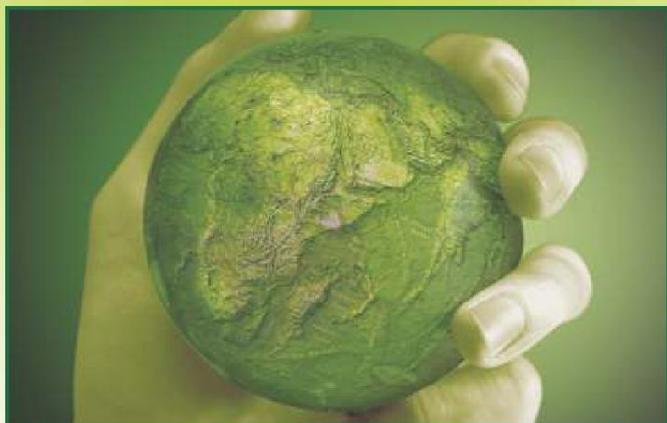


Dalmia Cement's commitment to 'green' business

Sustainable development is fundamental to the advancement of life, human civilisation and industrial growth. Though cement is a barometer of any country's economic and social development, the cement industry has an ecological footprint, which needs to be managed over the long term. The industry has been working hard for years to put into place mechanisms mitigating its environmental impact.

The very existence of the Cement Sustainability Initiative (CSI) is a demonstration of the cement sector's commitment to sustainable development. CSI was set up in 1999 by World Business Council for Sustainable Development (WBCSD) to examine issues surrounding sustainable development in the cement sector and to develop and promote best practices across the industry. It is the first sector-wide, voluntary initiative of its kind.



CSI is a global effort by 24 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 and range in size from very large multinationals to smaller local producers.

The purpose of the initiative is to:

- Explore sustainable development for the cement industry;
- Identify actions and facilitate steps to accelerate progress toward sustainable development;
- Provide a framework for other cement companies to become involved;
- Create the content and context for further stakeholder engagement.

CSI India

CSI India has a low carbon technology roadmap for the country. Achieving emissions cuts of 80-95% requires a process of 'de-carbonising' the economy. For this to materialise, new and innovative low-carbon technologies have to be developed and deployed.

New and innovative low carbon technologies help reduce greenhouse gas emissions, create new employment and growth. Europe is a leading player in the area of low carbon technologies and we are maintaining our leading position with a range of policy initiatives. Cement manufacturing is highly energy and emissions intensive because of the extreme heat required to produce it. The production of cement releases greenhouse gas emissions both directly and indirectly: the heating of limestone releases CO₂ directly, while the burning of fossil fuels to heat the kiln indirectly results in CO₂ emissions. The industry has been adopting the latest technologies for energy conservation and pollution control, as well as online process and quality control based on state-of-the-art automation systems.



Processes that contribute to emissions reduction

- Alternative fuel and raw materials (AFR)
- Thermal and electrical energy efficiency
- Clinker substitution
- Waste heat recovery (WHR)

Dalmia Cement & CSI

Long before sustainability became a concept, Dalmia Cement has been practicing, and even evangelising sustainable development. We were among the first to adopt and incrementally raise the bar on green production norms. In 1974, we revolutionised the railways by pioneering the use of cement sleepers instead of wooden sleepers. Our association with CSI was therefore a natural progression.

Twenty-six technologies have been identified by CSI India's low carbon technology India roadmap. Dalmia has signed up with International Finance Corporation (IFC) for a pilot survey in Dalmiapuram to evaluate which of these technologies will work best for us. This is being planned for the fourth quarter of the current year. The results will assist our management in adopting suitable technologies for Dalmia cement plants.

Under the aegis of the CSI, the following Task Forces are operating on different, but complementary, charters:

- Fuels & Minerals
- Health & Safety
- Emissions Reduction
- Biodiversity
- Water
- Sustainability with concrete

Additionally, Dalmia Cement is actively involved with other global and domestic task forces on sustainable development. We are a member of Global Task Force on Climate Protection and Health & Safety. We have initiated several workshops on road safety pilot journey in and around our plants. Mr Shyam Ramamurthy has done lot of work on it. Dr K.C. Narang and Mr Sanjay Jain too are actively engaged with our endeavours in reducing CO2 emissions and enhancing energy efficiencies.

Transparency and governance is an important facet in adopting sustainability programmes in any organisation. Accordingly, Dalmia Bharat Group is in the process of publishing its Sustainability Report, in collaboration with the global audit and advisory firm, KPMG.