

# Report on Corporate Governance

The Board of Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) ('SEBI Listing Regulations') as amended, for the year ended December 31, 2019.

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

As one of India's leading manufacturers of Cement and Ready-Mixed Concrete (RMX), ACC has always been at the vanguard of setting industry benchmarks. It has a rich legacy of putting in place a formalised mechanism of corporate governance, long before it became a statutory requirement. The Company's governance framework enshrines the highest standards of ethical and responsible conduct of business to create enduring value for all stakeholders.

The Company's governance framework and philosophy are based on the bedrock of ethics, values and trust. These principles have been integrated into the organisation's DNA in over eight (8) decades of its existence. As part of its growth strategy, ACC emulates the 'best practices' that are followed in the domain of corporate governance globally.

The Company emphasises on the need for complete transparency and accountability in all its dealings to protect stakeholder interests. The governance framework encourages the efficient utilisation of resources and accountability for stewardship. The Board considers itself as the custodian of trust and acknowledges its responsibilities towards stakeholders for wealth creation sustainably and responsibly.

Integrity, transparency, fairness, accountability and adherence with the law are inextricably embedded in the Company's business practices. These principles have evolved, over the years, from the Company's dynamic culture, innovative thought trajectories and past experiences; and have helped inculcate stakeholder trust and confidence, attracting and retaining financial and human capital, and in meeting societal aspirations.

The Company has rigorously stood by the core principles of corporate governance, which have been the edifice of its two-fold governance model, with the Board of Directors and the Committees of the Board at the apex, and the management structure at the operational level. The Board and its Committees guide, support and complement the management team's ideas and initiatives, which in turn assumes accountability,

strives to achieve the set objectives and enhances stakeholder value.

## Board of Directors

ACC is a professionally managed company functioning under the overall supervision of the Board of Directors ('Board'). Its Board is a combination of Independent and Non Independent Directors, including an Independent Woman Director in line with the provisions of the Companies Act, 2013 ('the Act') and the ('SEBI Listing Regulations') as amended from time to time. The Company's Managing Director and Chief Executive Officer is the only Executive Director on the Board.

The Board of Directors comprises of highly experienced and persons of repute & eminence, who ensure that the time-honoured culture of maintaining sound standards of corporate governance is further nurtured. The Board sets out the overall corporate objectives and provides direction and independence to the management to achieve these objectives for value creation through sustainable profitable growth.

The Board seeks accountability of the management in creating long-term sustainable growth to ensure that the aspirations of stakeholders are fulfilled. It also sets out standards of corporate behaviour and ensures compliance with laws and regulations impacting the Company's business.

## Committee of Directors

Having regard to the significant contributions that committees make in assisting the Board of Directors in discharging its duties and responsibilities, the Board through its following Committees closely monitor various areas of business. These committees comprises the i) Audit Committee, ii) Stakeholders' Relationship Committee, iii) Nomination & Remuneration Committee, iv) Risk Management Committee, v) Corporate Social Responsibility & Sustainability ('CSR & Sustainability') Committee and vi) Compliance Committee.

During the year, the purview of the CSR Committee has been widened to cover sustainability and with effect from October 15, 2019, the Committee has been renamed as the 'CSR and Sustainability Committee'. These Committee are mandated under law and operate within the terms of reference laid down by the Board as also under the SEBI Listing Regulations.

Besides, the Board has voluntarily set up the Compliance Committee, which oversees the legal compliance process and the status of litigations both by and against the Company.

## Managing Director & Chief Executive Officer (MD & CEO)

The MD & CEO is at the helm of operations and responsible for the Company's day-to-day operations. MD & CEO functions according to the guidance and direction provided by the Board and provides strategic directions, lays down policy guidelines and ensures the implementation of the decisions of the Board and its various Committees.

## Executive Committee (ExCo)

The ExCo comprises of persons belonging to the senior management cadre who are drawn from a cross-section of functions and responsibilities. The Committee supports the MD & CEO and operates within the framework of the policies laid down by the Board; and is responsible and accountable for overall business deliverables.

The ExCo meets regularly to review and monitor the performance *vis-à-vis* the annual plans and budgets, discusses cross-functional operational matters and addresses business challenges and issues.

## Organisational structure, roles and responsibilities

ACC operates its business with a functional organisational structure. It provides the expertise to face operational challenges with agility and efficiency; and is led by the ExCo team and other functional heads.

Led by the MD & CEO, it comprises verticals for the functions of Sales & Marketing, Manufacturing, Human Resources, Finance, Procurement, Supply Chain, Legal functions & RMX functions. The business operates through three (3) regional manufacturing clusters (North, East and South-West) and four (4) regional Sales & Marketing Offices (North, East, South and West).

The Regional Heads for Sales, Logistics, Finance and Human Resources have a direct reporting line to the respective vertical heads. The heads of plants reports to the respective manufacturing cluster head in the region. The procurement activities are managed by the India Procurement Organisation executed from five (5) procurement cluster offices. The Finance, Human Resources, Procurement, Supply Chain, Sales & Marketing, Legal, Secretarial & Compliance, Health & Safety functions report to the MD & CEO.

## BOARD OF DIRECTORS

### Key Board qualifications, expertise and attributes

The ACC Board comprises people of eminence and repute who bring the required skills, competence and expertise that allow them to make effective contribution to the Board and its Committees.

The Board takes care of the business and stakeholders' interest. The Non-Executive Directors, including the Independent Directors are well qualified, experienced and renowned persons from the fields of manufacturing, finance, banking, infrastructure, taxation, governance, knowledge in mines and metallurgy, mergers and acquisitions and technology, amongst others. The Board Members take an active part at the Board and Committee Meetings and provide valuable guidance to the Management on various aspects of business, governance, and compliance, amongst others. The Board's guidance provides foresight, enhances transparency and adds value in decision-making.

None of the Directors have attained the age of Seventy five (75) years.

## Composition of the Board as on December 31, 2019

Category	Number of Directors
Non-Executive & Independent Directors (including Woman Director)	06
Other Non-Executive Directors	05
Executive Director	01

## Directors' profile

The Board of Directors comprises professionals of eminence and stature drawn from diverse fields. They collectively bring to the fore a wide repertoire of skills and experience, which elevates the quality of the Board's decision-making.

### Mr. N. S. Sekhsaria

(DIN:00276351)

(Non-Executive and Non Independent Director)

Mr. Sekhsaria is a doyen of India's cement industry and is one of the most respected business personalities in the country. He introduced new standards in Management, Marketing, Efficiency and Corporate Social Responsibility to the cement industry, which he helped transform.

A first-generation industrialist, Mr. Sekhsaria obtained his Bachelor's degree in Chemical Engineering with honours and distinction from the University of Bombay. He is the principal Founder-Promoter and the current Chairman of Ambuja Cements Limited ('Ambuja Cements'). Mr. Sekhsaria was invited to join the ACC Board in 1999 and was appointed Deputy Chairman in January 2000. In 2006, Mr. Sekhsaria took over as the Board's Chairman.

Mr. Sekhsaria built Ambuja Cements, setting benchmarks for the country's cement sector. His acumen as an entrepreneur and technocrat turned Ambuja Cements into the most efficient and profitable cement company in India and redefined industry

practices by changing the perception of cement from a commodity to a branded product. He also championed community development by establishing the Ambuja Cement Foundation and nurturing it into an epitome of excellence in social responsibility.

With his considerable wealth of experience, Mr. Sekhsaria brings immense value to the Board of the Company. Under his leadership, the Company has achieved significant improvements in the areas of project management, logistics and overall cost-competitiveness. The impact of this guidance shows in the high growth trajectory ACC has experienced since 1999.

Mr. Sekhsaria is a Member of the Board's Nomination and Remuneration Committee.

Mr. Sekhsaria is a Non-Executive Director and is not in any way related to the MD & CEO.

Expertise in specific functional areas	Doyen of the cement industry, he has been responsible for transforming the cement industry by setting benchmarks in the areas of Management, Marketing & Logistics and Manufacturing Efficiencies and Sustainable Development
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Ambuja Cements Limited, Non-Executive Chairman; JM Financial Asset Reconstruction Company Limited, Non-Executive Director; Everest Industries Limited, Non-Executive Director

### **Mr. Jan Jenisch (DIN:07957196)**

#### **(Non-Executive and Non Independent Director)**

Mr. Jenisch was inducted on the Board with effect from October 17, 2017 upon his appointment as the Chief Executive Officer ('CEO') of LafargeHolcim Ltd. ('LH'), the Ultimate Parent Company.

Mr. Jenisch is a German national and has joined LH as its CEO on September 1, 2017. Prior to his joining LafargeHolcim, he has served with Sika AG since 1996 in various management functions and countries.

He was appointed to the Management Board of Sika AG in 2004 as Head of the Industry Division and served as President Asia Pacific from 2007 to 2012. Mr. Jenisch was the Chief Executive Officer of Sika AG from 2012 and under his leadership, it expanded into unexplored markets and set new performance standards in sales and profitability.

Mr. Jenisch graduated from the University of Fribourg, Switzerland and holds an MBA degree.

Expertise in specific functional areas	Business Management
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Ambuja Cements Limited, Non-Executive, Vice Chairman

### **Mr. Neeraj Akhoury (DIN:07419090)**

#### **[MD & CEO – up to February 20, 2020 and appointed as an Additional Director (Non-Executive and Non Independent Director) with effect from February 21, 2020]**

Mr. Akhoury brings with him 25+ years of rich experience in the steel and cement industries. He has worked in leadership roles in India and other emerging markets. He began his career with Tata Steel in 1993 and joined the LH Group in 1999.

He was a member of the Executive Committee of Lafarge India, heading corporate affairs followed by sales. In 2011, he moved to Nigeria as CEO & Managing Director of Lafarge AshakaCem PLC. Thereafter, he was appointed as Strategy & Business Development Director for the Middle East & Africa at the Lafarge headquarters in Paris. He was also the CEO of Lafarge Surma Cement Limited and country representative of LH, Bangladesh.

Mr. Akhoury has a degree in Economics and an MBA from the University of Liverpool. He has also studied one-year General Management at XLRI, Jamshedpur. He is an alumnus of the Harvard Business School (GMP).

Mr. Akhoury was the MD & CEO up till February 20, 2020, held Membership on the Compliance Committee, Risk Management Committee, Stakeholders' Relationship Committee and CSR & Sustainability Committee of the Board. Mr. Akhoury continues to be a Member of CSR & Sustainability Committee after his appointment as Additional Director on the Board of the Company w.e.f. February 21, 2020.

Mr. Akhoury is not related to the Chairman or any other Member of the Board.

Expertise in specific functional areas	Corporate Strategy, Sales & Distribution Management
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Ambuja Cements Limited, MD & CEO, (w.e.f. February 21, 2020); Bulk Cement Corporation (India) Limited, Non-Executive Director; Holcim Services (South Asia) Limited, Non-Executive Director

**Mr. Martin Kriegner**  
**(DIN:00077715)**

**(Non-Executive and Non Independent Director)**

Mr. Kriegner is an Austrian national and has been a Member of the Executive Committee of LH since August 2016 and is the Region Head of Asia Pacific. He is a graduate of Vienna University with a Doctorate in Law and has an MBA from the University of Economics in Vienna.

Mr. Kriegner joined the Group in 1990 and became the CEO of Permooser AG, Austria in 1998. He moved to India as the CEO of the Lafarge operations in 2002 and later served as Regional President Cement for Asia, based in Kuala Lumpur.

In 2012, he was appointed the CEO of Lafarge India for Cement, RMX and Aggregates. In July 2015, he became the Area Manager Central Europe for LH operations. He is also globally in-charge for cement manufacturing, logistics, commercial and geocycle.

Mr. Kriegner is a Member on the Audit Committee and Nomination & Remuneration Committee of the Board.

Expertise in specific functional areas	Operations, Finance & General Management
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Ambuja Cements Limited, Non-Executive Director

**Mr. Shailesh Haribhakti**  
**(DIN:00007347)**

**(Non-Executive and Independent Director)**

Mr. Haribhakti is a Chartered & Cost Accountant, A Certified Internal Auditor, Financial Planner and Fraud Examiner. His career spans over four (4) decades. He is currently the Chairman of M/s. Shailesh Haribhakti & Associates, Chartered Accountants.

Mr. Haribhakti has in the past worked as the Chairman of United Way of India (2018-2019), NPS Trust (2015-2017) constituted by the Pension Fund Regulatory & Development Authority, Western India Regional Council (WIRC), Institute of Chartered Accountants of India (ICAI) and Financial Planning and Standards Board.

He was also the President of Indian Merchants Chamber, Rotary Club of Bombay (July 2014-June 2015), Institute of Internal Auditors (IIA), Bombay Chapter and Bombay Management Association (BMA). He was a member of Securities and Exchange Board of India (SEBI), Committee on Disclosures and Accounting Standards and member of Takeover Panel

and International Accounting Standards Board (IASB) and Standards Advisory Council.

Mr. Haribhakti is the Chairman of the Nomination & Remuneration Committee and CSR & Sustainability Committee and Member of the Stakeholders' Relationship Committee, Risk Management Committee and Compliance Committee of the Board.

Expertise in specific functional areas	Auditing, Tax and Risk Advisory Services
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Ambuja Cements Limited, Independent Director; Torrent Pharmaceuticals Limited, Independent Director; Blue Star Limited, Non-Executive Chairman & Independent Director; NSDL E-Governance Infrastructure Limited, Non-Executive Chairman & Independent Director; Bajaj Electricals Limited, Additional Non-Executive Independent Director; Bennett Coleman & Company Limited, Independent Director; Future Lifestyle Fashions Limited, Non-Executive Chairman & Independent Director; L&T Finance Holdings Limited, Independent Director; L&T Mutual Fund Trustee Limited, Non-Executive Director & Chairman

**Mr. Sushil Kumar Roongta**  
**(DIN:00309302)**

**(Non-Executive and Independent Director)**

Mr. Roongta holds a degree in Bachelor of Engineering from the Birla Institute of Technology & Science (BITS), Pilani and a Post Graduate Diploma in Business Management – International Trade from the Indian Institute of Foreign Trade (IIFT), New Delhi. He is a Fellow of All India Management Association (AIMA).

He has a wide and varied experience in public sector undertakings. During his tenure as SAIL's Chairman from August 2006 to May 2010, the ranking of SAIL among 'World Class Steel Makers' moved up to the second (2<sup>nd</sup>) position from the Seventeenth (17<sup>th</sup>) position, as per World Steel Dynamics, USA.

Mr. Roongta headed a 'Panel of Experts on the Reforms in the Central PSEs', constituted by the Planning Commission. He has also been a Member of the Committee formed by the Ministry of

Corporate Affairs, to formulate a policy document on corporate governance.

He is associated with several academic institutions, and has been the Chairman, Board of Governors, IIT Bhubaneswar (2012-2015) and is a Member of Board of Management, J.K. Lakshmiapat University. He is also associated with apex chambers, being a Member of National Executive Committee of Federation of Indian Chambers of Commerce and Industry (FICCI). He also chairs National Expert Committee on Minerals & Metals of Indian Chambers of Commerce (ICC) and Member of NEC of PHD Chamber of Commerce and Industry.

Mr. Roongta is a recipient of several awards and accolades including SCOPE Award for Excellence and Outstanding Contribution to the Public Sector Management – Individual Category and IIM-JRD Tata award for Excellence in corporate leadership in Metallurgical Industries-2016.

Mr. Roongta is the Chairman of the Compliance Committee and a Member on the Audit Committee, and the Risk Management Committee of the Board.

Expertise in specific functional areas	General Management and expert knowledge in Mines and Metallurgy Industries
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Jubilant Agri and Consumer Products Limited, Independent Director; Hero Steels Limited, Independent Director; Talwandi Sabo Power Limited, Non-Executive Director; Jubilant Industries Limited, Independent Director; Jubilant Life Sciences Limited; Independent Director; Bharat Aluminium Co. Limited, Non-Executive Chairman; Great Eastern Energy Corporation Limited, Independent Director; JK Paper Limited, Non-Executive Director

**Mr. Vijay Kumar Sharma  
(DIN:02449088)**

**(Non-Executive and Non Independent Director)**

Mr. Sharma was the Chairman of Life Insurance Corporation of India ('LIC') until he attained superannuation from the corporation with effect from January 1, 2019. LIC has confirmed that Mr. Sharma continues to be their representative on the Company's Board after his superannuation.

Prior to his taking over as LIC's Chairman on December 16, 2016, he served as Chairman (in-charge) from September 16, 2016 and Managing Director, LIC from November 1, 2013. From December 2010 to November 2013, he served as Managing Director & Chief Executive Officer, LIC Housing Finance Limited ('LICHFL'), a Premier Housing Finance Company in the country.

Mr. Sharma is a post-graduate from the Patna University. He joined LIC as Direct Recruit Officer in 1981 and grew up with the corporation since then. He held various challenging assignments in different parts of India and in all operational streams, including overall responsibility at different levels.

He held various challenging assignments pan India, which has significantly enriched his experience and honed his insight in India's demographics, socio-economic needs of different regions and multi-cultural challenges in the implementation of the Company's objectives.

As MD & CEO of LICHFL, he stabilised its operations under the most challenging circumstances of negative media glare, intense scrutiny by regulators and turned it around to be the best Housing Finance Company in 2011.

An inspirational leader who utilises negotiation skills gained over 37 years of extensive experience in insurance and financial sectors and strongly connects to the grassroots, believes in bottom-up approach and has the ability to see the big picture and translate it to reality.

He is known as growth leader, paving the way for the organisation to surge ahead in all segments of performance. Mr. Sharma was Chairman, Board of Directors of LICHFL, LIC (International) Bahrain B.S. C (C), Life Insurance Corporation Singapore Pte. Ltd. and other companies. He was also the Director on Board of Kenindia Assurance Co. Ltd.

Mr. Sharma is a Member on the Risk Management Committee and CSR & Sustainability Committee of the Board.

Expertise in specific functional areas	Business Strategy, Product Development & Branding, Risk Mitigation and Compliance
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Tata Steel Limited, Non-Executive Director; Mahindra & Mahindra Limited, Non-Executive Director

**Ms. Falguni Nayar**  
**(DIN:00003633)**

**(Non-Executive and Independent Director)**

Ms. Nayar is a graduate from the Sydenham College of Commerce & Economics and a post-graduate from the Indian Institute of Management, Ahmedabad.

She has a rich experience of over three (3) decades. Ms. Nayar commenced her career as a Manager and Consultant at A F Ferguson & Company. In 1993, she joined Kotak Mahindra Group to lead the M&A and Project Advisory initiatives. She has held senior positions in various capacities and was the MD & CEO of Kotak Investment Bank from 2006 to 2012. She is the Founder and CEO of Nykaa, a beauty retail platform, which she launched in 2012.

Ms. Nayar has been part of the Top Woman in Business by Business Today, Top 50 Most Powerful Women by Fortune India and Asia's Power Businesswomen by Forbes Asia lists. She has been awarded the 'Beauty Gamechanger' title by Vogue India, the 'Woman Ahead' award at The Economic Times Start-Up Awards and the 'Businesswoman of the Year' at the ET Corporate Excellence Awards. Recently, Ms. Nayar, as the founder CEO of Nykaa E-retail won the 'EY start-up of the year award'.

Ms. Nayar is the Chairperson of the Risk Management Committee and a Member of the CSR & Sustainability Committee of the Board.

Expertise in specific functional areas	Financial Services and E-marketing
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Dabur India Limited, Independent Director; Tata Technologies Limited, Independent Director; Kotak Securities Limited, Independent Director; Endurance Technologies Limited, Independent Director

**Mr. Christof Hassig**  
**(DIN:01680305)**

**(Non-Executive and Non Independent Director up to February 20, 2020)**

Mr. Hassig heads the Corporate Strategy and Mergers & Acquisitions function in LH, reporting directly to the CEO.

Before joining Holcim Limited (now LafargeHolcim) in 1999, Mr. Hassig worked for 25 years at UBS in different functions, including as Global Relationship Manager and

Investment Banker for multinational corporations in Switzerland and other countries.

In his earlier role at Holcim, he was reporting directly to the Chief Financial Officer with many direct links to all other Executive Directors including CEO. For the last fifteen (15) years, he has built and led the department of Corporate Finance and Treasury. This function spans across all geographic regions and includes a matrix organisation with the finance department of the operating companies in various countries.

In December 2012, he took over additional responsibilities as head of the newly created Mergers & Acquisitions function on Group level.

He started his career with a three-year apprenticeship in banking followed by a Master's degree in Banking and Advanced Management Programme at Harvard Business School in 2006.

Mr. Hassig in his role as Director of the Company, up till February 20, 2020, held Membership in the Stakeholders' Relationship Committee and CSR & Sustainability Committee of the Board.

Expertise in specific functional areas	Corporate Finance & Treasury, Mergers and Acquisitions
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Ambuja Cements Limited, Non-Executive Director

**Mr. D. Sundaram**  
**(DIN:00016304)**

**(Non-Executive and Independent Director)**

Mr. Sundaram's experience spans corporate finance, business performance, monitoring operations, governance, mergers & acquisitions, talent/people management and strategy.

Mr. Sundaram joined Hindustan Unilever Limited (HUL), the Indian listed subsidiary of Unilever PLC, as a Management Trainee in June 1975 and served in various capacities including six years in Unilever, London as Commercial Officer: Africa and the Middle East (1990-1993) and as Sr. V. P. for South Asia and Middle East (1996-1999). He was the Chief Finance Officer of HUL from April 1999 to March 2008 and as the Vice Chairman and CFO from April 2008 to July 2009.

He is a two-time winner of the prestigious 'CFO of the Year for FMCG Sector' award by CNBC TV18 (2006 and 2008).

Mr. Sundaram is now the Vice Chairman and Managing Director of TVS Capital Funds Pvt. Ltd. in managing a growth capital Private Equity Fund (TVS Shriram Growth Fund). He is a post-graduate in Management Studies (MMS) from Chennai, Fellow of the Institute of Cost Accountants, and has done the Harvard Business School's Advanced Management Program (AMP).

Mr. Sundaram is the Chairman of the Audit Committee and a Member on the Compliance Committee of the Board.

Expertise in specific functional areas	Corporate Finance, Business Performance, Mergers & Acquisitions, Talent/People Management and Strategy
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Infosys Limited, Independent Director; GlaxoSmith Kline Pharmaceuticals Limited, Independent Director; Crompton Greaves Consumer Electricals Limited, Independent Director; TVS Electronics Limited, Non-Executive Director; SBI General insurance Company Limited, Independent Director

**Mr. Vinayak Chatterjee**  
(DIN:00008933)  
(Non-Executive and Independent Director)

Mr. Chatterjee co-founded Feedback Infra—India's leading provider of professional and technical services in the infrastructure sector in 1990.

Mr. Chatterjee has often been called upon to play a strategic advisory role to leading domestic and international corporates, the Government of India, various Ministries dealing with infrastructure, as well as multilateral and bilateral institutions in the areas of infrastructure planning and implementation. He is one of the leading proponents of the Public-Private Partnership (PPP) model for developing India's infrastructure.

He is currently the Chairman of the Confederation of Indian Industry's (CII) Infrastructure Council, and has chaired various Infrastructure and related Committees at the national level of CII since 2001.

In 1998, the World Economic Forum at Davos selected Mr. Chatterjee as one of the 100 Global Leaders of Tomorrow and in 2011, the Indian Institute of Management, Ahmedabad conferred on him the 'Distinguished Alumnus Award'.

He is a well-read columnist and writes a monthly column on infrastructure for Business Standard called

'INFRATALK'. He has authored a book titled Getting it Right – India's Unfolding Infrastructure Agenda published in 2011.

Mr. Chatterjee is a B.A. (Honors), St. Stephens College, Delhi University and an alumni of Indian Institute of Management, Ahmedabad.

Mr. Chatterjee is a Member of the Audit Committee and Nomination & Remuneration Committee of the Board.

Expertise in specific functional areas	Infrastructure Planning and Implementation. One of the leading proponents of public-private partnership model for developing India's infrastructure
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Feedback Energy Distribution Company Limited, Chairman; Apollo Hospitals and Enterprises Limited, Independent Director; Indraprastha Medical Corporation Limited, Independent Director

**Mr. Sunil Mehta**  
(DIN:00065343)  
(Non-Executive and Independent Director)

Mr. Mehta has over three-and-a-half decades of proven leadership experience in banking, financial services, insurance and investments with Citibank and AIG. In 2013, he left AIG, where he was the Country Head & CEO for AIG India since 2000. Subsequently, he started SPM Capital Advisers Pvt. Ltd. Mr. Mehta is the Chairman and Managing Director of SPM Capital Advisers Pvt. Ltd., a leading business advisory and consulting firm in India.

As Country Head & CEO for AIG in India, Mr. Mehta was responsible for all AIG businesses in India covering Insurance, Financial Services, Real Estate and Investments among other businesses. He set up AIG's Insurance JVs with Tatas and was also responsible for expanding AIG's presence across ten businesses in India, which included Life & Non-life Insurance, Private Equity, Asset Management, Real Estate, Home Finance, Consumer Finance, Software Development, Mortgage Guaranty and Aircraft Leasing. He was on the Board of all AIG Companies in India and on the Board of IDFC Ltd. for several years.

Prior to joining AIG, Mr. Mehta worked with Citibank for over 18 years where he held various senior positions covering operations, sales & risk process re-engineering, risk management, public sector business and corporate banking. His last assignment was Corporate Bank Head for Citibank, India and Senior Credit Officer.

Mr. Mehta was an Independent Director on the Board of State Bank of India till March 2017. He was closely involved with the start-up of a digital non-life insurance company-ACKO General Insurance Ltd. and on its Board till October 2018. In addition, he is a Senior Advisor to notable international/domestic firms.

Mr. Mehta was recently asked to Chair the Committee of Resolution of Stressed Assets by the Honorable Finance Minister of India. The Committee presented the Sashakt Report to the Finance Minister on July 2, 2018 which is currently under implementation and has made significant progress. Mr. Mehta is actively engaged in setting up Sashakt India Asset Management Limited-an Asset Manager for Distressed Assets.

He is closely engaged with various think tanks and Chambers of Commerce. He is the founding Board Member of the Asia Society India Centre and a past Chairman of American Chamber of Commerce (AMCHAM India). He is currently on the India Advisory Board of the US India Strategic Partnership Forum (USISPF).

Mr. Mehta has strong interests in building sustainable communities and is the immediate Past Chairman of Action for Ability Development and Inclusion (formerly The Spastics Society of North India). He is actively engaged with The United Way and on the Boards of United Way India and Mumbai. He was also the Chairman of both these organisations and also member of the Global Transition Board of United Way Worldwide.

He is a graduate from Shri Ram College of Commerce, Delhi University. He is a Fellow Member of the Institute of Chartered Accountants of India and Alumni of the Wharton School of Management, University of Pennsylvania, USA.

Mr. Mehta is a Chairman of the Stakeholders' Relationship Committee and a Member of the Audit Committee of the Board.

Expertise in specific functional areas	Rich and varied experience of over three decades in banking, financial services, insurance and investments
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Punjab National Bank, Non-Executive Chairman; IL&FS Investment Managers Limited, Independent Director; Sashakt India Asset Management Limited, Non-Executive Director

**Mr. Sridhar Balakrishnan  
(DIN:08699523)**

**[Appointed as an Additional Director w.e.f. February 20, 2020 and as MD & CEO w.e.f. February 21, 2020 (Executive Director)]**

Mr. Balakrishnan is a Member of Company's senior leadership group and has a consistent track record of outstanding accomplishments in situations representing increasing level of challenges, complexities and uncertainties through innovative solutions and his result-oriented approach.

Mr. Balakrishnan has a diverse experience of working across the construction products industry, media and FMCG at the leadership level, viz. ACC, STAR & Marico. Mr. Balakrishnan has spent majority of his career in the FMCG industry in different roles handling sales, business finance and supply chain for India to managing P&L across international geographies. Mr. Balakrishnan in his previous roles had an opportunity to drive innovation led growth, turnaround unprofitable units and has built new engines of growth across multiple geographies.

During his tenure as Chief Commercial Officer of the Company, he has been instrumental in the Company's expansion, distribution growth, market share amongst other aspects. Mr. Balakrishnan in his current role was responsible for driving revenue growth and profitability for the organisation. His key deliverables included developing the commercial strategy, ensuring an optimum and profitable product portfolio and building the right sales organisation to drive business.

Mr. Balakrishnan has more than two (2) decades of experience in consumer business that has benefited the Company, as the Company is transforming from a cement manufacturing business to a total building materials company with innovative technology - technology based products and solutions. Mr. Balakrishnan's extensive leadership experience and expertise across markets make him a strong asset to the future growth strategy of the Company.

Mr. Balakrishnan is an Engineering graduate with B. Tech (Electronics) degree from the Institute of Technology (Banaras Hindu University), Varanasi, and has a post graduate diploma in Business Management from XLRI, Jamshedpur.

Mr. Balakrishnan is not in any way related to the Chairman or any other Member of the Board.

Mr. Balakrishnan is a Member of the Stakeholders' Relationship Committee, Risk Management Committee,

CSR & Sustainability Committee and Compliance Committee of the Board w.e.f. February 21, 2020.

Expertise in specific functional areas	Sales, Business Finance and supply chain for India to managing P&L across international geographies
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List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	NIL
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The Board believes that the above-mentioned skills/competencies/expertise are required for the business of the Company and Directors of the Company possess these skills/competencies/expertise, which helps the Company to function effectively.

### Directorships and Memberships of Committees

The total number of Directorship(s) held by the Directors and the status of Memberships/Chairmanships on Committees held by them is given below. All the Directors are compliant with the provisions of the Act and SEBI Listing Regulations. None of the Directors are interested inter-se.

Name of the Director	Category	Date of Appointment	*Number of Directorship(s) held in Indian public listed companies (including ACC)	**Committee(s) position (including ACC)	
				Member	Chairman
Mr. N. S. Sekhsaria (Chairman)	Non-Executive/Non Independent	27.12.1999	3	0	0
Mr. Jan Jenisch (Deputy Chairman)	Non-Executive/Non Independent,	17.10.2017	2	0	0
Mr. Neeraj Akhoury (MD & CEO)	Executive (resigned as MD & CEO w.e.f. February 20, 2020)	16.12.2016	1	1	0
	Non-Executive/Non Independent (appointed as an Additional Director w.e.f. February 21, 2020)	21.02.2020	2	1***	0
Mr. Martin Kriegner	Non-Executive/Non Independent	11.02.2016	2	2	0
Mr. Shailesh Haribhakti	Non-Executive/Independent	17.02.2006	7	9	4
Mr. Sushil Kumar Roongta	Non-Executive/Independent	03.02.2011	5	6	2
Mr. Vijay Kumar Sharma	Non-Executive/Non Independent	06.02.2014	3	1	1
Ms. Falguni Nayar	Non-Executive/Independent	24.04.2014	3	2	1
Mr. Christof Hassig	Non-Executive/Non Independent (resigned w.e.f. February 20, 2020)	09.12.2015	2	1	0
Mr. D. Sundaram	Non-Executive/Independent	22.03.2019	5	8	5
Mr. Vinayak Chatterjee	Non-Executive/Independent	22.03.2019	3	1	0
Mr. Sunil Mehta	Non-Executive/Independent	22.03.2019	3	2	1
Mr. Sridhar Balakrishnan (MD & CEO)	Additional Director	20.02.2020	0	0	0
	MD & CEO/Executive	21.02.2020	1	1	0

\*excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies

\*\*Committees considered are Audit committee & Stakeholders' Relationship Committee

None of the Directors hold Chairmanship/Committee memberships across companies with which they are associated as Directors beyond the threshold stipulated in the Listing Regulations.

\*\*\* Mr. Akhoury has been appointed as a Member of Stakeholders' Relationship Committee w.e.f. February 21, 2020

### Board Diversity

ACC has over the years been fortunate to have eminent persons from diverse fields to serve as Directors on its Board.

Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalised a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age

and culture. The Policy on Diversity is posted on the Company's website and can be accessed on web link at [www.acclimited.com/assets/new/new\\_pdf/Policyondiversityoftheboard.pdf](http://www.acclimited.com/assets/new/new_pdf/Policyondiversityoftheboard.pdf)

### **D&O Insurance for Directors**

In line with the requirements of Regulation 24(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance (D&O) for all its Directors and Members of the Senior Management for such quantum and for such risks as determined by the Board.

### **Independent Directors**

Independent Directors play a significant role in the governance processes of the Board. By virtue of their varied experience & expertise, they enrich the Board's decision-making and prevent possible conflicts of interest that may emerge in such decision-making.

The appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the SEBI Listing Regulations. The Nomination & Remuneration Committee of the Board identifies candidates based on certain laid down criteria and takes into consideration the need for diversity of the Board and accordingly makes its recommendations to the Board.

Mr. Haribhakti and Mr. Roongta were re-appointed by the Members for a second term of five (5) years with effect from July 24, 2019 whilst Ms. Nayar has been re-appointed for a second term with effect from April 24, 2019 for a period of five (5) consecutive years.

Mr. D. Sundaram, Mr. Vinayak Chatterjee and Mr. Sunil Mehta were appointed by the Members as Independent Directors for the first term at the Annual General Meeting held on March 22, 2019 for a period of five (5) consecutive years.

None of the Independent Directors serve as Independent Directors in more than seven (7) listed companies in line with the requirements of the SEBI Listing Regulations. The said Independent Directors have also confirmed that they meet the criteria of independence as laid down under the Act and the SEBI Listing Regulations, as amended.

Confirmation as regards independence of Independent Directors have been duly obtained from them and taken on record.

In the opinion of the Board, all the Independent Directors fulfil the criteria relating to their independence as specified in the SEBI Listing Regulations and the Act and are independent of the Management.

### **Meeting of Independent Directors**

During the year under review, the Independent Directors met on December 9, 2019, *inter alia* to discuss:

- evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties; and
- other related matters.

The Independent Directors have expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express its views on matters transacted at the Meetings and the openness and transparency with which the Management discusses various subject matters specified on the agenda of Meetings. The consolidated evaluation report of the Board, based on inputs received from the Directors was discussed at the Meeting of the Board held on December 10, 2019 and the action areas identified in the process are being implemented to ensure a better interface at the Board/ Management level.

All the Independent Directors except Ms. Falguni Nayar were present at the meeting of Independent Directors.

### **Induction programme for new Directors and on-going familiarisation programme for existing Independent and Non Independent Directors**

A formal induction programme for new Directors and an on-going familiarisation process with respect to the business/working of the Company, the Company's business model for all Directors is a major contributor to familiarise the Directors with the dynamics of the cement industry to facilitate their engagement in meaningful deliberations and in taking informed decisions.

While inducting a Director on the Board, a formal letter of appointment is issued to such Director which, *inter alia*, explains the role, functions, duties and responsibilities of the Director and the Board's expectations from him/her. The requirement of obtaining declarations from a Director – under the Act, SEBI Listing Regulations and other relevant regulations are also explained in detail to the Directors and necessary affirmations received from them in respect thereto.

By way of an introduction to the Company, the Directors are presented with a book on the rich legacy of the Company, which traces its history of over eight decades of its existence, past Annual Reports, the Sustainable Development Reports, brochures on the CSR activities pursued by the Company which, *inter alia*, discusses topics on various types of cement and their applications and ACC Parivar, the Company's house magazine.

A presentation is also shared with the newly appointed Director, which provides an overarching perspective of the cement industry, organisational set up of the Company and governance model, the functioning of various divisions/departments, the Company's market share and the markets in which it operates, brand equity, internal control processes and other relevant information pertaining to the Company's business.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his role. In addition, Board Members are regularly informed about significant developments in the cement industry, regulatory changes and other developments, which impact the Company.

Directors are also encouraged to visit the Company's plants to have a better insight of the manufacturing processes, facilities and the social environment in which the Company functions. Further, as an on-going process, the Board is updated on a regular basis through presentations and discussions on the overall economic trends, the legal and regulatory framework and amendments thereto, the performance of the Company and that of the cement industry, analysis of the circumstances which have helped or adversely impacted the Company's performance with its peers in the industry based on the information as available in the public domain and the initiatives taken/proposed to be taken to bring about an overall improvement in the performance of the Company, marketing strategy, business risks, mitigation plans and so on. The Company also organised the CSR & Sustainability Committee Meetings at plant locations to provide a first hand insight on the CSR & Sustainability activities being carried out by the Company.

To familiarise the Directors with the best practices in the cement industry, the Company had in May 2019, arranged a visit for the Directors to LafargeHolcim's Siggenthal's Plant in Zug, Switzerland. LafargeHolcim, the Ultimate Holding Company of ACC is by a distance, the leading international player in the business of cement, aggregates and construction materials

and the visit of our Directors was very insightful particularly with respect to the initiatives taken by LafargeHolcim in areas of health & safety, geocycle, RMX, sustainability and so on.

The Directors also had interactions with the Directors of the Ultimate Holding Company to understand the Group's vision and the Strategy 2022-Building for Growth, with a view to align local operations in India to the Group's vision.

The Director's Conclave is an initiative ACC rolled out in 2018, basis the recommendation of the Company's Independent Directors and under the aegis of its Chairman. This initiative includes inviting eminent personalities from various disciplines to share insights with the Board and the Management. It started with Dr. Nandan Nilekani (Non-executive Chairman, Infosys) sharing his thoughts on digital technology impact, in 2018. In 2019, Mr. Navroz Dubash, a well-renowned Environmentalist, was invited, who gave his valuable and relevant perspective on the influence of climate change and global warming to the Company's leadership.

Details of the programme for familiarisation of Independent Directors with the working of the Company are available on the website of the Company and can be accessed through the weblink at [www.acclimited.com/sh/FPID.pdf](http://www.acclimited.com/sh/FPID.pdf)

### **Performance Evaluation of the Board and Individual Directors**

Pursuant to the provisions of the Act, and the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance, as well as the working of its Audit, Nomination and Remuneration, Compliance and Risk Management Committees. A structured questionnaire was prepared after taking into consideration, inputs received from the Directors, which covered aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of Individual Directors. The Chairman of the Board of Directors interacted with all the Directors individually to get an overview of the functioning of the Board/Committees, *inter alia*, on the following broad criteria i.e. attendance and level of participation at meetings of the Board/committees, independence of judgment exercised by Independent Directors, interpersonal relationship and so on.

Based on the inputs received from the Directors, an action plan is being drawn up in consultation with the Directors to encourage their greater engagement with the Company.

### **Remuneration of Directors**

The policy for payment of remuneration to Directors, Key Managerial Personnel and Members of the Management Executive Committee is set out on the website of the Company at [www.acclimited.com/assets/new/pdf/CG/Policy\\_remuneration\\_selection\\_for\\_appointment.pdf](http://www.acclimited.com/assets/new/pdf/CG/Policy_remuneration_selection_for_appointment.pdf)

### **Terms of remuneration of Mr. Neeraj Akhoury, MD & CEO**

The terms and conditions of appointment and the remuneration payable to Mr. Neeraj Akhoury, MD & CEO, were approved by the Members of the Company at the Annual General Meeting held on March 29, 2017 and can be accessed through weblink at [www.acclimited.com/sh/NT.pdf](http://www.acclimited.com/sh/NT.pdf)

### **Terms & Remuneration of Mr. Sridhar Balakrishnan, Managing Director & Chief Executive Officer (MD & CEO)**

(Appointed as an Additional Director w.e.f. February 20, 2020 and as MD & CEO w.e.f. February 21, 2020)

Mr. Balakrishnan was appointed by the Board as MD & CEO w.e.f. February 21, 2020 for a period of five (5) years on the following terms and conditions and with an annual increment of upto maximum of 20% for every year thereafter during the currency of term of five (5) years of MD & CEO and the same is subject to the approval of Members in the Annual General Meeting of the Company:

#### **1. Remuneration:**

##### **a) Basic Salary**

₹ 1,01,19,561 per annum in grade of ₹ 1,00,00,000 - ₹ 2,12,00,000.

Annual increment will be effective from April 1 each year and will be decided by the Board each year on the basis of recommendation of Nomination & Remuneration Committee of the Board. The increment as and when approved by the Board, shall be merit based and will take into account the performance of MD & CEO as well as that of the Company. The first such annual increment will be granted on April 1, 2021 on the remuneration i.e. Basic Salary and Allowances as mentioned below.

### **Allowances & Perquisites**

Allowances & Perquisites of ₹ 1,51,79,341 per annum in range of ₹ 1,50,00,000 - ₹ 3,77,00,000.

The Company follows the flexible allowance structure for all its employees that enables its employees to decide on the salary components other than the basic salary within the remuneration of the employee concerned.

In line with this structure, Mr. Balakrishnan will be entitled to ₹ 15,179,341 of allowance per annum which can be distributed in House Rent Allowance (HRA), Leave Travel Allowance (LTA), Medical, Special Allowance etc. at his discretion, as per the flexi pay policy of the company. Mr. Balakrishnan can opt for contribution to Superannuation or NPS scheme up to the limit as prescribed by such contribution, if any, shall be deducted by the company from the allowances stated above.

In addition to the above, Mr. Balakrishnan would be paid/entitled for the following perquisites:

#### **i) Club Membership**

Membership of one club, the admission and annual membership fee whereof shall be borne by the Company.

#### **ii) Personal Accident Insurance**

Group Personal Accident Insurance Policy, as per the rules of the Company.

#### **iii) Leave**

The MD & CEO shall be entitled for leave with full pay or encashment thereof, as per the rules of the Company.

#### **iv) Provident Fund**

Company's contribution to provident fund not exceeding 12% (twelve percent) of the basic salary, as per the rules of the Company.

#### **v) Gratuity**

Gratuity at the rate of half month's basic salary for each year of completed service, as per the rules of the Company. The service tenure of Mr. Balakrishnan with the Company as Chief Commercial Officer shall be recognized and considered for the purpose of gratuity as payable under the Payment of Gratuity Act, 1972.

#### **vi) Other Perquisites**

As may be decided by the Board of Directors on the recommendation of the Nomination

& Remuneration Committee, subject to the overall ceiling on managerial remuneration.

**Explanation:**

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

**b) Performance Incentive**

Such remuneration by way of performance incentive payment up to an amount equivalent to a maximum of 100% (one hundred percent) of the basic salary and allowances stated above, in a particular financial year based on the performance of the MD & CEO against set goals and the Company meeting the target performance for the financial year. The performance incentive will be determined by the Board of Directors of the Company at the end of each financial year on the recommendation of the Nomination & Remuneration Committee, subject to the overall ceilings stipulated under Section 197, 198 and other applicable provisions of the Act read with Rules thereunder and Schedule V to the said Act or any modifications or re-enactment thereto for the time being in force.

**c) Long Term Incentive Plan**

The MD & CEO is eligible to participate in the Long Term Incentive Plan of LafargeHolcim Limited (LH), the ultimate holding Company of ACC, pursuant to which the MD & CEO will be granted such number of shares of LH (Performance Shares) from time to time as per the said incentive plan. The cost of such shares shall be borne by LafargeHolcim Ltd.

**d) Amenities**

**i) Conveyance facilities**

The Company shall provide a suitable car for the MD & CEO for official and personal use. Repairs, maintenance and running expenses including driver's salary shall be borne/reimbursed by the Company.

**ii) Telephone and other communication facilities**

The Company shall provide a mobile phone to the MD & CEO and shall also provide telephone, and other communication facilities at his residence. All the expenses incurred thereof shall be paid or reimbursed by the Company, as per the rules of the Company.

**2. Overall Remuneration**

The aggregate of salary, allowances, perquisites and performance incentive in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Act read with rules thereunder and Schedule V to the said Act or any modifications or re-enactment for the time being in force.

**3. Minimum Remuneration**

In the event of loss or inadequacy of profits in any financial year during the currency of the tenure of service of the MD & CEO, the payment of salary, performance incentives, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Act as may be for the time being in force.

**4. Income Tax**

Income tax in respect of the above remuneration will be deducted at source as per applicable laws/rules.

**5. Sitting Fees/Commission**

MD & CEO shall not be paid any sitting fees and/or commission for attending the meetings of the Board or committees thereof.

**6. Out of Pocket Expenses in connection with Company's work**

MD & CEO shall be entitled to be paid/reimbursed by the Company all costs, charges and expenses including entertainment expenses as may be reasonably incurred by him on behalf of the Company, subject to such ceiling as may be decided by the Board on the recommendation of the Nomination & Remuneration Committee.

**Remuneration of Directors**

The remuneration drawn by the Directors during the year is set out below. The remuneration paid to the Directors is in accordance with the provisions of the Act and has been duly approved by Members of the Company. None of the Directors of the Company have any pecuniary relationship with the Company. The remuneration paid to the Non-Executive Directors does not exceed the threshold specified in Regulation 17(6)(ca) of the SEBI Listing Regulations and no approval of the shareholders by Special Resolution was called for.

₹ Lakh

Name of the Director	Salary	Commission	Sitting Fees	Total
Mr. N. S. Sekhsaria, Chairman	-	50.00	3.70	53.70
Mr. Jan Jenisch, Deputy Chairman	-	20.00	1.00	21.00
Mr. Neeraj Akhoury, MD & CEO (ceased to be a MD & CEO w.e.f. February 20, 2020. Appointed as an Additional Director w.e.f. February 21, 2020)	@889.78	-	-	889.78
*Mr. Martin Kriegner	-	-	-	-
Mr. Shailesh Haribhakti	-	36.00	6.50	42.50
Mr. Sushil Kumar Roongta	-	36.00	9.00	45.00
Mr. Vijay Kumar Sharma	-	20.00	3.10	23.10
Ms. Falguni Nayar	-	20.00	2.60	22.60
Mr. Christof Hassig	-	20.00	2.30	22.30
Mr. Damodarannair Sundaram (appointed with effect from March 22, 2019)	-	35.14	5.20	40.34
Mr. Vinayak Chatterjee (appointed with effect from March 22, 2019)	-	28.11	4.70	32.81
Mr. Sunil Mehta (appointed with effect from March 22, 2019)	-	28.11	3.90	32.01
Mr. Arunkumar Gandhi (ceased to be a Director with effect from March 22, 2019)	-	9.99	1.30	11.29
Mr. Ashwin Dani (ceased to be a Director with effect from March 22, 2019)	-	7.99	1.30	9.29
Mr. Farrokh Kavarana (ceased to be a Director with effect from March 22, 2019)	-	7.99	1.90	9.89
Mr. Sridhar Balakrishnan (appointed as an Additional Director w.e.f. February 20, 2020 and as MD & CEO w.e.f. February 21, 2020)**	-	-	-	-

\*Mr. Martin Kriegner has waived his right to receive Directors' commission and sitting fees.

@The remuneration of Mr. Akhoury includes the Performance Linked Incentive of ₹ 227.57 Lakh for the year 2018 and grant of 1,800 shares under employee performance share plan, valuing ₹ 11.55 Lakh, by the Ultimate Parent Company "LafargeHolcim Ltd." in 2019.

\*\* No remuneration paid to Mr. Sridhar Balakrishnan in the capacity of MD & CEO up to the date of this report.

## Meetings

### Board meetings held during the year

Dates on which the Board meetings were held	Total strength of the Board	Number of Directors present
February 5, 2019	12	10
April 23, 2019	12	11
July 18, 2019	12	09
October 15, 2019	12	12
December 10, 2019	12	11

The gap between any two (2) Board meetings did not exceed one hundred and twenty (120) days in line with the requirements of the Act and the SEBI Listing Regulations.

## Attendance of Directors at Board Meetings and Annual General Meeting

Name of the Director	Attendance at the Board meetings held on					Attendance at the AGM held on 22.03.2019
	05.02.2019	23.04.2019	18.07.2019	15.10.2019	10.12.2019	
Mr. N. S. Sekhsaria						Leave of Absence
Mr. Jan Jenisch	Leave of Absence	Leave of Absence	Leave of Absence			Leave of Absence
Mr. Neeraj Akhoury						
Mr. Martin Kriegner						Leave of Absence
Mr. S. V. Haribhakti	Leave of Absence					
Mr. S. K. Roongta						
Mr. V. K. Sharma						
Ms. Falguni Nayar						Leave of Absence
Mr. Christof Hassig			Leave of Absence			Leave of Absence
Mr. D. Sundaram (appointed with effect from March 22, 2019)	Not Applicable					Not Applicable
Mr. V. Chatterjee (appointed with effect from March 22, 2019)	Not Applicable					Not Applicable
Mr. S. Mehta (appointed with effect from March 22, 2019)	Not Applicable		Leave of Absence			Not Applicable
Mr. Arunkumar Gandhi (ceased to be a Director with effect from March 22, 2019)		Not Applicable	Not Applicable	Not Applicable	Not Applicable	
Mr. Farrokh Kavarana (ceased to be a Director with effect from March 22, 2019)		Not Applicable	Not Applicable	Not Applicable	Not Applicable	
Mr. Ashwin Dani (ceased to be a Director with effect from March 22, 2019)		Not Applicable	Not Applicable	Not Applicable	Not Applicable	

As Mr. Sundaram, Mr. Chatterjee and Mr. Mehta were appointed as Independent Directors at the AGM, they were not present at the AGM.

The Act facilitates the participation of a Director in Board/Committee Meetings through video conference or other audio-visual modes. Accordingly, the option to participate at the Meetings through video conference is made available for the Directors except in respect of such items, which are not permitted to be transacted under the statute through the use of such facility unless the quorum through the physical presence of Directors is available at the Meetings at which such items are transacted.

### Duties and Functions of the Board

The Board of Directors' primary responsibility is to foster the Company's short and long-term success through sustainable continuance and progress of its business, and thereby create value for its stakeholders. To this end, the Board sets out the corporate culture, lays down high ethical standards of corporate behaviour and ensures transparency in its dealings.

The Board has the responsibility to oversee the conduct of the Company's business and to supervise and support the Management, which is responsible

for the day-to-day operations. It does this by providing strategic guidance, monitoring operational performance and ensures that robust policies and procedures are in place. The Board through its various committees, also reviews the identified risks and the mitigation measures undertaken/to be undertaken in respect thereof, to ensuring integrity in the Company's accounting and financial reporting systems, adequacy of internal controls and compliance with all relevant laws and discharges its functions towards CSR. In particular, the Board reviews and approves quarterly/half-yearly, unaudited financial results and the audited annual financial statements (both consolidated and standalone), corporate strategies, business plans, annual budgets, sets corporate objectives and monitors their implementation and oversees major capital expenditure. It monitors overall operating performance, Health & Safety (H&S) performance and reviews such other items which require the Board's attention. It directs and guides the activities of the Management towards achieving set goals and seeks accountability. The agenda for the Board meetings covers items as set out in SEBI Listing Regulations to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions. The agenda is sent out to the Directors within the period stipulated in the Secretarial Standards. The Board processes are also in consonance with the requirements of the Secretarial Standard-1 relating to the meetings of the Board and its committees.

All the recommendations of the various committees of the Board have been accepted by the Board of Directors and none of the Directors are influenced by the Management.

## **COMMITTEES OF THE BOARD**

The Company has over the years maintained the highest standards of corporate governance processes and has had the foresight to set up corporate governance practices much before their implementation was mandated through the introduction of regulatory requirements. For instance, the Board of Directors had constituted the Audit Committee in 1986. A Share Committee was constituted in 1962 to evaluate share-related matters of the Company and investor relations, which has transformed into the Stakeholders' Relationship Committee. Likewise, a Compensation Committee was constituted in 1992. The Committee has subsequently been re-constituted as the Nomination &

Remuneration Committee with wider terms of reference as per statutory requirements.

The constitution, terms of reference and the functioning of the existing committees of the Board is explained hereunder. Each committee demonstrates the highest levels of governance standards and has the requisite expertise to handle issues relevant to their fields. These committees spend considerable time and provide focused attention to various issues placed before them and the guidance provided by these committees lend immense value and support, enhancing the qualitiveness of the decision-making process of the Board. The Board reviews the functioning of these committees from time to time.

The meetings of each of these committees are convened by the respective Chairpersons, who also apprise the Board about the summary of discussions held at their meetings. The minutes of the committee meetings are sent to all Directors individually for their approval/comments as per the prescribed Secretarial Standards-1 and after the minutes are duly approved, these are circulated to the Board of Directors and tabled at the Board meetings.

### **Audit Committee**

The Audit Committee acts as an interface between the Statutory and Internal Auditors, the Management and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes; reviewing the Company's established systems and processes for internal financial controls and governance; and reviews the Company's statutory and internal audit processes. More than two-thirds of the members of the committee, including the Chairman are Independent Directors. The committee is governed by a Charter, which is in line with the regulatory requirements mandated by the act and SEBI Listing Regulations. All the members of the committee have the ability to read and understand the financial statements. The Chairman of the committee possesses professional qualifications in the field of Finance and Accounting.

The functions of the committee *inter alia* include:

### **Financial Reporting and Related Processes**

- Oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.

- Reviewing with the Management (i) the quarterly unaudited financial results drawn up both on a standalone and consolidated basis and the Auditors' Limited Review Reports thereon (ii) audited annual financial statements (standalone and consolidated) and Auditors' Report thereon before submission to the Board for approval. This would *inter alia*, include reviewing changes in the accounting policies and practices and reasons for such changes, major accounting entries involving estimates based on the exercise of judgement by the Management.
- Review the Management Discussion & Analysis of the financial condition and results of the Company's operations.
- Review of management internal control systems, Improvements and weaknesses if any, as observed by the Statutory Auditors.
- Review of the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the person heading the Department, reporting structure, coverage and frequency of internal audit.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Review with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control.
- Discuss with Statutory Auditors, its judgement about the quality and appropriateness of the Company's accounting principles with reference to relevant Accounting Standards and the relevant Rules under the Act as amended from time to time.
- Scrutiny and review of the investments and inter- corporate loans made by the Company to its subsidiary companies.
- To oversee and review the functioning of the vigil mechanism (Whistle Blower Policy) implemented in the Company as EthicalView Reporting Policy (EVR Policy) and to review the findings of investigations into cases of material nature, if any, and the actions taken in respect thereof. The scope of the vigil mechanism enables employees, Directors and other stakeholders to report on any cases of leakage of unpublished price sensitive information and consequent non-compliance with SEBI (Prohibition of Insider Trading Regulations) Regulations, 2015 (**'Prohibition of Insider Trading Regulations'**).
- To make the employees aware of the vigil mechanism to enable employees to report instances of leak of unpublished price sensitive information.
- Management letters/letters of internal control weaknesses, if any, issued by the Statutory Auditors.

#### Audit

- Review the scope of the Statutory Audit, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review and monitor the auditors' independence and performance and effectiveness of the audit process.
- Discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- Review and discuss the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's responses thereto.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Cost Auditors, remuneration payable to them, considering their independence and effectiveness, their replacement and removal, if necessary.
- Approve such additional services which are to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Act, and payment for such services.
- Discussions with the Chief Internal Auditor on significant findings and follow-up thereon.
- Reviewing the Cost Audit Report submitted by the Cost Auditors.

#### Internal Financial Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's Accounting system and internal financial controls.
- Review and discussion with the Management on the Company's major financial risk exposures and steps taken by the Management to monitor and mitigate such risks.

## Other functions

- To review the appointment, removal and terms of remuneration of the Chief Internal Auditor
- To approve the appointment of the Chief Financial Officer after assessing the qualifications, experience, background and other such factors of the candidates.
- To grant prior approval to all related party transactions including any subsequent modifications thereto, grant of omnibus approvals for related party transactions which are repetitive in nature, are in the ordinary course of business and on an arms' length pricing basis and to review and approve such transactions subject to the approval of the Board or shareholders, as the case may be.
- To review compliance with the provisions of the Prohibition of Insider Trading Regulations as amended from time to time and to verify that the systems for internal control for prohibition of Insider Trading are adequate and are operating effectively.
- The scope and terms of reference of the committee have been widened in line with the amendments made to SEBI Listing Regulations.

The composition of the Audit Committee as at December 31, 2019 and details of the Member's participation at the Meetings of the Committee are as under:

Name of the Director	Category	Attendance at the Audit Committee meeting held on				
		04.02.2019	23.04.2019	18.07.2019	15.10.2019	28.11.2019
Mr. D. Sundaram (appointed as Chairman with effect from March 27, 2019)	Non-Executive/ Independent	Not Applicable	✓	✓	✓	✓
Mr. Martin Kriegner	Non-Executive/ Non Independent	✓	✓	✓	✓	✓
Mr. S. K. Roongta	Non-Executive/ Independent	✓	✓	✓	✓	✓
Mr. Chatterjee (appointed with effect from March 27, 2019)	Non-Executive/ Independent	Not Applicable	✓	✓	✓	Leave of Absence
Mr. Mehta (appointed with effect from March 27, 2019)	Non-Executive/ Independent	Not Applicable	✓	Leave of Absence	✓	✓
Mr. A. K. Gandhi (ceased to be Chairman with effect from March 22, 2019)	Non-Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr. A. Dani (ceased to be a Member with effect from March 22, 2019)	Non-Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr. F. K. Kavarana (ceased to be a Member with effect from March 22, 2019)	Non-Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Mr. A. K. Gandhi, then Chairman of the Committee, was present at the Annual General Meeting held on March 22, 2019.

All the Members on the Audit Committee are financially literate and possess sound knowledge in finance and accounting practices. The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended all Audit Committee Meetings held during the year at which the Financial Statements have been placed for review. The representative of the Cost Auditor is invited to attend the Meeting of the Audit Committee at which the Cost Audit Report is tabled for discussion.

The MD & CEO, the Chief Financial Officer (**'CFO'**), the Chief Internal Auditor and the Chief Manufacturing Officer attend the Meetings of the Committee. The Chief Legal Officer & Company Secretary is the Secretary of the Committee.

During the year under review, the Audit Committee also held a separate one-to-one meeting with the Statutory Auditors and the Chief Internal Auditor to obtain their inputs on significant matters relating to their respective areas of audit without the presence

of the MD & CEO, CFO and others representing the Management.

### Performance Review of the Audit Committee

The performance of the Audit Committee is assessed annually by the Board of Directors through a structured questionnaire which broadly covers composition of the Committee, frequency of meetings; engagement of the Members; the quality of discussions; overview of the financial reporting process; adequacy of internal control systems and overview of internal and external audits. The results of the assessment are presented to the Committee along with the action plan in the areas requiring improvement, if any, which are suitably addressed.

### Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises four Members out of which half of the Members are Independent Directors. The Committee is governed by a Charter.

The terms of reference of the Committee are:

- to approve transfer/transmission of shares/debentures and such other securities, as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed as per the laid down procedure;
- to issue new certificates against subdivision of shares, renewal, split or consolidation of share certificate/certificates relating to other securities;
- to issue and allot right shares/bonus shares pursuant to a out rights issue/bonus issue, subject to such approvals as may be required;
- to oversee approve and monitor dematerialisation of shares/debentures the implementation of ESOS scheme, if any, as and when implemented by the Company;
- to issue and allot debentures, bonds and other securities as approved by the Board of Directors and subject to such other approvals of the Regulators as may be required;
- to approve and monitor requests relating to dematerialisation of shares/debentures/other securities and all matters incidental or related thereto;
- to authorise the Chief Legal Officer & Company Secretary/other officers of the Share Department to attend to matters relating to:
  - transfer/transmission of shares, issue of duplicate share certificates for shares reported lost, defaced or destroyed, to issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates;
  - non-receipt of annual reports, notices, non-receipt of declared dividend, change of address for correspondence and other such issues, and to monitor action taken thereon;
- to monitor Investor Relation activities of the Company and give guidance on the flow of information from the Company to the investors;
- to monitor expeditious redressal of grievances of shareholders/security holders and all other matters incidental or related to issue of shares, debentures and other securities, if any, of the Company;
- to review reports relating to grievances of investors, shareholding pattern and other reports, which are to be submitted to the Stock Exchanges periodically in line with the requirements of the SEBI Listing Regulations;
- review of measures taken for effective exercise of voting rights by shareholders;
- reviewing the various measures and initiatives taken to reduce the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- review of adherence to the service standards adopted in respect of various services being rendered by the Registrar and Share Transfer Agent.
- review of transfer of unpaid/unclaimed dividend/shares to the Investor Protection Fund of the Government of India in line with the relevant Rules thereunder;
- any other matters as may be assigned to the Committee by the Board of Directors from time to time.

Effective from September 16, 2019, the functions relating to Registrar and Transfer Agent have been transferred to KFIN Technologies Private Limited. The in-house facility stands withdrawn effective from the above date.

The composition of the Stakeholders' Relationship Committee as on December 31, 2019 and details of the Members participation at the meetings of the Committee are as under:

Name of the Director	Category	Attendance at the Stakeholders' Relationship Committee meeting held on			
		04.02.2019	22.04.2019	17.07.2019	14.10.2019
Mr. Sunil Mehta (appointed as Chairman with effect from March 3, 2019)	Non-Executive/ Independent	Not Applicable	✓	Leave of Absence	✓
Mr. S. V. Haribhakti	Non-Executive/ Independent	✓	✓	✓	✓
Mr. Christof Hassig (appointed as Member with effect from March 27, 2019 and ceased to be a Member w.e.f. February 20, 2020)	Non-Executive/ Non Independent	Not Applicable	Leave of Absence	Leave of Absence	✓
Mr. Neeraj Akhoury (ceased to be a Member w.e.f. February 21, 2020)	Executive/ Non Independent	✓	✓	✓	✓
Mr. F. K. Kavarana (ceased to be Chairman with effect from March 22, 2019)	Non-Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable
Mr. A. K. Gandhi (ceased to be a Member with effect from March 22, 2019)	Non-Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable
Mr. Sridhar Balakrishnan (appointed as Member w.e.f. February 21, 2020)	Executive/ Non Independent	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Mr. F. K. Kavarana, then Chairman of the Committee, was present at the Annual General Meeting held on March 22, 2019.

Mr. Rajiv Choubey, Chief Legal Officer and Company Secretary functions as the Compliance Officer. He has also been appointed as the nodal officer in line with statutory requirements.

During the year, Thirty Seven (37) letters were received from shareholders, following up on their pending matters/queries relating to transfers/transmission of shares, issue of duplicate share certificates and related matters. These letters were attended within a period of thirty (30) days from the date of receipt by the Company, except for one (1) complaint as on December 31, 2019 which stands resolved as on the date of this Report.

All share transfer documents which were lodged with the Company up to March 31, 2019 found to be duly completed in all respects were processed within the statutory period. Transfer of shares held in physical form is not permitted after March 31, 2019 through statutory notifications.

### **Nomination & Remuneration Committee (N&RC)**

The N&RC is governed by a Charter in line with the Act and the SEBI Listing Regulations. The Chairman of the Committee is an Independent Director and half of the Members on the Committee are Independent Directors. The Chairman of the Board is a Member of the Committee but does not chair the Committee.

The terms of reference of the Committee *inter alia*, include the following:

- Succession planning of the Board of Directors and Senior Management Personnel;
- Identifying and selecting candidates who are qualified for appointment as Directors/Independent Directors based on certain laid down criteria;
- Identifying potential candidates for appointment as Key Managerial Personnel and to recommend to the Board of Directors their appointment and removal;
- Devising a policy on diversity of Board of Directors;
- Review the performance of the Board of Directors and Key Managerial Personnel based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors, Key Managerial Personnel, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short-term and long-term objectives of the Company. Accordingly, the Committee recommends to

the Board, the remuneration in whatever form payable to the Senior Management including Key Managerial Personnel;

- To recommend to the Board of Directors the extension or continuance in office of the

Independent Directors on the basis of the report of their performance evaluation;

- The functions of the Committee have been widened in line with the amendments made to SEBI Listing Regulations.

The composition of the N&RC as on December 31, 2019 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Director	Category	Attendance at the N&R Committee meetings held on			
		04.02.2019	10.04.2019	18.07.2019	09.12.2019
Mr. S. V. Haribhakti (appointed as Chairman with effect from March 27, 2019)	Non-Executive/ Independent	✓	✓	✓	✓
Mr. N. S. Sekhsaria	Non-Executive/ Non Independent	✓	✓	✓	✓
Mr. Martin Krieger	Non-Executive/ Non Independent	✓	✓	✓	✓
Mr. Vinayak Chatterjee (appointed with effect from March 27, 2019)	Non-Executive/ Independent	Not Applicable	✓	✓	✓
Mr. Ashwin Dani (ceased to be Chairman with effect from March 22, 2019)	Non-Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable
Mr. F. K. Kavarana (ceased with effect from March 22, 2019)	Non-Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable

Mr. Ashwin Dani, then Chairman of the Committee, was present at the Annual General Meeting held on March 22, 2019.

### Corporate Social Responsibility (CSR) & Sustainability Committee

The scope of the functioning of the Committee has been widened to cover sustainability and the Committee has been renamed as CSR & Sustainability Committee with effect from October 15, 2019.

The Company has always been conscious of its obligations *vis-à-vis* the communities it impacts and has been pursuing various CSR activities long before these were mandated by law. A Committee of the Board was constituted in 2013 to oversee and give direction to the Company's CSR activities.

The terms of reference of the CSR & Sustainability Committee broadly includes:

- to review CSR projects with a view to ensure that they are in line with the CSR objectives and the CSR & Sustainability Policy of the Company and are aligned with Schedule VII of the Act;
- to have oversight for ensuring that CSR projects are designed, implemented and periodically monitored based on need assessment of the communities;

- to review the annual CSR budget and recommend the same to the Board of Directors for approval;
- to approve the amount of expenditure to be incurred on the various CSR initiatives;
- providing guidance in the manner in which the CSR projects undertaken by the Company could make an impactful intervention across the communities in which the Company operates;
- to oversee and review the impact of CSR projects undertaken by the Company *vis-à-vis* sustainability.
- review and recommend to the Board for its approval the annual Sustainability Report;
- receive updates from the management regarding the Company's Environment, Social and Governance ('ESG') activities;
- provide oversight and guidance on ESG matters & opportunities, social responsibilities and impacts.

The composition of the CSR & Sustainability Committee as on December 31, 2019 and details of the Members' participation at the Meetings of the Committee are as under:

Name of the Director	Category	Attendance at the CSR & Sustainability Committee meetings held on	
		22.04.2019	12.09.2019
Mr. S. V. Haribhakti (appointed Chairman with effect from March 27, 2019)	Non-Executive/ Independent	✓	✓
Ms. Falguni Nayar	Non-Executive/ Independent	✓	✓
Mr. Christof Hassig (appointed with effect from March 27, 2019 & ceased to be Member w.e.f. February 20, 2020)	Non-Executive/ Non Independent	Leave of Absence	Leave of Absence
Mr. Vijay Kumar Sharma (appointed with effect from March 27, 2019)	Non-Executive/ Non Independent	✓	✓
Mr. Neeraj Akhoury (ceased to be a Member w.e.f. February 20, 2020)	Executive/ Non Independent	✓	✓
Mr. Neeraj Akhoury (appointed as Member w.e.f. February 21, 2020)	Non-Executive/ Non Independent	Not Applicable	Not Applicable
Mr. F. K. Kavarana (ceased to be Chairman with effect from March 22, 2019)	Non-Executive/ Independent	Not Applicable	Not Applicable
Mr. Sridhar Balakrishnan (appointed as Member w.e.f. February 21, 2020)	Executive/ Non Independent	Not Applicable	Not Applicable

The Company's CSR Policy is comprehensive and is in alignment with the requirements of the Act and the United Nations Sustainable Development Goals. The Policy can be accessed at the Company's website at [https://www.acclimited.com/assets/new/new\\_pdf/ACC-CSR-Policy-sd-by-MD-CEO-Neeraj-Akhoury.pdf](https://www.acclimited.com/assets/new/new_pdf/ACC-CSR-Policy-sd-by-MD-CEO-Neeraj-Akhoury.pdf) and the CSR Report forms an integral part of the Board's Report.

## Risk Management Committee

The Company has constituted the above Committee in line with the SEBI Listing Regulations as it is in the list of top 500 listed companies in the country based on its market capitalisation for the immediately preceding financial year.

Business Risk Evaluation and Management is an ongoing process within the Company. The Company has a dynamic risk management framework to identify, monitor, mitigate and minimise risks as also to identify business opportunities.

The Risk Management Committee was constituted by the Board of Directors in the year 2014. The Members of the Committee are drawn from the Members of the Board. No Senior Executive of the Company is a Member of the Committee. The majority of the Committee Members include Independent Directors.

The Committee is governed by a charter and its objectives and scope broadly comprises:

- reviewing the Business Risk Management (BRM) Policy and framework in line with local legal requirements and the SEBI Listing Regulations;
- review risks trends, exposure, their potential impact analysis and mitigation plans;
- defining framework for identification, assessment, monitoring, mitigation and reporting of risks;
- reviewing risks including cyber security and evaluating the treatment including initiating mitigation actions and ownership as a pre-defined cycle;
- reviewing the robustness of the risk management processes followed by the Management.

The composition of the Risk Management Committee as on December 31, 2019 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Director	Category	Attendance at the Risk Management Committee meetings held on	
		22.04.2019	14.10.2019
Ms. Falguni Nayar (appointed as Chairperson with effect from March 27, 2019)	Non-Executive/ Independent	✓	✓
Mr. S. V. Haribhakti	Non-Executive/ Independent	✓	✓
Mr. S. K. Roongta	Non-Executive/ Independent	✓	✓
Mr. V. K. Sharma (appointed with effect from March 27, 2019)	Non-Executive/ Non Independent	✓	✓
Mr. Neeraj Akhoury (ceased to be a Member w.e.f. February 20, 2020)	Executive/ Non Independent	✓	✓
Mr. Sridhar Balakrishnan (appointed as Member w.e.f. February 21, 2020)	Executive/ Non Independent	Not Applicable	Not Applicable

### Compliance Committee

Recognising the importance of the Company to be compliant with various laws and regulations which impacts its business, the Board of Directors constituted the Compliance Committee in 2008. The Compliance Committee plays an important role in building a regime of 'zero tolerance' to any form of non-compliance, which is a pre-requisite for a robust governance mechanism.

The terms of reference of the Committee broadly comprises:

- reviewing the legal environment in which the Company operates with a view to understand the implications of major legislative and regulatory developments and their interpretation by the courts
- reviewing compliance with the provisions of Competition Law and to provide guidance in regard to the development of the laws in India and abroad;
- reviewing compliance with all applicable statutes, rules and regulations based on reports received from the MD & CEO, ExCo Members and the Chief Legal Officer and Company Secretary and to recommend corrective actions, if any, where required;
- reviewing significant legal cases filed by and against the Company to determine, *inter alia*, the probability of liabilities arising therefrom which are of a contingent nature.

of law that may significantly affect the interests of the Company;

The composition of the Compliance Committee as on December 31, 2019 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Director	Category	Attendance at the Compliance Committee meetings held on			
		04.02.2019	22.04.2019	17.07.2019	14.10.2019
Mr. S. K. Roongta (appointed as Chairman with effect from March 27, 2019)	Non-Executive/ Independent	✓	✓	✓	✓
Mr. S. V. Haribhakti	Non-Executive/ Independent	✓	✓	✓	✓
Mr. D. Sundaram (appointed with effect from March 27, 2019)	Non-Executive/ Independent	Not Applicable	✓	✓	✓
Mr. Neeraj Akhouri (ceased to be a Member w.e.f. February 20, 2020)	Executive/ Non Independent	✓	✓	✓	✓
Mr. F. K. Kavarana (ceased to be Chairman with effect from March 22, 2019)	Non-Executive/ Independent	✓	Not Applicable	Not Applicable	Not Applicable
Mr. Sridhar Balakrishnan (appointed as Member w.e.f. February 21, 2020)	Executive/ Non Independent	Not Applicable	Not Applicable	Not Applicable	Not Applicable

## SUBSIDIARY COMPANIES

The Company does not have any 'material subsidiary' as defined in the SEBI Listing Regulations.

Accordingly, the requirement of appointing an Independent Director of the Company on the Board of Directors of the material unlisted subsidiary company as Regulation 24 of the SEBI Listing Regulations does not apply.

Although the Company does not have a material subsidiary, pursuant to the requirements of Section 204 of the Act, its subsidiary ACC Mineral Resources Limited is subjected to a Secretarial Audit, which was also conducted for the year ended December 31, 2019. No adverse remarks have been made the Secretarial Auditors in their Report.

The reporting is being made pursuant to the requirements of Regulation 24A of the SEBI Listing Regulations.

The Company's policy on 'Material Subsidiary' is placed on the Company's website and can be assessed through the weblink at [www.acclimited.com/sh/DMS.pdf](http://www.acclimited.com/sh/DMS.pdf).

The Audited Annual Financial Statements and the Unaudited Quarterly Financial Results along with the Auditors Limited Review thereon of Subsidiary Companies are tabled at the Meetings of the Audit Committee and Board of Directors of the Company for an overview prior to their consolidation with the Parent Company.

Copies of the minutes of the Board, constituted Committees of Subsidiary Companies are tabled at the Board Meetings of the Parent Company.

## DISCLOSURES

### Regulations 17 to 27 & Regulation 46 of SEBI Listing Regulations

The Company has complied with and disclosed all the mandatory corporate governance requirements mentioned under Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

### INDIAN ACCOUNTING STANDARDS (IND AS)

The Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing its Standalone and Consolidated Financial Statements.

### RELATED PARTY TRANSACTIONS

All transactions entered into by the Company during the year with related parties were in the ordinary course of business and on arm's length pricing basis. These transactions are also subject to review by an external independent agency. The policy on related-party transactions has been placed on the Company's website and can be accessed at [www.acclimited.com/sh/RPT.pdf](http://www.acclimited.com/sh/RPT.pdf). In line with the amended the SEBI Listing Regulations, the policy has been amended suitably.

Where any material related-party transaction is proposed, approval of the Members is obtained. No related party whether or not it is a party to the particular

transaction or not is allowed to vote to approve the transaction in line with the SEBI Listing Regulations.

### **CREDIT RATING**

The Company has not issued any debt instruments which necessitates any credit rating. However, CRISIL has rated the Company as CRISIL AAA/Stable for Fund-based Working Capital Facilities and CRISIL A1+ for Non-fund based Working Capital Facilities. The same can be accessed at [www.acclimited.com/investor-relations/credit-rating](http://www.acclimited.com/investor-relations/credit-rating).

### **FEES PAID TO STATUTORY AUDITORS**

During the year ended December 31, 2019, the Company and its subsidiaries have paid a consolidated sum of ₹ 3.46 Crore to the statutory auditor and all its entities.

### **LEGAL COMPLIANCE MANAGEMENT TOOL**

The Company has in place an on-line legal compliance management tool, which has been devised to ensure compliance with all applicable laws that impact the Company's business. The tool is intended to provide an assurance to the Board on legal compliances as ensured by the Company. The application of the tool has been extended to cover all plant locations, RMX facilities, sales and Corporate Office.

The Compliance Committee is informed about the progress and the status of legal compliances through this tool.

### **CONFIRMATION BY THE BOARD OF DIRECTORS' ACCEPTANCE OF RECOMMENDATION OF MANDATORY/NON-MANDATORY COMMITTEES**

The Board of Directors have confirmed that during the year, it has accepted the recommendations received from its mandatory/non-mandatory committees. None of the recommendations made by any of the Committees has been rejected by the Board.

### **STRICTURES AND PENALTIES**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matters related to capital markets during the last three (3) years.

### **CODE OF BUSINESS CONDUCT**

The Board of Directors has approved a Code of Business Conduct, which is applicable to the Members of the Board and to all employees. The Company follows a policy of 'Zero Tolerance' to bribery and corruption in any form and the Board has laid down the 'Anti Bribery & Corruption Directive', which forms an Appendix to the

above Code. The Code has been posted on the Company's website at [www.acclimited.com/assets/new/pdf/ACC-Code-of-Conduct-Final-signed-18-04-2017.pdf](http://www.acclimited.com/assets/new/pdf/ACC-Code-of-Conduct-Final-signed-18-04-2017.pdf).

The Code lays down the standard of conduct which is expected to be followed by the Board and by the Employees in their business dealings and in particular on matters relating to integrity of the workplace, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an Employee in a given situation and the reporting structure.

All the Board Members and the Senior Management Personnel have confirmed compliance with the Code. All Management Staff are required to complete an E-learning module on the above subject, in addition to the undergoing training conducted by the compliance team of the Company from time to time.

### **FAIR COMPETITION DIRECTIVE PROGRAMME**

Fair Competition Directive Programme which was earlier known as Value Creation in Competitive Environment (VCCE) was introduced in the Company as early as 2008 and the Company has been carrying out training sessions for creating awareness among relevant employees on fair competitive practices.

Under these programmes, training sessions are conducted on an annual basis for the concerned employees of the Company, particularly those in sales and purchase functions, on various aspects of competition law and on behavioural aspects for ensuring fair competition in the marketplace. E-learning training is imparted to all such employees in addition to face-to-face training and includes a specific module on 'Do's and Don'ts' in a tender bidding process.

In addition to the above, the processes of the Company are subject to periodic reviews and where required, are being further strengthened.

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company is committed to the high standards of corporate governance and stakeholder responsibility.

The Company has an 'EthicalView Reporting' ('EVR') Policy to deal with instances of fraud and mismanagement, if any. The EVR Policy ensures that strict confidentiality is maintained whilst dealing with concerns and ensures that no discrimination is meted out to any person for a genuinely raised concern. Pursuant thereto, a dedicated helpline 'ACC Ethics Helpline' has been set-up, which is managed by an independent professional organisation. The Ethics

Helpline can be contacted to report on any suspected or confirmed incident of fraud/misconduct on:

- E-Mail: [acc@ethicalview.com](mailto:acc@ethicalview.com)
- Online reporting on <https://integrity.lafargeholcim.com/>
- National Toll-free Number: 18002092008
- Fax Number: +91(22) 66459575
- Address: P.O. Box No. 137, Pune 411 001

A Committee consisting of Senior Employees headed by Chief Legal Officer & Company Secretary, has been constituted, which investigates the complaints raised and recommends appropriate action where necessary. The Committee reports to the Audit Committee of the Board which in turn apprises the Board on such matters as necessary.

The scope of vigil mechanism has been extended during the year to enable reporting if any, on leakage of Unpublished Price Sensitive Information relating to the Company.

## PREVENTION OF INSIDER TRADING

Pursuant to SEBI Listing Regulations, the Company has formulated the 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' and the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' (**'ACC Code'**), which allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of the Company's shares by the Directors, designated employees and connected persons, while in possession of Unpublished Price Sensitive Information in relation to the Company and during the period(s) when the Trading Window to deal in the Company's shares is closed. The codes have been revised in line with the amendments to the Prohibition of Insider Trading Regulations, as amended from time to time.

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the Prohibition of Insider Trading Regulations.

A structured digital database is being maintained by the Company's RTAs, which contains the names and other particulars as prescribed of the persons covered under the Codes drawn up pursuant to the Prohibition of Insider Trading Regulations.

The Board have also formulated a Policy for determination of 'legitimate purposes' as a

part of the Code of Fair Disclosure and Conduct as per the requirements of the Prohibition of Insider Trading Regulations.

The Chief Legal Officer & Company Secretary has been appointed as the Compliance Officer for ensuring implementation of the codes for fair disclosure and conduct.

The Board, designated persons and other connected persons have affirmed compliance with the ACC Code.

The Company's Whistle Blower Policy (Vigil Mechanism) has also been amended to make employees aware of the existence of policies and procedures for inquiry in case of leakage of Unpublished Price Sensitive Information to enable them to report on leakages, if any, of such information.

## MEANS OF COMMUNICATION

The Company follows a robust process of communicating with its stakeholders and investors. For this purpose, it provides multiple channels of communications through dissemination of information on the on-line portal of the Stock Exchanges, Press Releases, the Annual Reports and by placing relevant information on its website.

The unaudited quarterly results (both standalone and consolidated) are announced within forty-five (45) days of the close of the quarter. The audited annual results are announced within sixty (60) days from the close of the financial year, as required under the SEBI Listing Regulations. The aforesaid financial results are disseminated to the Stock Exchanges within thirty (30) minutes from the close of the Board meetings at which these are considered and approved. The results are published in leading English daily newspapers having nation-wide circulation and the Marathi translation of the same is published in leading Marathi daily newspapers.

The audited financial statements form a part of the Annual Report, which is sent to the Members within the statutory period and in advance of the Annual General Meeting.

The Annual Report of the Company, the quarterly/half-yearly and the annual audited financial statements and the press releases of the Company are also placed on the Company's website at [www.acclimited.com](http://www.acclimited.com) and can be downloaded.

The presentations on the performance of the Company are placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders immediately after the financial results are communicated to the Stock Exchanges.

The Company discloses to the stock exchanges, information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI Listing Regulations, including material information which have a bearing on the performance/operations of the Company or which is price sensitive in nature. All information is filed electronically on Bombay Stock Exchange's (BSE's) on-line portal, BSE Listing Centre (Listing Centre) and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited (NSE).

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchanges. An Internal Management Committee comprising the MD & CEO, the CFO and the Chief Legal Officer & Company Secretary has been constituted and empowered to decide on the materiality of information for the purpose of making disclosures to the stock exchanges.

The Policy on the above has been suitably modified and amended in line with the SEBI Listing Regulations effective from April 1, 2019.

Disclosures made to the Stock Exchanges are also made available on the Company's website under the heading 'Announcements' and can be accessed through weblink at [www.acclimited.com/an](http://www.acclimited.com/an).

Facility has been provided by SEBI for investors to place their complaints/grievances on a centralised web-based complaints redress system viz. SEBI Complaints Redress System (SCORES). The salient features of this system are: centralised database of all complaints, on-line upload of Action Taken Reports (ATRs) by the concerned companies and on-line viewing by investors of actions taken on the complaints and their current status.

A separate dedicated section under 'Corporate Governance' on the Company's website gives information on unclaimed dividends and details of shares transferred to Investor Education & Protection Fund Authority-Ministry of Corporate Affairs.

Quarterly Compliance Reports and other relevant information of interest to the Investors are also placed under the Corporate Governance Section on the Company's website.

The Company also uploads on the BSE Listing Centre and on NSE's NEAPS portal, details of analysts and institutional investor meetings, which are either held by the Company or in which the Company participates.

Reminders to shareholders are sent for enabling them to claim returned undelivered share certificates, unclaimed dividend, among others.

### **CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE**

Mr. Pramod Shah of M/s. Pramod Shah & Associates, Practicing Company Secretary, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory Authority. The certificate is enclosed with this section as **Annexure 1**.

### **Compliance with non-mandatory provisions**

The Company has been complying with the discretionary requirements as stipulated in Part E of Schedule II of the SEBI Listing Regulations which are as follows:

- The position of Chairman of the Board of Directors and that of MD & CEO are separate (this requirement has been deleted w.e.f. April 1, 2020 from Part E of Schedule II of the SEBI Listing Regulations).
- The Chairman's office is separate from that of the MD & CEO and that Company has not reimbursed the expenses incurred by him in performance of his duties.
- The audit report of the Company's Financial Statements for the year ended December 31, 2019 were unmodified.
- The Chief Internal Auditor of the Company reports directly to the Audit Committee.
- The Company follows a robust process of communicating with the shareholders which has been elaborated in the Report under the heading 'Means of Communication'.

### **GENERAL INFORMATION TO SHAREHOLDERS**

#### **Annual General Meeting**

<b>Date</b>	: Monday, April 6, 2020
<b>Time</b>	: 3.00 P.M.
<b>Venue</b>	: Pama Thadani Auditorium, Jai Hind College, A Road, Churchgate, Mumbai 400 020
<b>Financial Year</b>	: January-December 2019
<b>Dividend Payment Date</b>	: Thursday, April 9, 2020

## Investor services

With effect from September 16, 2019, with the approval of the Board of Directors, KFIN Technologies Private Limited have been appointed as the Registrar and Share Transfer Agents ('RTA' or 'Kfintech'). Advance intimation to this effect was provided to the stock exchanges as also to the investors through notices issued in leading newspapers.

In consequence of the above, the Company's In-house Share Department has been dismantled with effect from the above date. All share related services to the Company's investors with effect from September 16, 2019 are being provided by Kfintech.

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given to the Kfintech.

## Address for correspondence with the Company

KFIN Technologies Private Limited, Karvy Selenium, Plot Nos 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad 500032, Telangana.

## Communication to Members

Members who hold shares in dematerialised form should correspond with the Depository Participant with whom they maintain their Demat Account/s for queries relating to shareholding, updation of change of address, updation of bank details for electronic credit of dividend, non-receipt of annual reports or on matters relating to the working of the Company should be addressed to the Company's RTA viz. Kfintech.

Members who hold shares in physical form should address their requests to the Company's RTA for change of address, change in bank details, processing of unclaimed dividend, sub division of shares, renewal/split/consolidation of share certificates, issue of duplicate share certificates and such requests should be signed by the first named member, as per the specimen signature registered with the Company. The Company may also,

with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as proof of identity and/or address as considered appropriate in addition to the requirement of certified copies of PAN cards.

Members are requested to state their DPID & Client ID/Ledger Folio number in their correspondence with the Company and provide their email address and telephone number to facilitate prompt response from the Company.

Members may please note that with effect from April 1, 2019, shares held in physical form cannot be transferred. Members in their own interest are requested to have their physical holdings dematerialised through a Depository Participant by opening a demat account.

## Plant locations

The locations of the Company's plants are given on the inside cover page of the Annual Report. The details of the plants, along with their addresses and telephone numbers are also available on the Company's website at [www.acclimited.com](http://www.acclimited.com).

## Market information

### Listing on Stock Exchanges

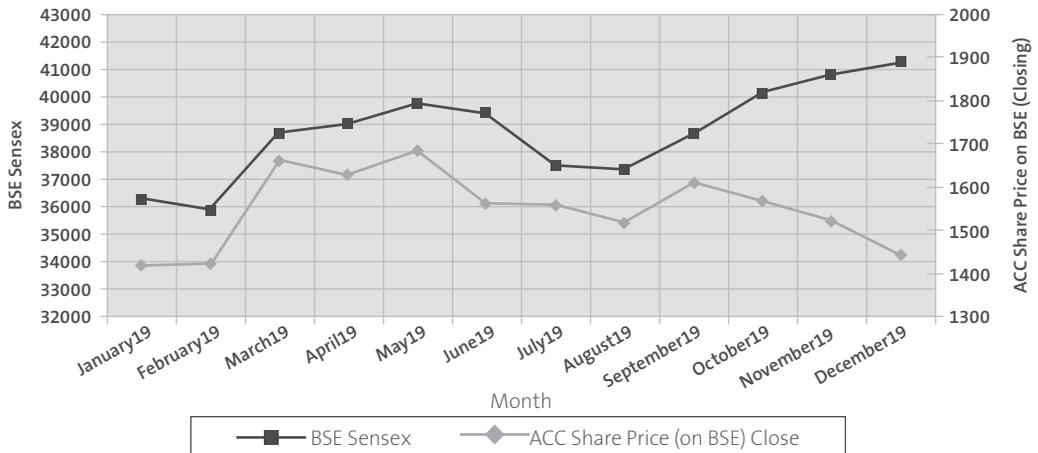
The Company's shares are listed on the following Stock Exchanges and the listing fees have been duly paid to the exchanges:

Name & Address of stock exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	500410	
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	ACC	INE012A010125

### ACC Share Price on BSE vis-à-vis BSE Sensex January-December 2019

Month	BSE Sensex Close	ACC Share Price			Number of shares traded during the month	Turnover (₹) Crore
		High (₹)	Low (₹)	Close (₹)		
January-19	36,256.69	1,519.00	1,339.00	1,420.40	907,022	130.47
February-19	35,867.44	1,457.25	1,325.00	1,421.70	926,178	129.12
March-19	38,672.91	1,675.00	1,418.00	1,661.00	1,212,131	188.85
April-19	39,031.55	1,721.10	1,570.85	1,629.40	934,870	153.95
May-19	39,714.20	1,768.40	1,540.85	1,684.95	914,111	149.9
June-19	39,394.64	1,736.75	1,470.00	1,561.65	943,414	149.24
July-19	37,481.12	1,647.30	1,481.45	1,559.65	1,209,652	190.7
August-19	37,332.79	1,616.20	1,442.00	1,518.90	717,298	109.74
September-19	38,667.33	1,707.70	1,423.05	1,610.30	896,155	138.63
October-19	40,129.05	1,625.85	1,417.00	1,568.80	739,190	111.74
November-19	40,793.81	1,590.00	1,462.75	1,521.70	1,123,070	169.31
December-19	41,253.74	1,547.45	1,401.85	1,444.65	954,658	139.38

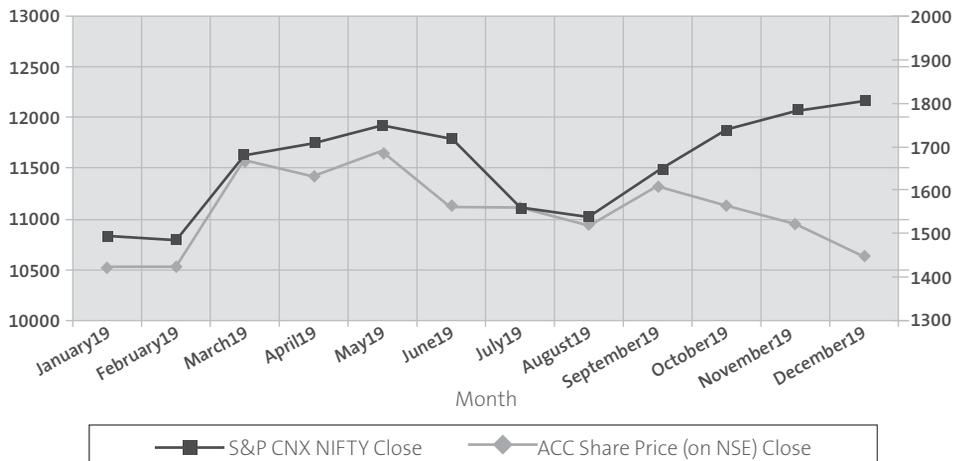
### ACC Share Price on BSE & BSE Sensex



## ACC Share Price on NSE vis-à-vis S&P CNX Nifty January-December 2019

Month	S&P CNX Nifty (Close)	ACC Share Price			Number of shares traded during the month	Turnover (₹) Crore
		High (₹)	Low (₹)	Close (₹)		
January-19	10,830.95	1,516.90	1,339.40	1,423.35	10,485,774	1,514.40
February-19	10,792.50	1,457.30	1,326.00	1,422.30	16,857,574	2,345.57
March-19	11,623.90	1,679.85	1,420.30	1,666.30	18,956,439	2,967.54
April-19	11,748.15	1,723.40	1,570.00	1,632.05	20,442,720	3,352.44
May-19	11,922.80	1,769.05	1,541.00	1,686.00	14,111,220	2,314.14
June-19	11,788.85	1,735.85	1,470.10	1,562.15	11,627,435	1,842.79
July-19	11,118.00	1,647.55	1,480.65	1,560.40	22,933,279	3,616.91
August-19	11,023.25	1,617.00	1,441.60	1,519.85	14,842,785	2,266.30
September-19	11,474.45	1,709.00	1,423.85	1,608.15	15,027,045	2,308.89
October-19	11,877.45	1,627.40	1,416.45	1,568.05	18,563,193	2,805.48
November-19	12,056.05	1,590.50	1,462.20	1,522.15	14,820,351	2,239.90
December-19	12,168.45	1,546.80	1,401.15	1,445.65	10,662,151	1,561.27

### ACC Share Price on NSE & S&P CNX NIFTY



## SHARE TRANSFER SYSTEM/DIVIDEND AND OTHER RELATED MATTERS

### Nomination facility for shareholding

In terms of the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA or download the same from the Company's website. Members holding shares in dematerialised form should contact their Depository Participants (DP) in this regard.

### Permanent Account Number

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy

of the PAN card of the transferor(s), transferee(s), surviving joint holders/legal heirs be submitted to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

### Subdivision of shares

The Company had subdivided the face value of its equity shares from ₹100 to ₹10 in 1999. Shares having the face value of ₹100 are no longer traded on the stock exchanges. Members still holding share certificates of ₹100 are requested to send the certificates to the Registrar and Share Transfer Agent of the Company for exchange with shares of the face value of ₹10 each.

## Dividend

### Payment of dividend through Automated Clearing House (ACH)

The Company provides the facility for direct credit of the dividend to the Members' Bank Account. The SEBI Listing Regulations also mandate companies to credit the dividend to the members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their bank account through the banks' ACH mode.

Members who hold shares in demat mode should inform their depository participant, whereas Members holding shares in physical form should inform Kfintech of the core banking account details allotted to them by their bankers. In cases where the core banking account details are not available, the Company will issue the demand drafts mentioning the existing bank details available with the Company.

### Unclaimed dividends

The Company is required to transfer dividends, which have remained unpaid/unclaimed for a period of seven (7) years from the date, the dividend is due for payment

The dates by which the dividend amounts will be transferred to IEPF are as under:

Financial Year	Date of Declaration	Rate of Dividend per share (₹)	Due date for transfer to IEPF
December 31, 2012 (75 <sup>th</sup> Final)	April 5, 2013	19.00	June 9, 2020
December 31, 2013 (76 <sup>th</sup> Interim)	July 25, 2013	11.00	September 28, 2020
December 31, 2013 (76 <sup>th</sup> Final)	April 9, 2014	19.00	June 13, 2021
December 31, 2014 (77 <sup>th</sup> Interim)	July 24, 2014	15.00	September 27, 2021
December 31, 2014 (77 <sup>th</sup> Final)	March 20, 2015	19.00	May 24, 2022
December 31, 2015 (78 <sup>th</sup> Interim)	July 17, 2015	11.00	September 20, 2022
December 31, 2015 (78 <sup>th</sup> Final)	April 13, 2016	06.00	June 17, 2023
December 31, 2016 (79 <sup>th</sup> Interim)	July 26, 2016	11.00	September 29, 2023
December 31, 2016 (79 <sup>th</sup> Final)	March 29, 2017	06.00	June 2, 2024
December 31, 2017 (80 <sup>th</sup> Interim)	July 17, 2017	11.00	September 21, 2024
December 31, 2017 (80 <sup>th</sup> Final)	June 13, 2018	15.00	August 18, 2025
December 31, 2018 (81 <sup>st</sup> Final)	March 22, 2019	14.00	May 27, 2026

### Transfer of the 'shares' into Investor Education and Protection Fund (IEPF) (in cases where dividend has not been paid or claimed for seven (7) consecutive years or more)

In terms of Section 124(6) of the Act read with Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, and

to the Investor Education & Protection Fund ('IEPF') established by the Government. Accordingly, during the financial year 2020, unclaimed dividends pertaining to the following periods will be transferred to IEPF:

- 75<sup>th</sup> final dividend for the year ended December 31, 2012.
- 76<sup>th</sup> interim dividend for the year ended December 31, 2013.

Before transferring the unclaimed dividends to IEPF, individual letters are sent to those Members whose unclaimed dividends are due for transfer to enable them to claim the dividends before the due date for such transfer. The information on unclaimed dividend is also posted on the Company's website at [www.acclimited.com](http://www.acclimited.com).

In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, the bankers to the dividend accounts opened by the Company for the earlier years have credited back the amount of dividend lying unpaid beyond the validity period into the relevant bank accounts. The Company is in the process of reconciling the above accounts for necessary action.

Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unpaid/unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company has transferred the required number of shares to the IEPF.

## Guidelines for investors to file claim in respect of the unclaimed dividend or shares transferred to the IEPF

Investors/depositors whose unpaid dividends, matured deposits or debentures etc. have been transferred to IEPF under the erstwhile Companies Act, 1956 and/or the Act, can claim the amounts. In addition, claims can also be made in respect of shares which have been transferred into the IEPF, as per the procedures/guidelines stated as follows:

- i. Download the Form IEPF-5 from the website of IEPF ([www.iepf.gov.in](http://www.iepf.gov.in)) for filing the claim for the refund of dividend/shares. Read the instructions provided on the website/instruction kit, along with the e-form carefully, before filling the form.
- ii. After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the website. On successful uploading, and acknowledgment will be generated indicating the SRN. Please note down the SRN details for future tracking of the form.
- iii. Take a print out of the duly filled Form No. IEPF-5 and the acknowledgment issued after uploading the form.
- iv. Submit an indemnity bond in original, copy of the acknowledgment and self-attested copy of e-form, along with other documents as mentioned in the Form No. IEPF-5 to the Nodal Officer of the Company at its Registered Office in an envelope marked 'Claim for refund from IEPF Authority/Claim for shares from IEPF' as the case may be. Kindly note that submission of

documents to the Company is necessary to initiate the refund process.

- v. Claim forms completed in all respects will be verified by the concerned Company and on the basis of Company's Verification Report, refund will be released by the IEPF Authority in favour of claimants' Aadhar-linked bank account through electronic transfer and/or the shares shall be credited to the demat account of the claimant, as the case may be.

The Nodal Officer of the Company for IEPF Refunds Process is Mr. Rajiv Choubey, Chief Legal Officer & Company Secretary and the Deputy Nodal Officers are Mr. Naresh Motiani and Mr. Nixon Rebello whose e-mail ids are [naresh.motiani@acclimited.com](mailto:naresh.motiani@acclimited.com) and [nixon.rebello@acclimited.com](mailto:nixon.rebello@acclimited.com), respectively.

## Dealing with securities which have remained unclaimed

Regulation 39(4) of the SEBI Listing Regulations read with Schedule VI 'Manner of dealing with Unclaimed Shares', had directed Companies to dematerialise such shares, which have been returned as 'undelivered' by the postal authorities and hold these shares in an 'Unclaimed Suspense Account' to be opened with either one of the Depositories viz. National Securities Depository Limited (NSDL) or Central Depository Services Ltd. (CDSL).

All corporate benefits on such shares viz. bonus, dividend etc. shall be credited to the unclaimed suspense account as applicable for a period of seven (7) years and thereafter be transferred in accordance with the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules) read with Section 124(6) of the Act.

The details of operations of the demat 'Unclaimed Suspense Account' of ACC Limited during the year are as under:

Particulars	Number of shareholders	Number of shares
Aggregate number of shareholders and outstanding shares held in the Unclaimed Suspense Account as on January 1, 2019	610	1,15,934
Number of shareholders/legal heirs to whom the shares were transferred from the Unclaimed Suspense account upon receipt and verification of necessary documents	11	3,160
Number of shareholders whose shares were transferred from the Unclaimed Suspense Account to IEPF authority MCA Demat Suspense Account	54	44,369
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Account as on December 31, 2019	545	*68,405

\*Voting Rights in respect of the aforesaid 68,405 shares held in the Unclaimed Suspense Account are frozen till the time such shares are claimed by the concerned shareholders and the shares are re-transferred in their names

During the year under review, 53 claimants have lodged the claims with the Company for transfer of shares from Unclaimed Suspense Account maintained by the Company reclaiming in the aggregate to 14,860 equity shares, out of which request of 42 claimants aggregating to 11,700 equity shares were pending on December 31, 2019 for want of necessary documentation from these claimants.

### Pending investors' grievances

Any Member whose grievance has not been resolved satisfactorily by Kfintech, may kindly write to the Chief

Legal Officer & Company Secretary at the Registered Office with a copy of the earlier correspondence, if any.

### Reconciliation of share capital audit

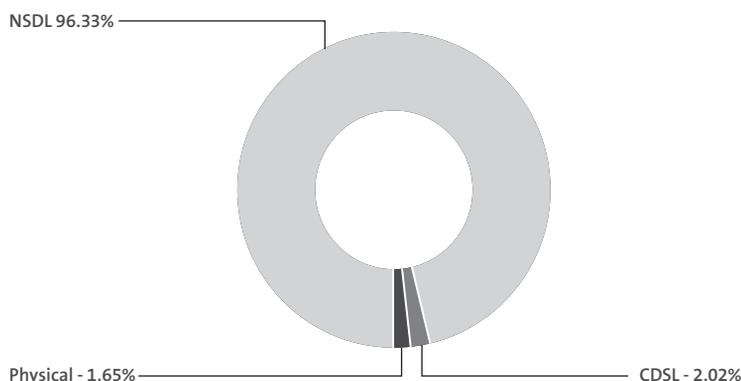
As required by the SEBI, quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Auditor's Certificate in regard to the same is submitted to BSE Limited and the NSE and is also placed before the Stakeholders' Relationship Committee and the Board of Directors.

### Distribution of shareholding as on December 31, 2019

Number of shares slab	Number of share holders	%	Number of Shares							% of share capital
			Physical	% of share capital	NSDL	% of share capital	CDSL	% of share capital	Total number of shares	
1-50	64,909	62.49	1,39,226	0.07	6,78,925	0.36	3,02,979	0.16	11,21,130	0.60
51-100	13,020	12.53	1,45,374	0.08	6,97,521	0.37	2,27,558	0.12	10,70,453	0.57
101-200	9,382	9.03	2,27,171	0.12	9,24,173	0.49	2,62,387	0.14	14,13,731	0.75
201-500	8,375	8.06	4,31,004	0.23	18,85,629	1.00	4,53,998	0.24	27,70,631	1.48
501-1000	4,004	3.85	3,98,701	0.21	20,63,620	1.10	4,50,940	0.24	29,13,261	1.55
1001-5000	3,418	3.29	8,67,423	0.46	50,64,811	2.70	10,05,561	0.54	69,37,795	3.69
5001-10000	360	0.35	2,44,274	0.13	19,23,285	1.02	3,69,262	0.20	25,36,821	1.35
> 10000	410	0.39	6,38,605	0.34	16,76,64,593	89.28	7,20,243	0.38	16,90,23,441	90.01
<b>Total</b>	<b>1,03,878</b>	<b>100.00</b>	<b>30,91,778</b>	<b>1.65</b>	<b>18,09,02,557</b>	<b>96.33</b>	<b>37,92,928</b>	<b>2.02</b>	<b>18,77,87,263</b>	<b>100.00</b>

The Company has entered into agreements with both NSDL and CDSL whereby shareholders have an option to dematerialise their shares with either of the depositories.

### Distribution of shareholding as on December 31, 2019

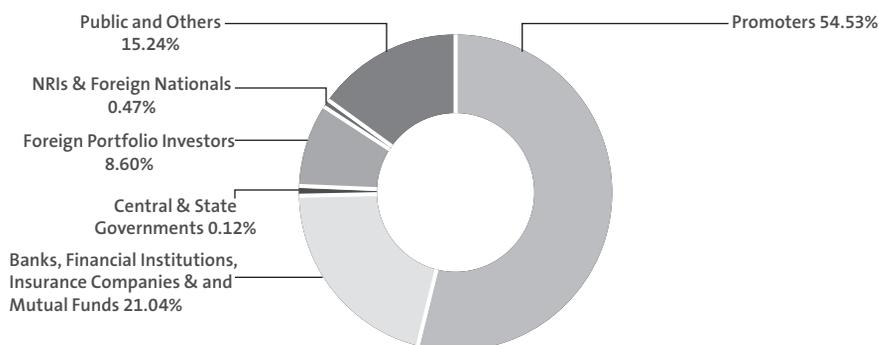


## Shareholding pattern as on December 31, 2019

Category	Number of shares held	Percentage	
Promoter:			
Ambuja Cements Limited	9,39,84,210	50.05	54.53
Holderind Investments Limited	84,11,000	4.48	
Banks, Financial Institutions, Insurance Companies & Mutual Funds			
Banks/Financial Institutions	1,27,40,293	6.78	21.04
Insurance Companies	19,84,118	1.06	
Mutual Funds	2,47,95,647	13.20	
Central & State Governments	2,31,620	0.12	8.60
Foreign Portfolio Investors	1,61,45,603	8.60	
NRIs/Foreign Nationals	8,79,595	0.47	0.00
Directors	0	0.00	
Public and Others	2,86,15,177	15.24	
<b>Total</b>	<b>18,77,87,263</b>	<b>100.00</b>	

Pursuant to the amalgamation of Holcim (India) Private Ltd. with Ambuja Cements Limited with effect from August 12, 2016, all the assets of Holcim (India) Private Ltd., including the shares held by them in the Company, are now held by Ambuja Cements Limited.

### Distribution of shareholding as on December 31, 2019



### Statement showing shareholding of more than 1% of the capital as on December 31, 2019

Sr. No.	Name of the shareholders	Number of shares	Percentage of Share Capital (%)
1	Ambuja Cements Limited (Promoter)	93984210	50.05
	Holderind Investments Limited (Promoter)	8411000	4.48
2	Life Insurance Corporation of India	10679857	5.69
3	Franklin India Bluechip Fund	6150000	3.27
4	Aditya Birla Sun Lite Trustee Limited A/c Aditya Birla Sun Life Resurgent India Fund – Series 4	3569260	1.90
5	ICICI Prudential Equity Arbitrage Fund	2381457	1.27
	<b>Total</b>	<b>125175784</b>	<b>66.66</b>

**Global Depository Receipts (GDR) or any convertible instrument, conversion dates and likely impact on equity:** NIL

### Commodity price risk or foreign exchange risk and hedging activities

The Company has Fx exposure for both revenue and capex items. However, the Company has in place a Board-approved Fx Hedging Policy to deal with such exposures.

### Particulars of past three (3) Annual General Meetings

AGM	Financial Year	Venue	Date	Time	Special Resolutions passed
83 <sup>rd</sup>	Calendar Year 2018	Pama Thadani Auditorium Jai Hind College, "A" Road Churchgate (West) Mumbai 400 020	March 22, 2019	3.00 P.M.	Re-appointment of Independent Directors for a second term of five consecutive years commencing from the dates on which their present appointment with the Company expires
82 <sup>nd</sup>	Calendar Year 2017	Birla Matushri Sabhagar, 19,	June 13, 2018	3.00 P.M.	No Special Resolution was passed
81 <sup>st</sup>	Calendar Year 2016	Sir Vithaldas Thackersey Marg, Mumbai 400 020	March 29, 2017	3.00 P.M.	No Special Resolution was passed

### Extraordinary General Meeting (EGM)

No Extraordinary General Meeting was held during the period under reference.

### Details of resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern: NIL

### Financial Calendar 2020

Board meeting for consideration of accounts for the Financial Year ended December 31, 2019 and recommendation of dividend	February 7, 2020
Posting of Annual Reports	On or before March 11, 2020
Record Date	March 30, 2020
Last date for receipt of Proxy Forms	April 4, 2020 before 3.00 P.M.
Date, Time and Venue of the 84 <sup>th</sup> Annual General Meeting	Monday, April 6, 2020 at 3.00 P.M. Pama Thadani Auditorium, Jai Hind College, A Road, Churchgate, Mumbai 400 020
Dividend Payment Date	April 9, 2020
Probable date of dispatch of warrants	On or before April 8, 2020
Board meeting for consideration of unaudited quarterly results for the financial year ended December 31, 2020	Within forty five (45) days from the end of the quarter, as stipulated under the SEBI Listing Regulations
Audited Results for the current financial year ending December 31, 2020	Within sixty (60) days from the end of the last quarter, as stipulated under the SEBI Listing Regulations

The Board in its Meeting held on February 7, 2020 has approved the Report on Corporate Governance for the financial year 2019. The said Report on Corporate Governance for the financial year 2019 has undergone a change only to the extent of change in directorships on the Board of the Company in the Board Meeting held on February 20, 2020.

For and on behalf of the Board

**N. S. Sekhsaria**  
Chairman

Mumbai  
February 20, 2020

## Compliance with Code of Conduct

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended December 31, 2019.

For ACC Limited

**Neeraj Akhoury**  
Managing Director & Chief Executive Officer

Mumbai  
February 07, 2020