websites. A Committee of officers called the Central Recruitment Committee handles the entire recruitment process comprising screening of applications, preliminary short-listing, interviews and final selection. Every attempt is made to make the selection process as objective as possible by incorporating tests of competence. In some cases, outside consultants are retained. All decisions of the recruitment committee are recorded in respect of each candidate. Candidates are informed of their short-listing and selection immediately after the interview or at the earliest thereafter.
4.2.5. Performance Management

The Company’s performance management system is in itself a benchmark that provides ample opportunities and motivational incentives to employees so as to reward and retain good talent within the Company. These incentives include Performance Linked Incentives, Good Work Awards, Letters of Appreciation, Special Increments, Promotions, Nomination to external training programmes in India and abroad, public felicitation and appreciation. Some plants have Best Employee and Employee of the Month Awards and recognition. Competent employees and those who display aptitude are invited to become Trainers themselves and receive Train the Trainer facilitation.

4.2.6. Training and Development

Our new Performance Management System incorporates a process called Competency Assessment and Training and Developmental Needs wherein appraisers are specifically called upon to identify and assess training needs of employees at specific intervals that do not coincide with Performance Appraisals. This is so that training needs can be assessed objectively. Training is imparted to take care of an individual’s career development as well as functional and skill enhancement. Competency and Development training inputs include Skill and general performance enhancement, communication skills and Career development. Functional training needs are identified and conducted by functional departments while Corporate HR organizes competency and developmental inputs.

4.2.7. Employee welfare and perquisites

Employee welfare receives prime attention at ACC. We have several schemes for general welfare of employees and their families. These cover education, healthcare, retirement benefits, loans and financial assistance and recreation facilities.
ACC townships have excellent schools that are often the best in the district. Education at these schools is subsidized for employees’ wards. We offer attractive scholarship allowances for children studying at places away from their parents, merit scholarships for outstanding children and financial assistance for employees’ children to pursue higher professional education.

Liberal medical benefits are made available to employees and their family members by way of reimbursements towards normal medical treatment, domiciliary treatments and special sanctions for serious illness. Each of our townships has well-equipped health care centres with qualified medical staff and facilities, ambulance, referrals and tie-ups with reputed hospitals for specialized treatment. In addition, there are regular health checkups, camps and programmes.

Employees are eligible to apply for loans and financial assistance for various purposes such as purchase of assets, residential premises as well as a scheme that provides for supply of cement at subsidized rates to those building their own houses.

4.2.8. Employees Satisfaction

In addition to periodic internal Employee Satisfaction Surveys, we participate in Employee Satisfaction and Work Places Surveys conducted by reputed external agencies and organizations like Hewitt Associates Grow Talent. And from time to time, ACC has also retained reputed firms like Mercer and Boston Consulting Group to study our internal work environment and employee policies and suggest areas of improvement. We share below salient points of the latest survey of employees:

- People are treated fairly regardless of religion and gender
- ACC is a safe place to work
- Management is competent in running business
• Employees feel good about what we do for society
• Proud to tell others I work here
• Management thinks positively

The overall findings show significant job satisfaction at all levels as also deep respect for the company, its performance management system and its overall business.

4.2.9. Corporate Governance

The importance of Corporate Governance has always been recognized in ACC. Much before Corporate Governance guidelines became applicable and mandatory for listed companies; ACC had systems in place for effective strategic planning and processes, risk management, human resources development and succession planning. The Audit Committee in ACC was constituted as far back as in 1986. The Shareholders-Investors Grievance Committee was formed way back in 1962 and the Compensation Committee was convened since 1993. The Company’s core values are based on integrity, respect for the law and strict compliance thereof, emphasis on product quality and a caring spirit. Corporate Governance therefore in ACC is a way of life.

ACC is a professionally managed Company with a majority of its Directors being Independent Directors. The Board of Directors has always consisted of persons who are professionals in their respective fields and with unquestionable integrity and reputation. The role, responsibility and accountability of the Board of Directors is clearly defined. Members of the Board have full freedom to express their views on matters placed before them for deliberation and consideration.

It is the continuous endeavour of the Board of Directors to achieve the highest standards of Corporate Governance through the adoption of a strategic planning process, succession planning for attracting, motivating and energizing
human resources, identification of major risks and the way and means to manage such risks, an effective communication policy and integrity of Company’s internal control systems. The Board of Directors are also constantly looking at ways and means to ensure that the most effective use is made of the scarce resources at its disposal and that the management and employees have the freedom to take the Company forward within the framework of effective accountability.

The Annual Reports, press releases and other communication have always made full disclosures on various facets of importance to the stakeholders, particularly with regard to information relating to financial matters, company’s operations/performance, stock movements etc.

4.2.10. Cement Plants of ACC

There are 16 cement plants (manufacturing units) of ACC Ltd spread over different places in India. They are shown in the following table with their respective capacities.

- Bargarh - [ Capacity (MTPA) 1.20 ]
- Chaibasa - [ Capacity (MTPA) 0.87 ]
- Chanda - [ Capacity (MTPA) 1.00 ]
- Damodhar - [ Capacity (MTPA) 0.53 ]
- Gagal - [ Capacity (MTPA) 4.40 - Gagal I and II ]
- Jamul - [ Capacity (MTPA) 1.58 ]
- Kymore - [ Capacity (MTPA) 2.20 ]
- Kudithini - [ Capacity (MTPA) 1.10 ]
- Lakheri - [ Capacity (MTPA) 1.50 ]
- Madukkarai - [ Capacity (MTPA) 1.18 ]
- Sindri - [ Capacity (MTPA) 0.91 ]
- Wadi - [ Capacity (MTPA) 2.59 ]
• New Wadi Plant - [Capacity (MTPA) 3.20
• Thondebhavi - [Capacity (MTPA) 1.60
• Tikaria - [Capacity (MTPA) 2.31]

4.2.11. Subsidiaries and Associates

ACC concrete Ltd

ACC set up India's first commercial Ready Mix Concrete (RMX) plant in Mumbai in 1994 which together with the promotion of bulk cement has played a key role in redefining the pace and quality of construction activity in our large cities and mega infrastructure projects.

The Ready Mix Concrete business of ACC was reorganized as a separate wholly owned subsidiary which was incorporated as ACC Concrete Limited with headquarters in Mumbai. Today this company is one of the largest manufacturers of Ready Mix Concrete in India with a countrywide network of over 30 plants, with modern equipment and a large fleet of transit mixers.

• ACC Mineral Resources Limited

ACC's wholly owned subsidiary, The Cement Marketing Company of India Limited, was renamed as ACC Mineral Resources Limited (AMRL) in May 2009 with an objective of securing valuable mineral resources, such as coal for captive use. ACC Mineral Resources Limited has already entered into Joint Venture arrangements for prospecting, exploration and mining coal from the coal blocks in Madhya Pradesh and West Bengal. The company is also exploring other opportunities for securing additional coal and gypsum resources in India and abroad.
• **Bulk Cement Corporation (India) Limited**

Situated at Kalamboli, in Navi Mumbai (formerly New Bombay), this company caters to bulk cement requirements of the city of Mumbai and its environs. It has two cement storage silos with a capacity of 5,000 tons each. The plant receives cement in bulk from ACC plants at Wadi. The plant has its own special purpose railway wagons and rakes and its own railway siding. The first of its kind in India, BCCI is equipped with all the facilities required by increasingly sophisticated construction sites in a bustling metropolis, including a laboratory, a fleet of specialized trucks and site silos for the convenience of customers and is capable of offering loose cement in bulk-tanker vehicles as well as packed cement in bags of varying sizes from 1 tonne down to 25 kg bags. BCCI is situated strategically on the outskirts of Mumbai, just off the new Mumbai-Pune Expressway. It is a landmark structure spread over 30 acres of land.

• **Lucky Minmat**

ACC acquired 100 per cent of the equity of Lucky Minmat Private Limited. This company holds limestone mines in the Sikar district of Rajasthan, and helps supplement limestone supply to the Lakheri Plant.

• **National Limestone Company Private Limited**

National Limestone Company Private Limited is a wholly owned subsidiary. The company is engaged in the business of mining and sale of limestone. It holds mining leases for limestone in the state of Rajasthan.
• **Encore Cement & Additives Private Limited**

ACC acquired 100 percent of the financial equity of this company which is a slag grinding plant in Vishakhapatnam in coastal Andhra Pradesh. This company became a wholly-owned subsidiary of ACC in January 2010.

4.2.12. Milestones

1936 Incorporation of the Associated Cement Companies Limited on August 1, 1936.

1936 First Board Meeting of the Associated Cement Companies Limited held at Esplanade House, Mumbai on November 10, 1936.

1937 With the transfer of the 10th company to ACC, viz. Dewarkhand Cement Company, the formation of ACC is complete on October 23, 1937.

1944 ACC’s first community development venture near Bombay

1947 India’s first entirely indigenous cement plant established at Chaibasa in Bihar

1952 Village Welfare Scheme launched

1955 Sindri cement works used the waste product calcium carbonate sludge from fertilizer factory at Sindri.

1956 Bulk Cement Depot established at Okhla, Delhi

1957 Technical training institute established at Kymore, Madhya Pradesh

1957 Katni Refractories

1961 Blast furnace slag from TISCO used at the Chaibasa Unit to manufacture Portland Slag Cement for the first time in India.
1961 Manufacture of Accocid Cement, which resists the corrosive action of acids and chemicals

1961 Oilwell Cement manufactured at ACC Shahabad Cement Works in Karnataka for cementation of oilwells up to a depth of 6,000 feet.


1962 Manufacture of Accoproof, a waterproofing additive.

1965 ACC’s Central Research Station (CRS) established at Thane

1965 Manufacture of Portland Pozzolana Cement.

1965 Manufacture of Calundum, a High Alumina Binder; Firecrete, Low Density Alumina Castables and High Alumina Refractory Cement.

1968 Advent of computers in ACC for data processing and designing management information and control systems.

1968 ACC supplied and commissioned one-million-tonne iron ore pelletising plant ordered by TISCO

1971 Manufacture of Why theat Castables A, K, C and Cal-Al-75

1973 Take-over of the Cement Marketing Company of India (CMI)

1977 ACC receives ASSOCHAM first national award for the year 1976 instituted for outstanding performance in promoting rural and agricultural development activities.
1978 Introduction of the energy efficient precalcinator technology for the first time in India. Full scale commercial production based on MFC technology at Wadi in 1979.

1979 ACC wins international contract for operation and management of a new one million tonne cement plant at Yanbu-Ras Biridi in Saudi Arabia.

1982 Commissioning of the first 1 MTPA plant in the country at Wadi, Karnataka.

1984 ACC achieves a breakthrough in import substitution by developing and supplying a special G type of oil well cement to ONGC.

1987 ACC develops a new binder for use at sub-zero temperatures, which is successfully used in the Indian expedition to Antarctica.

1992 Incorporation of Bulk Cement Corporation of India, a joint venture with the Government of India.

1993 ACC starts the commercial manufacture of Ready Mixed Concrete at Mumbai.

1995 ACC selected as Most Respected Company in India by Business India.

1998 Commissioning of the 0.6 MTPA cement grinding unit at Tikaria, Uttar Pradesh.

1999 Commissioning of captive power plants at the Jamul and Kymore plants in Madhya Pradesh.

1999 Tata group sells 7.2% of its stake in ACC to Ambuja Cement Holdings Ltd, a subsidiary of Gujarat Ambuja Cements Ltd. (GACL)
2000 Tata Group sells their remaining stake in ACC to the GACL group, who with 14.45% now emerge as the single largest shareholder of ACC.

2001 Commissioning of the new plant of 2.6 MTPA capacity at Wadi, Karnataka plant, the largest in the country, and among the largest sized kilns in the world

2002 ACC wins PHDCCI Good Corporate Citizen Award

2003 IDCOL Cement Ltd becomes a subsidiary of ACC

2004 IDCOL Cement Limited is renamed as Bargarh Cement Limited (BCL).

2004 ACC raises US $ 100 million abroad through Foreign Currency Convertible Bonds (FCCB’s) for US$ 60 million and Global Depository Shares (GDS’s) for US $ 40 million. Both offerings are listed on the London Stock Exchange.

2004 ACC named as a Consumer Superbrand by the Superbrands Council of India, becoming the only cement company to get this status.


2005 Holcim group of Switzerland enters strategic alliance with Ambuja Group by acquiring a majority stake in Ambuja Cements India Ltd. (ACIL) which at the time held 13.8 % of the total equity shares in ACC. Holcim simultaneously makes an open offer to ACC shareholders, through Holdcem Cement Pvt. Limited and ACIL, to acquire a majority shareholding in ACC. Pursuant to the open offer,
ACIL’s shareholding in ACC increases to 34.69 % of the Equity share capital of ACC.

2005 Commissioning of Modernisation and Expansion project at Chaibasa in Jharkhand, replacing old wet process technology with a new 1.2 MTPA clinkering unit, together with a captive power plant of 15 MW.

2005 Financial accounting year of the company changed to calendar year January-December

2006 Subsidiary companies Damodhar Cement & Slag Limited, Bargarh Cement Limited and Tarmac (India) Limited merged with ACC

2006 ACC announces new Workplace policy for HIV/AIDS

2006 Change of name to ACC Limited with effect from September 1, 2006 from The Associated Cement Companies Limited.

2006 ACC receives Good Corporate Citizen Award 2005-06 from Bombay Chamber of Commerce and Industry.

2006 New corporate brand identity and logo adopted from October 15, 2006

2006 ACC establishes Anti Retroviral Treatment Centre for HIV/AIDS patients at Wadi in Karnataka– the first ever such project by a private sector company in India.

2007 ACC partners with Christian Medical College for treatment of HIV/AIDS in Tamil Nadu

2007 Sumant Moolgaokar Technical Institute completes 50 years and reopens with new curriculum
2008 Ready mixed concrete business hived off to a new subsidiary called ACC Concrete Limited.

2008 ACC Cement Technology Institute formally inaugurated at Jamul on July 7.


2008 ACC wins CNBC-TV18 India Business Leader Award in the category India Corporate Citizen of the year 2008

2008 Project Orchid launched to transform our Corporate Office, Cement House into a green building.

2009 ACC received the Jamanalal Bajaj "Uchit Vyavahar Puraskar" of Council for Fair Business Practices

2009 ACC is allotted coal blocks in Madhya Pradesh and West Bengal.

2009 ACC's new Grinding plant of capacity 1.60 million tonnes inaugurated at Thondebhavi in Karnataka.

2010 Kudithini Cement Grinding Plant inaugurated in Karnataka on January 4, 2010 with a capacity of 1.1 MTPA of Portland Slag Cement.

2010 ACC acquires 100 percent of the financial equity of Encore Cements & Additives Private Limited which is a slag grinding plant in Vishakhapatnam in coastal Andhra Pradesh. This company became a wholly-owned subsidiary of ACC in January 2010

4.2.13. Awards and Accolades

ACC was the first recipient of ASSOCHAM's first ever National Award for outstanding performance in promoting rural and agricultural development activities in 1976. Decades later, PHD Chamber of Commerce and Industry
selected ACC as winner of its Good Corporate Citizen Award for the year 2002. Over the years, there have been many awards and felicitations for achievements in Rural and community development, Safety, Health, Tree plantation, afforestation, clean mining, Environment awareness and protection.

**Indira Priyadarshini Vrikshamitra Award** - By The Ministry of Environment and Forests for "extraordinary work" carried out in the area of afforestation.

**FICCI Award** - for innovative measures for control of pollution, waste management & conservation of mineral resources in mines and plant.

**Subh Karan Sarawagi Environment Award** - by The Federation of Indian Mineral Industries for environment protection measures.

**Drona Trophy** - By Indian Bureau of Mines for extra ordinary efforts in protection of Environment and mineral conservation in the large mechanized mines sector.

**Indira Gandhi Memorial National Award** - for excellent performance in prevention of pollution and ecological development

**Excellence in Management of Health, Safety and Environment:** Certificate of Merit by Indian Chemical Manufacturers Association

**Good Corporate Citizen Award** - by PHD Chamber of Commerce and Industry

**FIMI National Award** - for valuable contribution in Mining activities from the Federation of Indian Mineral Industry under the Ministry of Coal.

**Rajya Sthariya Paryavaran Puraskar** - for outstanding work in Environmental Protection and Environment Performance by the Madhya Pradesh Pollution Control Board.

4.2.14. Sales and profit Analysis

The comparative statements of 2010 and 2011 are presented below to provide analytical and comparative picture sales, cost, and profits of ACC Ltd.
## Table 4.6

Comparative Income Statement of ACC Ltd.

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Rs Crore</th>
<th>Standalone Rs Crore</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>2011</td>
<td>2010</td>
</tr>
<tr>
<td>Sale of product and services (net of excise duty) and Other Income</td>
<td>10428.45</td>
<td>8619.38</td>
</tr>
<tr>
<td>Profit before Tax</td>
<td>1505.29</td>
<td>1415.41</td>
</tr>
<tr>
<td>Provision for tax</td>
<td>215.45</td>
<td>341.36</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>1300.80</td>
<td>1077.53</td>
</tr>
<tr>
<td>Balance brought forward from previous year</td>
<td>3175.45</td>
<td>3040.37</td>
</tr>
<tr>
<td>Profit available for appropriations</td>
<td>4476.25</td>
<td>4117.90</td>
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<tr>
<td>Appropriations:</td>
<td></td>
<td></td>
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<tr>
<td>Interim Dividend</td>
<td>206.52</td>
<td>187.75</td>
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<tr>
<td>Proposed Final Dividend</td>
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<td>384.88</td>
</tr>
<tr>
<td>Dividend Distribution Tax</td>
<td>85.28</td>
<td>95.10</td>
</tr>
<tr>
<td>Previous Year Dividend</td>
<td>(1.49)</td>
<td>(0.93)</td>
</tr>
<tr>
<td>Distribution Tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Reserves</td>
<td>250.00</td>
<td>250.00</td>
</tr>
<tr>
<td>Debenture Redemption Reserve</td>
<td>25.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Amortization Reserves</td>
<td>0.65</td>
<td>0.65</td>
</tr>
<tr>
<td>Surplus carried to the next year's account</td>
<td>3591.12</td>
<td>3175.45</td>
</tr>
</tbody>
</table>
**Sales, costs and profits**

- Cement dispatches were 23.68 million tonnes during the year as compared to 21.17 million tonnes during 2010;
- Consolidated income for the year under review was Rs 10428 crore, an increase of 21% as compared to Rs 8619 crore in 2010;
- Consolidated profit before tax increased in 2011 to Rs 1505 crore against Rs 1415 crore in 2010;
- Consolidated profit after tax was higher in 2011 at Rs 1301 crore against Rs 1078 crore in 2010.

**Dividend**

Directors are pleased to recommend a final dividend of Rs 17 per Equity share of Rs 10 each. The Company had distributed an interim dividend of Rs 11 per Equity share in August 2011. The total dividend for the year ended December 31, 2011 would accordingly be Rs 28 per Equity share as against the total dividend of Rs 30.50 per Equity share for the year ended December 31, 2010 which included the payment of one-time 'Special Dividend' of Rs 7.50 for the Platinum Jubilee Year. The total outgo for the current year amounts to Rs 610.97 crore, including dividend distribution tax of Rs 85.28 crore, as against Rs 667.73 crore, including dividend distribution tax of Rs 95.10 crore in the previous year.

**Economic Scenario and Outlook**

The year under review ended with softening of inflation and interest rates which augured well for better growth prospects of the economy. This trend would benefit infrastructure, construction and real estate sectors which would in turn spur demand growth in the cement sector. The economy is expected to grow at a healthy pace in the medium to long term due to its strong fundamentals and steady domestic consumption. A normal monsoon, coupled with improving rural incomes and investments in infrastructure should give a boost to cement demand in 2012.
Cement Industry Outlook and Opportunities

During 2011, the Cement Industry added ~30 million tonnes of capacity taking its installed capacity to 290 million tonnes. Subdued demand conditions led to capacity utilization falling below 80%. The demand for cement is expected to grow at 10% over 2011 and capacity addition to increase at around 8% year-on-year. A lower utilization rate coupled with increase in cost of raw materials and increasing logistics costs are likely to keep overall prices under pressure in all regions. Pressure on costs will continue to mount mainly on account of increases in the cost of domestic coal and owing to the volatility in costs of imported coal.

Table 4.7
Cement Business - Performance at A Glance

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production - million</td>
<td>23.46</td>
<td>21.21</td>
<td>10.61</td>
</tr>
<tr>
<td>tonnes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales volume - million</td>
<td>23.73</td>
<td>21.29</td>
<td>11.46</td>
</tr>
<tr>
<td>tonnes*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale value - Rs</td>
<td>9438.66</td>
<td>7717.33</td>
<td>22.30</td>
</tr>
<tr>
<td>Crore</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating EBITDA %</td>
<td>20.35%</td>
<td>23.49%</td>
<td></td>
</tr>
</tbody>
</table>

* includes sale to ACC Concrete Ltd. and trading sales

Modernization

Operations of the state-of-the-art kiln at Wadi and the cement grinding plants at Kudithini and Thondebhavi stabilized during the year. The new clinkering unit at Chanda in Maharashtra also stabilized its operations during the year. The cement mill at Chanda was successfully commissioned during the year under
review and commercial operations have commenced in January 2012 after appropriate ramping up.

4.3. ACC Cement works, wadi,- A works profile

4.3.1. Introduction

ACC first set up a cement plant at Wadi in 1968. Then in 1978 the plant introduced the use of the energy efficient pre-calcinator technology from Mitsubishi for the first time in India.

It made news again in 1982 when it inducted India's first one million tonnes per annum kiln. A new plant was established in 2001 close to the old one. It came to be called New Wadi Plant. Comprising of one cement kiln with a capacity of about 5500 tonnes per day or 2 million tonnes per annum, it was again the largest kiln in India.

All operations at Wadi are now mammoth in scale and setting new trends and benchmarks. ACC, wadi, has the largest limestone mining operations, the largest captive power plant in the industry, largest inward and outbound logistics and the largest in bulk cement operations. The project reinforces ACC's commitment to environment conservation in more ways than one. The plant incorporates sophisticated environment management systems and equipment that are designed to maintain very high levels of emission control. The two satellite grinding units manufacture environment-friendly blended cements using hazardous industrial waste by-products such as fly ash from thermal power plants and slag from steel plants. In addition Wadi promotes the use of alternate fuels through the co-processing of wastes.
"This has been a major milestone not only for ACC but also for the entire cement industry to see the successful commissioning and stabilization of clinker production from the World’s largest kiln at Wadi".

4.3.2. Geographical and production details of ACC cement, works, wadi.

Wadi is a small town in the Gulbarga district of Karnataka and has only recently become a municipal area. It is suitably situated at a distance of about 40 km from the district headquarters- Gulbarga and at distance of about 200 km from Hyderabad in Andhra Pradesh, Mumbai, Chennai and Bangalore also is only a night’s journey away. The only major centers, which are relatively inaccessible from wadi, are New Delhi and Kolkata, with journey times in excess of 30 hours. Wadi is a small place and the places of major interest ate the ACC plants and colony themselves and the wadi railway station which is a junction. The rest of wadi is rough terrain. The level of education is fairly good in main wadi but it is poor in the surrounding villages. Health and hygiene and drinking water are major concerns of the people. The region is a limestone rich belt leading to the establishment of other cement units and ancillary industries.

The wadi cement works at ACC was setup in the year 1968 with an installed capacity of 2.5 million ton per annum of ordinary Portland cement clinker. The current capacity after the commissioning of new plant is 5.20 million ton per annum. The factory is situated at the south-central part of the country in the state of Karnataka. It is well connected by rail and road. The nearest important railway junction, wadi, is one the central railway between Solapur and Gurmitkal. Wadi station is about 1 kilometer from the plant site. The plant machineries were originally supplied by M/s. Taylor and M/s.ABL and later have been renovated and upgrade over the years.

Geographically the site extends from East longitude 76 degree 4.5 inches. The nearest village is wadi at a distance of about 1.5 km from the site on East-
south-East direction. The existing colony of ACC wadi is at a distance of about 1.2 km east of the site. The nearest railway station is wadi at a distance of about 1.5 km. Wadi us a main railway junction on the board gauge line, connecting wadi with Mumbai, Hyderabad, and Bangalore. Wadi cement works manufacture ordinary Portland cement type -43,53 grade (latest version of IS:269, IS:8112 and IS:12269 respectively ) and Portland pozzolona cement (latest version of IS:1489 parts -1) under the brand ACC SURAKSHA with makes fluorspar of fly ash upto 25 percent thereby helping in maintaining pollution free environment.

4.3.3. Grinding units, and key components:

The two satellite grinding were both established as Greenfield units. The kudithini cement works receives clinker from wadi by rail and road has a capacity of 1.1 mat of Portland slag cement with its own railhead and siding with sophisticated unloading and handling facilities. The other grinding plant is located in the picturesque village of thondebhavi. With a capacity of 1.6 mat, it produces fly ash-based Portland pozzolona cement. Clinker arrives from wadi at its own rail siding. The wadi plant caters not only to Karnataka but much of the peninsula comprising Maharashtra, Andhra Pradesh, Tamil Nadu and Kerala. Together with the satellite grinding units, this mega project has enhanced ACC’s capacity in Karnataka to almost 9 mta, of which about 30 per cent is consumed by the state. The environment-friendly ethos of this project is reinforced by the surroundings of both grinding units with a special focus on green belt development and water conservation.

Costing over $ 330 million, the wadi project, together with its satellite grinding units, is amongst the major industrial units in Karnataka to have generated considerable opportunities and created sustainable livelihoods through direct and indirect employment. It has also opened up opportunities for the growth
of ancillary business. All operations at wadi are now colossal in scale – setting new trends and benchmarks both nationally cw and globally.

- Limestone crusher and stacker reclaimer system.
- Vertical roller mill for raw grinding.
- Six – stage preheater with inline calciner and cooler and clinker loading system for dispatches.
- Machinery including the longest bucker elevator, the biggest cooler deep pa conveyor, and the latest and largest clinker breaker and cooler.
- Two new grinding units.
- Two boilers using circulating fluidized bed combustion technology and two thermal generating sets of 25 MW each.

4.3.4. Manufacturing Process of wadi, Plant:

- In this plant, manufacturing of cement is based on “dry process”. The first step is to from clinker from a fine ground mixture of calcareous and siliceous material with a small amount of fluxing material, which is heated at high temperature. In the second step, the formed clinker is ground with gypsum to from ordinary Portland cement. Various additives like pozzolona; fly ash etc may be added at this stage to produce Portland pozzolona cement.

- Various raw materials like limestone, shale, iron ore, gypsum, calcinated clay, and fly ash are being used in this plant. Limestone is received from captive mines, located at wadi. The limestone is fragmented by blasting with explosive. It is then loaded into 35/50 tones dumpers with the help of shovels. The dumper transports the limestone to the crusher, which is located at about 15.km distance from the quarry face. In the crusher the limestone is crushed to 20 mm size. It is transported to the factory through a series of conveyer belts. Shale, iron and limestone are mixed in optimum required proportion and thoroughly homogenized pneumatically in
blending silos after grinding the same in raw mills to the required fineness. This fine powdered material called “raw meal” is stored in storage silos from where it is pumped to preheated system where it gets calcined and then enters into the klin.

- This material is burnt at 1450 C to produce an intermediate product known as clinker, in which pulverized coal is used as a fuel. Clinker is then cooled in cooler and sent to clinker storage gantry. From the gantry, it is sent to cement mills, where it is mixed with optimum quantity of gypsum and ground to the specified fineness to produce ordinary Portland cement. For manufacturing Portland pozzolona cement (PPC), clinker, pozzolona (CCP & fly ash) and gypsum are ground to specified fineness in optimum proportion to produce PPC. Produce cement is stored in silos, from where it is packed in bags with the help of rotary packers. The plants are fitted with electrostatic precipitators and baby filters to control dust emission.

4.3.5. Employment profile:

Wadi workers directly or indirectly provides livelihood to 10000 people. It about 1600 people permanent employees and about 600 as contract labour. In addition there are people working as Transports, Drivers, and cooks etc. apart from these there a large number of business flourishing on account of ACC-these are as drivers as Tailoring to pan shops to STD both etc.

4.3.6. Organization Structure

At the top of the hierarchy of ACC cement works, wadi, there is Director-Plant. He is assisted by two officers, namely Administrative Secretary and Technical Secretary. Under the Director-Plant, there are different departments like, Information System, Purchase, Quarry, Operations (Production), Human resources, Design and engineering and Finance, each headed by a manager. Operation or Production department is the major department having the sub departments. Hence the manager of this department is termed as General Manager.
As already stated operation or production department is the major department and has many sub departments like Shop Planning, Maintenance, Quality, Plant No-1 department and Plant No-2 department. They are also headed by managers who come under the control of General manager of Operation/Production department. All the departmental managers are assisted by assistant or sectional managers. These assistant or sectional manager delegate authority and assign the responsibility of implementation to the supervisory workers. The supervisory workers get the things done through implementation level workers.

Director- plant, departmental managers, and other executives in these departments comprise higher level management at wadi, works. Assistant or sectional managers and other executives in these sections constitute middle level management. The supervisory workers constitute lower level management. The workers at implementation level work under supervisory workers.

The following chart depicts the organizational hierarchy of ACC cement works, wadi.
4.3.7. Organization Structure

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Purchase department comprising sections of Raw materials, Stores and Consumables, Quarry or Mining department, Production or Operational department comprising Shop Planning, Maintenance, Quality control, Plant No-1 department Plant No-2 department, and design department are engaged in
material management directly or indirectly. The employees associated with these activities in ACC wadi at different levels form the mass or universe for eliciting information regarding materials management in ACC, wadi. Hence the researcher identified these departments/sections for selecting sample respondents for collection of primary data on policies and strategies adopted for materials managements in ACC cement works wadi.

In the next chapter, evaluation of polices and strategies of materials management in ACC cement works, wadi has been presented. The evaluation is based on data collected from executives and workers of ACC cement works, wadi.
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