

ANNEXURE - A

CSR POLICY STATEMENT

(APPROVED BY THE BOARD OF DIRECTORS ON DECEMBER 8, 2015)

Our vision is to be one of the most respected companies in India, delivering superior and sustainable value to all our customers, business partners, shareholders, employees, and host communities.

Our CSR initiatives focus on the holistic development of our host communities while creating social, environmental and economic value to society.

To pursue these objectives we will continue to:

- Uphold and promote the principles of inclusive growth and equitable development.
- Devise and implement Community Development Plans based on the needs and priorities of our host communities and measure the effectiveness of such development programmes
- Work actively in the areas of Livelihood advancement, Enhancing employability and Income Generation, Improving Quality and reach of Education, Promoting Health and Sanitation, conserving the Environment and supporting local Sports, Arts and Culture
- Collaborate with like-minded bodies such as Governments, Civil Society Organisations and Academic Institutions in pursuit of our Goals.
- Interact regularly with stakeholders, review and publicly report our CSR initiatives.

ANNEXURE - A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR Policy is stated herein below:

Web link: <http://www.acclimited.com/source/new/csr/CSR-Policy-finalised-after-28Nov2016-Board-CSR-Committee-meeting.pdf>

2. The Composition of the CSR Committee:

Mr. Shailesh Haribhakti,
Chairman (Independent Director)

Ms. Falguni Nayar,
Member (Independent Director)

Mr. Farrokh K Kavarana,
Member (Independent Director)

Mr. Harish Badami,
Member (Executive Director, CEO and MD)

3. Average net profit of the company for last three financial years.

Years	2015	2014	2013
Net Profit (₹ in Cr)	812.76	1,155.90	1252.44

Average net profit of the company for last three financial years is ₹ 1073.7 Cr.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

₹. 21.47 Cr

5. Details of CSR spent for the financial years.

- a) Total amount to be spent for the financial year;

₹. 21.47 Cr

- b) Amount unspent, if any;

Not Applicable

- c) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ in Crore)	Amount Spent on the project or programs (₹ in Crore) Sub – Heads: 1. Direct Expenditure on Projects or parishad 2. Overheads**	Cumulative Expenditure upto reporting period (₹ in Crore)	Amount Spent: Direct or through implementation agency (₹ in Crore)
1.	ACC DISHA	Youth Employability (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhattisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Bellary (Karnataka), Chikkaballapur (Karnataka), Gulbarga(Karnataka), Coimbatore (Tamil Nadu) and Erode (Tamil Nadu)	4.86	2.80	2.80	2.80

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ in Crore)	Amount Spent on the project or programs (₹ in Crore) Sub – Heads: 1. Direct Expenditure on Projects or parishad 2. Overheads**	Cumulative Expenditure upto reporting period (₹ in Crore)	Amount Spent: Direct or through implementation agency (₹ in Crore)
2.	ACC- LEISA	Sustainable Agriculture (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka) and Coimbatore (Tamil Nadu)	2.43	3.81	3.81	3.81
3.	ACC - Swavlamban	Women Empowerment (Schedule VII – (iii) Promoting gender, equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	3.24	2.26	2.26	2.26
4.	ACC Vidya Utkarsh	Quality Education (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), Shrawasti (Uttar Pradesh), Shahazanhapur (Uttar Pradesh), Jaunpur (Uttar Pradesh), Mirzapur (Uttar Pradesh), Mewat (Haryana), Sirmaur (Himachal Pradesh), Sheopur (Madhya Pradesh), Rudraprayag (Uttarakhand), Alwar (Rajasthan), and Coimbatore (Tamil Nadu)	4.86	4.13	4.13	4.13

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ in Crore)	Amount Spent on the project or programs (₹ in Crore) Sub – Heads: 1. Direct Expenditure on Projects or parishad 2. Overheads**	Cumulative Expenditure upto reporting period (₹ in Crore)	Amount Spent: Direct or through implementation agency (₹ in Crore)
5.	ACC Vidya Saarathi	Scholarship and support (Schedule VII – (ii) Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement project)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	1.62	0.38	0.38	0.38
6.	ACC-Arogyam	Health (Schedule VII – (i) Eradicating hunger poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	2.43	2.67	2.67	2.67
7.	ACC - Sampoon Swachhata	Sanitation (Schedule VII – (i) Eradicating hunger poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), Coimbatore (Tamil Nadu)	2.43	3.70	3.70	3.70

Sr. No.	CSR Project/ Activities	Sector	Locations - Districts (States)	Amount Outlay (Budget) Project or Program wise (₹ in Crore)	Amount Spent on the project or programs (₹ in Crore) Sub – Heads: 1. Direct Expenditure on Projects or parishad 2. Overheads**	Cumulative Expenditure upto reporting period (₹ in Crore)	Amount Spent: Direct or through implementation agency (₹ in Crore)
8.	ACC Sanrakshit Paryavaran	Conservation of Environment (Schedule VII – (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;)	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), Coimbatore (Tamil Nadu) Aurangabad (Maharashtra) and Beed (Maharashtra)	0.81	1.89	1.89	1.89
9.	ACC -Drona	Promoting Local, Arts and Culture (Schedule VII – (vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports) (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;	Bilaspur (Himachal Pradesh), Katni (Madhya Pradesh), Bundi (Rajasthan), Gauriganj (Uttarpradesh), Bargarh (Odisha), West Singhbhum (Jharkhand), Purulia (West Bengal), Durg (Chhatisgarh), Dhanbad (Jharkhand), Chandrapur (Maharashtra), Yavatmal (Maharashtra), Gulbarga (Karnataka), Bellary (Karnataka), Chikkaballarpur (Karnataka), and Coimbatore (Tamil Nadu)	0.81	0.63	0.63	0.63
TOTAL				23.49	22.27	22.27	22.27

* Details of some of the implementing agencies –

1. ACC MAVIM Loksanchalit Sadhan Kendra - CMRC- Ghugus, 2. Agranee Jan Kalyan Anusthan, 3. Akruiti Rural Development Trust, 4. Amhi Amchya Arogyasathi, 5. Patang, Sambalpur, Odisha, 6. CENTUM Foundation, New Delhi, 7. Count India, 8. Sneh Sarvodaya Seva Sangh, 9. Sadbhavna Seva Evam Shiksha Sansthan, Allahabad 10. Dehat (Developmental Association for Human Advancement) Bahraich, 11. Dilasa Janvikas Pratishthan, Aurangabad, 12. Forum for Rural Development (FORD), 13. Jharkraft, Ranchi, Jharkhand 14. HARITIKA, 15. Himachal Pradesh Voluntary Health Association (HPVHA), Shimla, 16. Billimoria Foundation, Mumbai 17. IIMPACT, New Delhi, 18. PHIA Foundation, Ranchi, Jharkhand 19. Jan Mangal Sansthan, 20. Jan Sevak Samiti, Bhilai, 21. DEEDS, 22. Lokakalyan Parishad, 23. Mahashakti Foundation, 24. Mahatma Gandhi Integrated development and Education Institute, Bandikui, Rajasthan, 25. Naad Gunjan Kala Parishad, 26. Manthan Yuva Kendra, Ranchi, Jharkhand 27. Pancham Research and Bio tech Sansthan , Lucknow, 28. SANSKAR, 29. Sarva Seva Samiti Sanstha, 30. SATTVA Media and

consulting Pvt. Ltd, Bangalore, 31. SEEDS, 32. Self reliant initiatives through joint action (SRIJAN), 33. SERDS, Kadirannagari Palli, Bagepalli Tal, 34. Centre for Rural Developmental Trust, Karura, Tamil nadu, 35. Udyogini, 36. WESTRIC TRUST, 37 Loka Kalyan Parishad, 38. Shelter Trust, Namakkal, Tamil Nadu, 39. Saraswathi Women Educational Service Training Improvement Centre, Dindigul, Tamil Nadu, 40. Pratham Books, New Delhi 41. Vision Springs, New Delhi, 42. MART, NOIDA, Uttar Pradesh, 43. Innovative Development Solution.

** Company has spent overheads in addition of ₹ 22.27 Crore.

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its board report.

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objective and Policy of the company.

ACC CSR projects were designed, implemented and periodically monitored based on need assessment reports and CSR Policy of the Company, which in turn is based on and implemented with statutory requirements.

<p>Sd/</p> <p>HARISH BADAMI CEO and Managing Director</p>	<p>Sd/</p> <p>SHAILESH V. HARIBHAKTI Chairman, CSR Committee</p>
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ANNEXURE ‘B’ TO BOARD’S REPORT

CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND MEMBERS OF THE EXECUTIVE COMMITTEE

The Nomination & Remuneration Committee plays an important role in ensuring that there is a formal and transparent process for appointment to the Board of Directors and is, inter alia, responsible for identifying potential candidates for appointment as Directors. The Committee takes into account the Board’s existing composition vis-a-vis the need to have a broad based and diverse Board commensurate with the size and complexity of the Company’s operations. This ensures that the Company gets the maximum benefit from the contributions and deliberations of an accomplished and diverse group of individuals and professionals, that issues are discussed from different angles fostering creativity in the Board’s decision making process as well as provide for comprehensive strategic planning and effective risk management at the highest level.

Some of the important criteria considered by the Nomination & Remuneration Committee in identifying candidates for appointment as Directors are:

- a. selection of candidates from a wide cross section of industries and professional backgrounds, qualifications, expertise and experience of the candidate, their domain and functional knowledge in the fields of manufacturing, marketing, finance, taxation, law, governance and general management so as to enable the Board to discharge its function and duties effectively;
- b. in case of recommendation for appointment of Independent Directors, the Nomination & Remuneration Committee shall also satisfy itself with regard to the independent nature of the Director vis-à-vis the Company;
- c. the candidates identified for appointment as Directors should not be disqualified for appointment under Section 164 of the Act;
- d. the following attributes / criteria will be considered whilst recommending the candidature for appointment as Director:
 - i. age of the candidate;
 - ii. integrity of the candidate;
 - iii. personal, Professional or Business Standing;
 - iv. diversity of the Board;
 - v. positive attributes of the candidate;
 - vi. in case of re-appointment of Non-Executive Directors, the Nomination & Remuneration Committee whilst making its recommendation to the Board of Directors, shall take into consideration the performance evaluation of the Director and his engagement level.

The Nomination & Remuneration Committee shall meet potential candidates to assess their level of competence, experience and their personal and other positive attributes before making its recommendation to the Board.

For the purpose of assessing the attributes of the candidate, the Committee shall, inter alia, take into consideration whether the candidate demonstrates:

- high standards of ethical behaviour;
- positive disposition, good interpersonal and communication skills;
- ability to think independently without being influenced by extraneous circumstances or consideration;
- capability to act with reasonable care, in good faith and in the best interests of the Company and its stakeholders;
- ability to devote time and attention for the business and governance of the Company;
- refrain from situations that may have a direct or indirect conflict of interest with those of the Company;
- acceptance to abide by the Company’s Code of Business Conduct.

The Board of Directors (including the Nomination & Remuneration Committee) periodically review vacancies likely to occur on the completion of the tenure of Non-Executive Directors for timely filling of such vacancies.

In the selection of the CEO&MD, the Nomination & Remuneration Committee identifies persons of integrity who possess relevant expertise and experience, domain and functional knowledge required for such office and who demonstrate positive attributes as explained above. The ability of the candidate to adapt to the organizational culture and ethos are also considered. The Committee also ensures that the identified

candidate is not disqualified for appointment as a Director. In this regard, the Committee also takes into consideration the recommendations received from any Member of the Committee / Board of Directors. In case of appointment of persons to the Executive Committee, the Nomination & Remuneration Committee considers the recommendation of the CEO&MD in this regard, who shall base his recommendation on the assessment of the qualifications, expertise and experience functional knowledge and skills of the candidate, his/her positive attributes and the ability and agility of the candidate to adapt to the overall organizational culture and ethos

ANNEXURE 'C' TO BOARD'S REPORT

POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND MEMBERS OF THE EXECUTIVE COMMITTEE

Remuneration Philosophy

The collective responsibility of the Board of Directors is the guiding principle in determining the compensation for Non-Executive Directors, whilst at the same time recognizing and adequately compensating the Chairman of the Board of Directors, the Chairman of the Audit Committee and Members of the Audit Committee and Compliance Committee for the additional responsibilities shouldered by them. The Chairman of the Board is required to provide leadership and balance conflicts of interest, if any, so that decisions are taken in the best interests of the Company and to ensure highest standards of governance. Likewise, the Members of the Audit Committee and the Compliance Committee have the onerous responsibility to respectively ensure adequacy of internal controls, robustness of financial policies and accounting principles and compliance with applicable laws. The Members of the Audit Committee and the Compliance Committee and particularly the Chairman of the Audit Committees is required to spend considerable time for providing guidance to the Management in dealing with major issues.

Remuneration

The remuneration of the Non-Executive Directors is determined within the limits prescribed under Section 179 read with the rules framed thereunder and Schedule V to the Companies Act, 2013 (hereinafter collectively referred to as "the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations").

The Non-Executive Directors of the Company receive remuneration by way of sitting fees for attending the Board / Committee Meetings and commission as detailed hereunder:

- i. sitting fees for each meeting of the Board or Committee of the Board attended by the Director, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act;
- ii. subject to the approval of the Members in General Meeting, payment of commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Nomination & Remuneration Committee, subject to the ceiling prescribed under the Act. Pursuant thereto, the total commission payable to the Directors shall not exceed 1% of the net profit of the Company;
- iii. the commission is generally paid on a uniform basis, to reinforce the principles of collective responsibility of the Board;
- iv. the Nomination & Remuneration Committee may recommend a higher commission for the Chairman of the Board of Directors, taking into consideration his overall responsibility;
- v. in determining the quantum of commission payable to the Directors, the Nomination & Remuneration Committee shall make its recommendation after taking into consideration the overall performance of the Company and having regard to the onerous responsibilities required to be shouldered by the Director etc.
- vi. the Nomination & Remuneration Committee may recommend to the Board, for the payment of an additional commission to those Directors who are Members on the Audit Committee and the Compliance Committee of the Board, subject to a ceiling on the total commission payable as may be decided;
- vii. in addition to the remuneration paid under Clause (ii) and (vi) above, the Chairman of the Audit Committee shall be paid an additional commission, as may be recommended to the Board by the Nomination & Remuneration Committee;
- viii. the commission shall be payable on a prorata basis to those Directors who occupy office for part of the year;
- ix. the Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

The CSR Committee has decided not to accept any sitting fees and pursuant thereto, no sitting fees are paid to the Members of the CSR Committee for attending CSR Committee Meetings

Remuneration Policy for the Chief Executive Officer & Managing Director (CEO&MD) and Executive Committee Members

The Company’s compensation philosophy for the CEO&MD and the Executive Committee Members is broadly guided by the fact that the Company gains a competitive advantage in attracting, retaining and motivating talent. This can be ensured by providing a remuneration structure which when benchmarked with comparable companies within the industry / sector compares favourably so as to attract talent. At the same time the reward proposition is linked to the overall company’s performance, individual performance, employee’s potential, criticality of the function and its importance for achieving a competitive advantage in business.

Remuneration Policy for the CEO&MD

- i. The CEO&MD shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the CEO&MD, within the overall limits prescribed under the Act.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the CEO&MD shall be broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component viz. performance bonus and other long term incentives.
- iv. in determining the remuneration the Nomination & Remuneration Committee shall consider the following:
 - a. the relationship between remuneration and performance;
 - b. balance between fixed and incentive pay reflecting short and long term performance

objectives appropriate to the working of the Company and its goals;

- c. responsibility required to be shouldered by the CEO&MD, the industry benchmarks and current trends;
- d. the Company’s performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.
- e. in keeping with best industry practices, to ensure that the remuneration is competitive and that it compares favourably with the Industry.

Remuneration Policy for the Key Managerial Personnel and the Executive Committee Members

- i. In determining the remuneration of the Key Managerial Personnel (KMP) and Executive Committee Members, the Nomination & Remuneration Committee shall consider the following:
 - a. the relationship between remuneration and performance;
 - b. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - d. the remuneration including annual increment and performance bonus, is decided based on the criticality of the roles and responsibilities, the Company’s performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs/KPIs, industry benchmarks and current compensation trends in the market.
- ii. The CEO&MD will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the Nomination & Remuneration Committee for its review.

ANNEXURE 'D' TO BOARD'S REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members,
ACC Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ACC Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the year ended December 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended December 31, 2016 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the Rules made there under;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (4) Foreign Exchange Management Act, 1999 and the Rules and regulations made there under;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, as amended from time to time;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, as amended from time to time;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS – 1 and SS – 2);
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that

The Board of Directors of the Company appointed MD and CEO (Designate) as an Additional Director on December 16, 2016 due to which the number of Independent Directors were less than that required under the said Regulation from that date till December 31, 2016 by one Director. However, the Company has a period of ninety days to restore the Composition of the Board of Directors in accordance with the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board Meetings were carried unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure I.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs.

ANNEXURE I

To,
The Members
The ACC Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Pramod S. Shah & Associates
(Practising Company Secretaries)

Place: Mumbai
Date: 25/01/2017

Pramod Shah-Partner
Pramod S. Shah & Associates
FCS No.: 334
C P No.: 3804

ANNEXURE II

- (1) Employees Provident Fund Act, 1952 and Rules;
- (2) Professional Tax Act, 1975 and Rules;
- (3) Payment of Gratuity Act, 1972;
- (4) Apprentices Act, 1961;
- (5) Contract Labour (R&A) Act, 1970;
- (6) Employment Exchanges (Compulsory Notification of vacancies) Act, 1959;
- (7) Employees State Insurance Act, 1947;
- (8) Equal Remuneration Act, 1976;
- (9) Income Tax Act, 1961;
- (10) Minimum Wages Act, 1948;
- (11) Payment of Bonus Act, 1965;
- (12) Shops & Establishment Act, 1948;
- (13) Finance Act, 2015;
- (14) Employees Provident Fund & Miscellaneous Provisions Act, 1952.

Pramod S. Shah & Associates
(Practising Company Secretaries)

Place: Mumbai
Date: 25/01/2017

Pramod Shah-Partner
Pramod S. Shah & Associates
FCS No.: 334
C P No.: 3804

ANNEXURE 'E' TO BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A1) POWER COST OPTIMISATION

The impact of increasing electrical energy cost was reduced by increased consumption of Open Access power from comparatively cheaper sources. Mix of Open Access power to grid power has been increased from 3% to around 25% at Gagal; from 65% to 93.5% at Thondebhavi; and from 59% to 84% at Kudithini. This resulted in total saving of ₹ 19 Cr. in power cost.

(A2) RENEWABLE POWER OBLIGATION

Your company is trying to reduce the cash outflow for purchase of RECs against Renewable Power Obligation.

The captive wind power generation sources contributed considerably in this front. Besides this, company has sourced 1.67 million units at Gagal to fulfil the Non Solar RPO. This resulted in an additional saving of ₹ 1.2 million in cash outflow.

(A3) CONSERVATION OF ENERGY

The specific energy consumption during the year was vastly impacted by adverse market conditions resulting in reduced capacity utilisation and use of low cost fuel like pet coke and reduction in % of blended cement. However substantial efforts were done by plants to reduce the negative impacts.

Energy conservation and efficiency measures were undertaken in various areas of the cement manufacturing and Captive Power Plants (CPPs), mainly through Operational measures. Few highlights are as under:

- Capacitor banks have been added to the system across ACC plants to improve plant power factor and also to reduce harmonics.
- ACC Chanda was adjudged as Excellent Energy Efficient units by Confederation of Indian Industries (CII), supported by BEE for best practices in energy conservation
- **Plant wise briefs are as under**
 - Lakheri - Conventional burner was replaced by Duoflex burner in Kiln, besides introduction of variable speed drives for cooler and Crusher Bag House Fan.
 - Chanda - Computational Fluid Dynamics study carried out and mitigation measures taken to reduce pressure drop across coal mill outlet duct.
 - Kymore - Computational Fluid Dynamics study carried out for Kiln 2 bag House and mitigation measures taken to improve flow distribution and reduce pressure drop across the bag house.
 - Gagal – Installed energy efficient Turbo blowers in both Kiln burners besides replacing the K2 burner with Pyro-jet burner; VRM throughput was increased from 280 to 330 TPH by reduction of feed size and accordingly modifying the mill internals; replaced Preheater fan with Energy Efficient fan; Pressure drop across Raw Mill VRM of Gagal 2 and Preheater Cyclones at Gagal 1 was reduced by taking mitigation action through Computational Fluid Dynamics study; converted Cement Mill-3 into mono-chamber mill; replaced reciprocating type compressors with energy efficient screw compressors.
 - Wadi – installed tertiary Air Damper for improvement of thermal energy consumption in Kiln 4; modified coal circuit to increase Coal
- Focus on arresting leakages and pressure drops through Computational Fluid Dynamics (CFD) study
- Detailed CPP audits at Chanda and Bargarh,
- Upgradation of control system

Handling Plant out from 80 TPH to 130 TPH for its Captive Power Plant.

- Tikaria – converted twin chamber cement mills to mono chamber with change in feeding arrangement of pre-grinder output.
- Thondebhavi – High efficiency screw compressor was installed to replace existing compressor.
- Kymore - installed Medium Voltage Variable Speed Drive for Preheater fan line-1; replaced Kiln Shell for improvement of thermal energy consumption for line-2;
- Bargarh – Improved Coal Mill productivity from 7.5 TPH to 12.5 TPH by modifications in Liner, thereby improving Kiln productivity; Installed new roller in Slag VRM to improve grinding efficiency.

Green power

- ACC Renewable Energy Portfolio consists of 19 MW in the form of Wind Farms across 3 states and has generated approx 36.51 Million Units of green power. (Rajasthan - 12.47 Million Units, Tamilnadu – 19.92 Million Units, Maharashtra – 4.12 Million units).
- These units helped ACC to meet the Renewable Purchase Obligation (Non Solar) for Madukkarai Plant (TN) & Lakheri Plant (Rajasthan) fully, besides getting power at a very cheaper cost.

In Maharashtra, ACC Thane complex and Bulk Cement Corporation of India, Kalamboli are operating mainly on renewable energy with negligible cost through the ACC wind turbines at Satara, Maharashtra. Besides these, the Renewable Energy Certificates (RECs) generated through the Wind Turbine Generators were used to partly trade off the Non Solar Renewable Power Obligation of Tikaria plant, resulting substantial saving in cash outflow of more than ₹ 42 Lakhs.

- The Renewable Power Obligations of other plants were met by purchasing Renewable Energy Certificates. (Solar & Non Solar).

(a) Additional Proposals being implemented for further conservation of energy

- Process optimisation
- Upgradation of existing fans with high efficiency fans
- Installation of VSDs.

(b) Impact of the above measures for reduction of energy consumption and consequent impact on cost of production -

The measures stated in point (a) above would further improve the thermal and electrical energy efficiency of the Plants.

The capital investment on energy conservation equipments;

Your Company spent ₹ 112 Million on major capex projects for energy conservation, besides implementation low cost capex / opex measures to reduce energy consumption

(B) TECHNOLOGY ABSORPTION

Research & Development (R&D)

1. Specific areas in which R & D is carried out by the Company

- Maximisation of use of Petcoke as a fuel
- Improving the grinding efficiency of Petcoke and Coal through inhouse patented process
- Conservation of resources through maximization of use of low-grade limestone for cement manufacture, improving quality of blended cement through innovative processing utilizing industrial by-products for improved quality Performance of ACC Plants
- Characterization of Industrial wastes and looking into possibilities environmentally friendly co-processing of wastes in cement manufacture leading to thermal substitution and conservation of natural resources
- Development of new products or discovering new methods of analysis

- f. Development and use of Cement Grinding aid and accelerators for PPC & PSC for improved performance in Concrete and achieving higher % Fly ash in PPC and higher %slag in PSC products .
- g. Productivity research for increased efficiency in use of resources Development of application Oriented Cements with decreased CO2 emissions
 - Development of Cements tailored for specific market clusters and application segments
 - Development of one of its kind cement in India for reducing water seepage
 - Development of Masonry cement
 - Development of cement based Niche products and dry mix Mortars
- h. Quality Benchmarking exercise for different market clusters of ACC products
- i. Quality audit from mining to packing as well as labs to ensure proper sampling, ensuring reproducibility & repeatability of evaluation at each stage of manufacturing process, with automation and availability of analysis data through Laboratory information management system (LIMS).
- j. Monitoring in all the plants, the Cement performance in Concrete through application oriented testing

2. Benefits derived as result of above R & D

- a) Continuous Support in Manufacturing of special high performance products like F2R, Concrete+, Coastal+, ACC Plus+, ACC Gold for specific Market segments / Market climatic conditions
- b) Maintain a lead position in all the market clusters of the country
- c) Increased absorption of blending materials like fly ash and slags in blended cements

- d) Effective use of marginal quality raw materials and fuels with improved clinker quality
- e) Effective replacement of the costlier natural Gypsum by cheaper by-products without affecting the quality of cement targeting reduced gypsum cost per T of Cement
- f) Fuel efficiency
- g) Reduction in Sp.power consumption for grinding
- h) Effective use of Statistical Process Control (SPC) at each stage of Cement Manufacture for improving consistency of Operations and consistency in Product Quality

3. Future plan of action

- a) Focus on development of products aimed at enhancing use of cement in various applications and development of application Oriented Cement based cementitious material
- b) Exploratory research works on the above specified areas
- c) Use of waste / by-products in cement manufacture as alternative materials
- d) Improve product quality particularly with respect to long term durability and reduction in cost of manufacture

4. Expenditure on R & D

	₹ Crore
Capital	0.09
Recurring (Gross)	8.50
Total	8.59
Total R&D expenditure as percentage of total turnover (%)	0.08

5. Foreign Exchange Earnings & Outgo

	₹ Crore
Foreign exchange earned	0.66
Foreign exchange used	122.17

ANNEXURE 'F' TO BOARD'S REPORT

FORM No. MGT- 9
EXTRACT OF ANNUAL RETURN as on financial year ended December 31, 2016
 [Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
 Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L26940MH1936PLC002515
Registration Date	August 1, 1936
Name of the Company	ACC Limited
Category / Sub Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Cement House, 121 Maharshi Karve Road, Mumbai - 400020. Tel. No. 022-33024321
Whether Listed Company	Yes
Name, Address and contact details of Registrar and Transfer Agent, if any	The Company has an in-house Share Department at the Registered Office. Tel. No. 022-33024469

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of the main Product / Service	NIC Code of the Product / Service	% to total turnover of the Company
Cement	3242	90.36
Ready Mixed Concrete	3279	9.64

III. PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
*Ambuja Cements Limited II Floor Elegant Business Park, MIDC Cross Road B, Andheri East, Mumbai 400059	L26942GJ1981PLC004717	Holding	50.05	2(46)
Holderind Investments Limited Holcim Group Support (Zurich) Ltd. Hagenholzstrasse 85, CH- 8050, Zurich, Switzerland	Foreign Company	Holding	4.48	2(46)
ACC Mineral Resources Limited Cement House, 121, Maharshi Karve Road, Mumbai 400020	U10100MH1930PLC001612	Subsidiary	100	2(87)
Bulk Cement Corporation (India) Ltd. Plot No. W-7, KWC Kalamboli, Dist Raigad 410 218	U99999MH1992PLC66679	Subsidiary	94.65	2(87)
Lucky Minmat Limited G-9/C Kabir Marg, Bani Park, Jaipur 302 016	U14219RJ1976PLC001697	Subsidiary	100	2(87)
National Limestone Company Private Limited G-9/C Kabir Marg, Bani Park, Jaipur 302 016	U26944RJ1981PTC002227	Subsidiary	100	2(87)
Singhania Minerals Private Limited Paryavas Bhavan, 2nd Floor, Block No. 1, Jail Road, Areara Hills, Bhopal 462 011 (MP)	U14109MP1992PTC007264	Subsidiary	100	2(87)
Alcon Cement Company Private Limited 2nd Floor, Velho Bldg, Opp Municipal Garden, Panaji, Goa 403 001.	U26942GA1992PTC001281	Associate	40	2(6)
Asian Concretes and Cements Private Limited SCF-270, Motor market, Mansadevi Road, Chandigarh 160101	U26940CH2009PTC031641	Associate	45	2(6)
Aakaash Manufacturing Company Private Limited. 2nd Floor, Velho Bldg, Opp Municipal Garden, Panaji, Goa 403001.	U55101GA1995PTC001908	Associate	40	2(6)
OneIndia BSC Private Limited No. 003, 'A' Ground Floor, 'The Estate', No. 121 Dickenson Road, Bangalore 560042	U74900KA2015PTC082264	Associate (Joint Venture)	40	2(6)

*Pursuant to the amalgamation of Holcim (India) Private Limited with Ambuja Cements Limited w.e.f. August 12, 2016, all the assets of Holcim (India) Private Limited including the shares held by them in the Company are acquired by Ambuja Cements Limited.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (January 1, 2016)				No. of Shares held at the end of the year (December 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	93888120	0	93888120	50.01	93984120	0	93984120	50.05	0.04
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other.....	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	93888120	0	93888120	50.01	93984120	0	93984120	50.05	0.04
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	541000	0	541000	0.29	8411000	0	8411000	4.48	4.19
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Others....	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	541000	0	541000	0.29	8411000	0	8411000	4.48	4.19
Total Shareholding of Promoters (A)=A(1)+A(2)	94429120	0	94429120	50.30	102395120	0	102395120	54.53	4.23
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	6872626	28620	6901246	3.68	4367431	29300	4396731	2.34	(1.34)
b) Banks / FI	26978360	80271	27058631	14.41	25145987	83356	25229343	13.44	(0.97)
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt. (s)	56475	231340	287815	0.15	56475	231340	287815	0.15	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	1632040	0	1632040	0.87	0.87
g) FIs / FPIs	28702529	16475	28719004	15.30	26958870	15975	26974845	14.36	(0.94)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	62609990	356706	62966696	33.54	58160803	359971	58520774	31.16	(2.38)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (January 1, 2016)				No. of Shares held at the end of the year (December 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	4245164	125371	4370535	2.33	1632591	104611	1737202	0.93	(1.40)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	14276582	5442857	19719439	10.50	14180526	4721317	18901843	10.07	(0.43)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	2080644	566403	2647047	1.41	1967747	501597	2469344	1.31	(0.10)
c) Others (Specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	215765	215765	0.11	0	215765	215765	0.11	0
ii) Other Foreign Nationals	168901	0	168901	0.09	168989	0	168989	0.09	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI / OCBs	648175	207460	855635	0.46	702822	134158	836980	0.45	(0.01)
v) Clearing Members / Clearing House	207887	0	207887	0.11	107606	0	107606	0.06	(0.05)
vi) Trusts	2163477	0	2163477	1.15	2431317	0	2431317	1.29	0.14
vii) Limited Liability Partnership	854	0	854	0	2323	0	2323	0	0
viii) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	23791684	6557856	30349540	16.16	21193921	5677448	26871369	14.31	(1.85)
Total Public Shareholding (B)=(B)(1)+(B)(2)	86401674	6914562	93316236	49.70	79354724	6037419	85392143	45.47	(4.23)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A)+(B)+(C)	180830794	6914562	187745356	100.00	181749844	6037419	187787263	100.00	0

(ii) Shareholding of Promoters (including Promoter Group)

Shareholder's Name	Shareholding at the beginning of the year (January 1, 2016)			Shareholding at the end of the year (December 31, 2016)			% change in shareholding during the year
	No of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	No of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	
Holcim (India) Private Limited	93888120	50.01	0	0	0	0	100
Ambuja Cements Limited	0	0	0	93984120	50.05	0	100
Holderind Investments Limited	541000	0.29	0	8411000	4.48	0	4.19
Total	94429120	50.30	0	102395120	54.53	0	4.23

(iii) Change in Promoters' Shareholding (please specify, if there is no change))

Shareholder's Name	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1. Holcim (India) Private Limited				
At the beginning of the year	93888120	50.01	-	-
Bought during the year: May 23, 2016 - Market Purchase	96000	0.04	93984120	50.05
Decreased during the year: Pursuant to the amalgamation of Holcim (India) Private Limited with Ambuja Cements Limited w.e.f. August 12, 2016 all the assets of Holcim (India) Private Limited including the shares held by them in the Company are acquired by Ambuja Cements Limited.	93984120	50.05	0	0
At the end of the year	-	-	0	0
2. Ambuja Cements Limited				
At the beginning of the year	0	0	-	-
Increased during the year: Pursuant to the amalgamation of Holcim (India) Private Limited with Ambuja Cements Limited w.e.f. August 12, 2016 all the assets of Holcim (India) Private Limited including the shares held by them in the Company are now held by Ambuja Cements Limited.	93984120	50.05	93984120	50.05
Sold during the year	0	0	93984120	50.05
At the end of the year	-	-	93984120	50.05
3. Holderind Investments Limited				
At the beginning of the year	541000	0.29	-	-
Bought during the year: November 15, 2016 - Market Purchase	7870000	4.19	8411000	4.48
Sold during the year	0	0	8411000	4.48
At the end of the year	-	-	8411000	4.48

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2016

Sr No	Name of Shareholder's	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	22174751	11.81	-	-
	Bought during the year	157773	0.08	22332524	11.90
	Sold during the year	1105683	0.59	21226841	11.31
	At the end of the year	-	-	21226841	11.31
2	ABERDEEN GLOBAL INDIAN EQUITY LIMITED				
	At the beginning of the year	3768936	2.01	-	-
	Bought during the year	0	0.00	3768936	2.01
	Sold during the year	843936	0.45	2925000	1.56
	At the end of the year	-	-	2925000	1.56
3	JPMORGAN SICAV INVESTMENT COMPANY (MAURITIUS) LIMITED				
	At the beginning of the year	2546356	1.36	-	-
	Bought during the year	0	0.00	2546356	1.36
	Sold during the year	265965	0.14	2280391	1.21
	At the end of the year	-	-	2280391	1.21
4	JPMORGAN INDIA FUND				
	At the beginning of the year	2115988	1.13	-	-
	Bought during the year	0	0.00	2115988	1.13
	Sold during the year	115000	0.06	2000988	1.07
	At the end of the year	-	-	2000988	1.07
5	JP MORGAN INDIAN INVESTMENT COMPANY (MAURITIUS) LIMITED				
	At the beginning of the year	1669343	0.89	-	-
	Bought during the year	80378	0.04	1749721	0.93
	Sold during the year	0	0.00	-	-
	At the end of the year	-	-	1749721	0.93
6	ICICI PRUDENTIAL BALANCED ADVANTAGE FUND				
	At the beginning of the year	1292856	0.69	-	-
	Bought during the year	121742	0.06	1414598	0.75
	Sold during the year	946738	0.50	467860	0.25
	At the end of the year	-	-	467860	0.25

Sr No	Name of Shareholder's	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
7	ABU DHABI INVESTMENT AUTHORITY - JHELUM				
	At the beginning of the year	1358211	0.72	-	-
	Bought during the year	192707	0.10	1550918	0.83
	Sold during the year	41622	0.02	1509296	0.80
	At the end of the year	-	-	1509296	0.80
8	ICICI PRUDENTIAL FOCUSED BLUECHIP EQUITY FUND				
	At the beginning of the year	1170739	0.62	-	-
	Bought during the year	191236	0.10	1361975	0.73
	Sold during the year	1116867	0.59	245108	0.13
	At the end of the year	-	-	245108	0.13
9	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD				
	At the beginning of the year	1008199	0.54	-	-
	Bought during the year	153629	0.08	1161828	0.62
	Sold during the year	602594	0.32	559234	0.30
	At the end of the year	-	-	559234	0.30
10	THE NEW INDIA ASSURANCE COMPANY LIMITED				
	At the beginning of the year	976476	0.52	-	-
	Bought during the year	150021	0.08	1126497	0.60
	Sold during the year	175679	0.09	950818	0.51
	At the end of the year	-	-	950818	0.51

Notes:

The above information is based on the weekly beneficiary position received from Depositories.

The date wise increase or decrease in shareholding of the top ten shareholders is available on the website of the Company www.acclimited.com

(v) Shareholding of Directors and Key Managerial Personnel

Name of the Director	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
	No. of Shares	% of total shares of the company	No. of Shares	% of total Shares of the company
Mr. Shailesh Haribhakti				
At the beginning of the year	0	0	-	-
Bought during the year: September 30, 2016 - Market Purchase	3100	0	3100	0
At the end of the year	-	-	3100	0

Name of the Key Managerial Personnel	Name of the Key Managerial Personnel			
	Shareholding at the beginning of the year (January 1, 2016)		Cumulative Shareholding during the year (January 1, 2016 to December 31, 2016)	
	No. of Shares	% of total shares of the company	No. of Shares	% of total Shares of the company
Mr. Sunil K Nayak Chief Financial Officer				
At the beginning of the year	05	0	-	-
Date wise Increase/ Decrease in shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/ transfer/ bonus/ Sweat equity etc)	0	0	05	0
At the end of the year	-	-	05	0
Mr. Burjor D Nariman Company Secretary & Head Compliance				
At the beginning of the year	200	0	-	-
Date wise Increase/ Decrease in shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/ transfer/ bonus/ Sweat equity etc)	0	0	200	0
At the end of the year	-	-	200	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

₹ Crore

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	35.50	0.02	35.52
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2.44	-	2.44
Total (i+ii+iii)	-	37.94	0.02	37.96
Change in Indebtedness during the financial year				
Addition (including interest capitalised)	-	13.78	-	13.78
Reduction	-	-	-	-
Net Change	-	13.78	-	13.78
Indebtedness at the end of the financial year				
i) Principal Amount	-	50.02	0.02	50.04
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	1.70	-	1.70
Total (i+ii+iii)	-	51.72	0.02	51.74

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager

Sr. No.	Particulars of Remuneration	Mr Harish Badami (CEO & MD)	Total Amount (₹ lakhs)
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	689.05	689.05
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil
2	Stock Options	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
5	Others	Nil	Nil
	i Deferred bonus	Nil	Nil
	ii Retirals	42.01	42.01
	iii Others	1.01	1.01
	TOTAL	732.07	732.07

B. Remuneration to Other Directors

1. Independent Directors

Particulars of Remuneration	Name of Director						Total Amount (₹ lakhs)
	Mr. Haribhakti	Mr. Roongta	Mr. Dani	Mr. Kavarana	Mr. Gandhi	Ms. Nayar	
Fee for attending Board/ Committee Meetings	8.90	6.80	8.90	10.60	7.30	2.60	45.10
Commission	28.00	28.00	28.00	28.00	34.00	16.00	162.00
Others, Please specify	-	-	-	-	-	-	-
Total (B)(1)	36.90	34.80	36.90	38.60	41.30	18.60	207.10

2. Other Non Executive Directors

Particulars of Remuneration	Name of Director						Total Amount (₹ lakhs)
	Mr. Sekhsaria	Mr. Sharma	Mr. Eric Olsen	Mr. Christof Hassig	Mr. Martin Kriegner	Mr. Bernad Terver - retired during the year	
Fee for attending Board/ Committee Meetings	5.60	1.00	3.60	3.50	8.40	1.90	24.00
Commission	37.00	16.00	16.00	16.00	24.86	3.21	113.07
Others, Please specify	-	-	-	-	-	-	-
Total (B)(2)	42.60	17.00	19.60	19.50	33.26	5.11	137.07

Grand Total {(B)(1)+(B)(2)} = ₹ 344.17 lakhs

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sr. No.	Particular of Remuneration	Key Managerial Personnel		
		Mr. Sunil K Nayak Chief Financial Officer	Mr. Burjor D Nariman Company Secretary & Head Compliance	Total Amount ₹ Lakhs
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	223.66	101.31	324.97
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961	Nil	Nil	Nil
2	Stock Options	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
5	Others, please specify - Retirals	19.59	11.83	31.42
	Others	3.00	4.34	7.34
	Total (C)	246.25	117.48	363.73

VII. PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCES

There were no penalties / punishments / compounding of offences for the year ended December 31, 2016.

N S Sekhsaria
Chairman

Mumbai
February 3, 2017

ANNEXURE 'G' TO BOARD'S REPORT
INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Ratio of Remuneration of Non-Executive Directors to the median remuneration of the employees of the Company for the year 2016

Non- Executive Directors	Category	Remuneration in (₹ in Lakhs)		Change %	Ratio to median Remuneration
		2016	2015		
Mr. N. S. Sekhsaria Chairman	Non Executive / Non Independent	37.00	37.00	NIL	8
Mr. Eric Olsen - Dy. Chairman appointed w.e.f. 17.07.2015	Non Executive / Non Independent	16.00	7.32	*	3
Mr. Martin Kriegner - appointed w.e.f. 11.02.2016	Non Executive / Non Independent	24.86	0.00	*	5
Mr. Shailesh Haribhakti	Non Executive / Independent	28.00	28.00	NIL	6
Mr. Sushil Kumar Roongta	Non Executive / Independent	28.00	28.00	NIL	6
Mr. Ashwin Dani	Non Executive / Independent	28.00	28.00	NIL	6
Mr. F. K. Kavarana	Non Executive / Independent	28.00	28.00	NIL	6
Mr Vijay Kumar Sharma	Non Executive / Non Independent	16.00	16.00	NIL	3
Mr Arunkumar Gandhi	Non Executive / Independent	34.00	34.00	NIL	7
Mrs Falguni Nayar	Non Executive / Independent	16.00	16.00	NIL	3
Mr Christof Hassig appointed w.e.f. 09.12.2015	Non Executive / Non Independent	16.00	1.01	*	3
Mr Neeraj Akhoury - appointed as Additional Director w.e.f. 16.12.2016	MD&CEO (Designate) / Non Independent	0.00	0.00	*	0
Mr. Bernard Terver resigned w.e.f. 11.02.2016		3.21	28.00	*	1

* for part of the Year

2. Ratio of remuneration of Key Managerial Personnel (KMP) against the performance of the Company:

CEO&MD & KMP	Remuneration in (₹ in Lakhs)		Ratio to Median Remuneration	Change %	% Increase in CTC of Employees	Ratio of 2016 Remuneration to	
	2016	2015				Revenue	Net Profit
Harish Badami CEO & MD resigned w.e.f. February 4, 2017	732.07	569.55	157	29	9	0.066	1.215
Sunil Nayak Chief Financial Officer	246.25	250.80	53	(2)	11	0.022	0.408
Burjor Nariman Company Secretary & Head Compliance	117.48	124.73	24	(6)	5	0.010	0.195

- The number of permanent employees on the rolls of the company was 7833.
- Median remuneration of both the employees and Key managerial Personnel has increased by 12% in 2016 as compared to 2015. Increase in Median remuneration of employees due to wage settlement and normal increment.
- The ratio of the remuneration of the highest paid director to that employees who are not directors but receive remuneration in excess of the highest paid directors during the year: - Not applicable
- We affirm that the remuneration paid to the Directors, Key Managerial Personnel and Employees is as per the Remuneration policy of the Company.
- The explanation on the relationship between average increase in remuneration and company performance: The median remuneration increased by 12 % in 2016 whereas the profit after tax increased by 2%. Increase in Median remuneration of employees due to wage settlement and normal increment The compensation structure is benchmarked from time to time and salary increased during the year are aligned to market forces Reasons for increase in profits have been explained in Directors report .
- Market Capitalization & price earnings ratio are as under

Years	As at December 31 2016	As at December 31 2015	Increase/ (decrease)(%)
Price Earnings Ratio	41.24	43.07	(4.24)
Market Capitalization (₹ in crores)	24995	25546	(2.15)

The company has not made any public issue of shares