

# ACC's savings through AFR business rise 79 per cent

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**A**CC has started reaping benefits of its alternative fuel usage programme, as the cement maker almost doubled its savings in 2009.

ACC is taking advantage of Swiss cement major Holcim's technological support in using the non-conventional waste materials under its alternative fuels & raw materials (AFR) and waste management programme. Holcim holds 46 per cent stake in ACC.

In 2009, ACC saved 78.94 per cent more at Rs 40.8 crore through AFR business, compared to Rs 22.8 crore in 2008. It is still less than half of its target of Rs 100 crore. During the

year, ACC processed six times more industrial waste at 77,800 tonnes against 12,900 tonnes in the previous year.

The company uses wastes from manufacturers of paints, automobiles, textile machinery, steel plants, FMCGs, refineries and petrochemicals, among others. In some of its plants, ACC also uses plastic as a raw material. "The AFR business increased its portfolio and has successfully coprocessed 27 different types of industrial waste streams at our plants," said ACC in its Annual Report.

Sumit Banerjee, managing director of ACC, earlier told *Business Standard*: "We are making strategic investments in AFR without looking at short-term returns, as it re-

quires long term approach."

Banerjee opined that replacing coal was surely a strategic need. However, he added that the company would not be able to make a sizeable dent in its coal consumption, as at the maximum potential, it might only be in the range of 5-10 per cent of the entire coal requirement.

In 2009, ACC produced 45 per cent more green energy from its wind farms in Rajasthan and Tamil Nadu. It generated 39.34 million units of green energy. After Rajasthan and Tamil Nadu, the third wind farm, with a capacity of 2.5

Mw, is being set up in Maharashtra at an investment of Rs 13 crore.

ACC, however, was a laggard in reaping the growth opportunity in 2009-10, mainly due to capacity constraints. The industry on an average reported growth of 10 per cent, while ACC reported decline in several months. At the same time, ACC is still not among the top efficient cement

makers in the country. Ambuja Cements, ACC's sister concern, is well above it. Part of the Swiss major Holcim,

The company aims to derive a bottom line benefit of Rs 100 crore from AFR business.

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