

Ambuja Cement

PROJECT PROPONENTS RESPONSE TO POINTS RAISED IN REQUEST FOR REVIEW FOR GACL BLENDED CEMENT PROJECTS (0304)

- 1.0 *There is a clear lack of information on initial data and different coefficients calculation process. Final data are directly put in the table without references to their origination. Baseline and project emissions calculation part should be revised and all details on calculations according to the formulas should be added.*

Response : We submit that all the initial data and the different calculation process were carried out in direct accordance with the approved methodology, **ACM0005**. The data furnished in the PDD are from the records maintained at respective plants of GACL. The detailed calculations have been provided in the spreadsheets. The validation process by DOE included a thorough review of the respective coefficients, their calculations and the underlying data. A detailed spreadsheet, which contains the calculation was a key file subjected to validation by DOE. The Annexure-3 to the PDD shows the spreadsheet calculations.

The formulae used to calculate baseline and project emission factors are detailed in sections 2.1.2 and 2.1.4.

- 2.0 *Applying the ACM005 the PP should identify the "region" for benchmark. The methodology states that the "Region" for the benchmark calculation needs to be clearly determined and justified by project participants. The tables which try to show the "regions" are not readable for foreigners. It is not possible to follow the logic and information from these tables not knowing the geographical regions and states of India. There are no maps and all sections under A.4.1 are inappropriately filled.*

Response : We submit that as outlined in the PDD, the key factors determining the extent of additive blending are limestone and fly ash quality and cement demand characteristics. These are local factors and therefore given the size of India and the expanse of moving cement around the country, a national "region" definition is not considered appropriate. For this reason, a state based approach is deemed most appropriate. For all points, the state in which the plant is located is also the state where most of the cement output of the plant is sold. Where required, we then extended the region to adjacent states that purchase the next most cement from the plant. We did this for each plant until the region accounts for at least 75% of the cement plant's sales (as required by approved methodology ACM0005).

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Each region therefore is a cohesive block that included the state within which the plant is located and those adjacent states that purchase at least 75% of the plant's cement output. We then showed in the PDD how the region definition meets the other two requirements of approved methodology ACM0005.

This approach is accurate and follows the requirements and spirit of ACM0005. Each region contains the state within which the plant is situated – other plants in this state will be subject to the same limestone and fly ash qualities. The region also contains other states where the plant sells at least 75% of its output – other plants in the region will therefore also be faced with similar demand situation.

We submit that this point was clarified and discussed during the process of validation by DOE.

In terms of Section A.4.1, the full address of the cement plants is the most accurate way of locating them. Each plant is a large cement plant and easily uniquely visible from the district/village/landmark. Nevertheless, for further clarity, a map of India showing the concerned Units and the respective states is given in the revised and attached PDD for kind reference.

- 3.0 *No explanation from PP or DOE is given why some plants will produce cement only 3-4 years.*

Response : In terms of zero CER generation by some of the project activities in some years, we submit that this is because of the rule outlined in ACM0005 in the case where negative emission reduction are generated at a project activity in a given year. (ERS are not issued to project participants for the year concerned and in subsequent years, until emission reductions from subsequent years have compensated the quantity of negative emission reductions from the year concerned). This can be seen in Section E.6, where for some project activities in some years, project emissions and leakage exceed baseline emissions.

As already conveyed, we are giving below the details of contact person for the review process including for a conference call, incase the Executive Board wishes to address questions to him.

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Based on the above submissions, we hope that the Board would accept our explanations and clarifications.

We now anxiously look forward to the registration of our project activity.

Thanking you,

Yours faithfully,
For **GUJARAT AMBUJA CEMENTS LTD.**



U.R. RAJU
VICE PRESIDENT