

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended December 31, 2016.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Governance Philosophy of your Company is based on strong foundations of ethical values and professionalism which over the past 80 years of the Company's existence has become a part of its culture and DNA. Integrity, transparency, fairness, accountability and compliance with the law are embedded in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's Code of Business Conduct, its EthicalView Reporting Policy and its well structured internal control systems which are subjected to regular review for their effectiveness, reinforces accountability and integrity of reporting and ensures transparency and fairness in dealing with the Company's stakeholders. The Company's focus on sustainable development, its customer centric approach which ensures product quality and innovative value added service offerings coupled with its outreach through CSR activities and programmes to the communities in and around its area of operations has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and other stakeholders.

A Report on compliance with the principles of Corporate Governance as prescribed in The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

GOVERNANCE STRUCTURE

The Company's Governance structure comprises a dual layer, the Board of Directors and the Committees of the Board at the apex level and the Management structure at an operational level. This brings about a homogenous blend in governance as the Board lays down the overall corporate objectives and provides direction and independence to the Management to achieve these objectives within a given framework. This

professional management process results in building a conducive environment for sustainable business operations and value creation for all stakeholders.

Board of Directors - The Board of Directors and the Committees of the Board play a fundamental role in upholding and nurturing the principles of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its stakeholders and in the utilization of resources for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interests of the Company. The Board's composition and size is robust and enables it to deal competently with emerging business development issues and exercise independent judgement.

Committee of Directors - Having regard to the significant contribution that committees make in assisting the Board of Directors in discharging its duties and responsibilities and with a view to focus on various areas of the business, the Board has constituted the following Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee which are mandatory Committees and the Compliance Committee which is a non-mandatory Committee.

Management Structure - Management Structure for the day-to-day business operations and management of the Company is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

Chief Executive Officer & Managing Director - The Chief Executive Officer & Managing Director (CEO&MD) is in overall operational control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various committees.

Executive Committee (ExCo) - This Committee comprises the CEO&MD, Chief Financial Officer, Chief Manufacturing Officer, Chief Marketing Officer,

Chief People Officer and Chief Procurement Officer. The Committee operates within the framework of the strategic policies laid down by the Board and is responsible and accountable for overall business deliverables. The ExCo is a platform for the Committee Members to meet on a regular basis to review monthly performance against set targets, discuss and decide on cross functional operational matter, address various business challenges and monitor implementation of decisions taken.

Organization Structure, Roles and Responsibilities -

The function based structure which was put in place last year has worked well and has resulted in harnessing functional expertise in driving business effectively and in addressing operational challenges swiftly and proactively. The function based structure is broadly divided into verticals viz. Sales & Marketing, Corporate Services, Manufacturing, Human Resource, Finance and Procurement. Each of these verticals operate under the overall supervision of the respective function head who is an ExCo Member.

The Cement Plants and Marketing Units are grouped into four regional clusters viz. North, South, West and East.

The manufacturing vertical has a Manufacturing Cluster Head in each Region who reports to the Chief

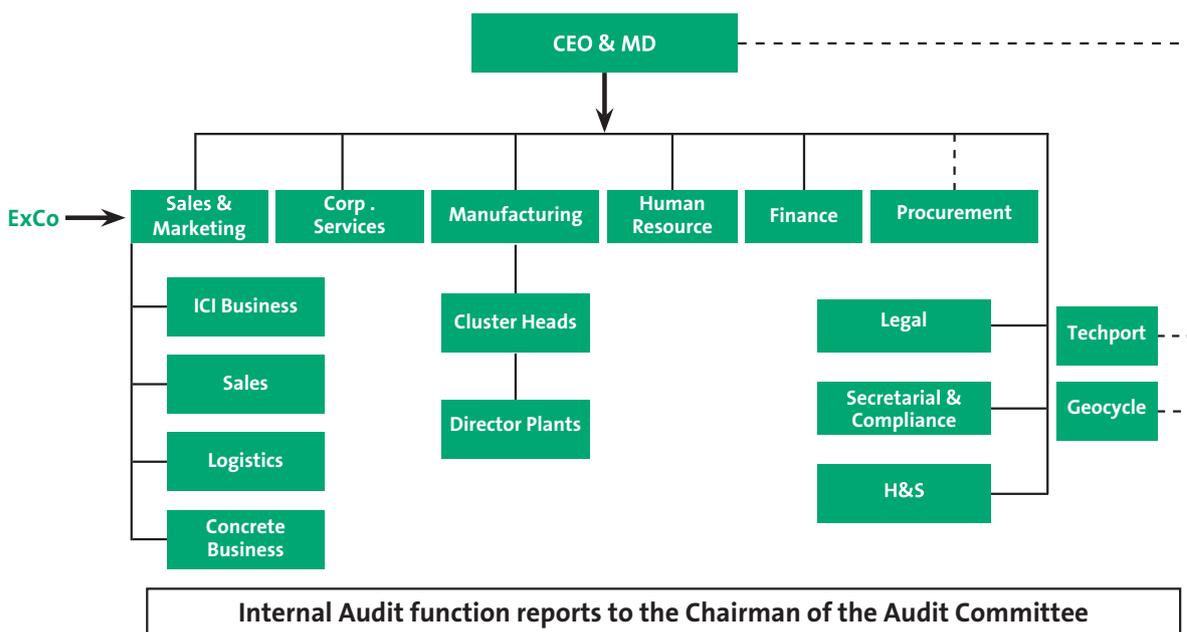
Manufacturing Officer. The Manufacturing Cluster Head is in overall charge of the Plants within his Regional Cluster and is, inter alia, responsible for ensuring uninterrupted operations and maintenance of the Plants, adoption of best practices, productivity improvement, capability building, coordination of demand / supply as per market requirements and to support the sales and logistics teams in the despatch of cement from the respective Units.

Each manufacturing unit is under supervision and control of the Director Plant who is responsible for the day-to-day operations and maintenance of the Plant and all related functions including addressing local issues and compliances as applicable to a plant. The Director Plant reports to the respective Manufacturing Cluster Head in the Region.

The procurement activities are managed by India Procurement Organization and executed from five Procurement Cluster offices.

The Regional Director Sales, the Regional Director Logistics, the Regional Finance Head and the Regional HR Head have a direct reporting line to the respective Vertical Head who is an ExCo Member.

The other functions viz. Health & Safety (H&S), Secretarial & Compliance, Legal and common functions such as Techport and Geocycle India report to the CEO&MD.



BOARD OF DIRECTORS

Composition of the Board as on December 31, 2016

Category	No. of Directors
Non Executive & Independent Directors including a Woman Director	6
Other Non Executive Directors	5
Executive Directors*	2

*The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, has at its Meeting held on December 16, 2016 appointed Mr Neeraj Akhoury, an Additional Director on the Board of Directors of the Company and has nominated him as Managing Director and Chief Executive Officer (Designate) {MD&CEO (Designate)}. On the recommendation of the Nomination and Remuneration Committee, the Board has also appointed Mr Neeraj Akhoury as the MD&CEO of the Company w.e.f. February 4, 2017, upon the resignation of Mr Harish Badami the present CEO&MD from the said date.

DIRECTORS' PROFILE

The Board of Directors comprise highly renowned professionals drawn from diverse fields. They collectively bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

Mr N S Sekhsaria Director Identification Number (DIN: 00276351)-Non Executive and Non Independent Director

Mr Sekhsaria is the Chairman of the Board of Directors and a Non Independent and Non Executive Director.

Mr Sekhsaria is a doyen of the Indian Cement Industry and one of the most respected business personalities in India. He introduced new standards in management, marketing, efficiency and corporate social responsibility to an industry he helped transform.

A first generation industrialist, Mr Sekhsaria obtained his Bachelor Degree in Chemical Engineering with honours and distinction from the University of Bombay. He is the Principal Founder-Promoter and current Chairman of Ambuja Cements Limited. 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 Chairman of the Board.

Mr Sekhsaria built Ambuja Cements Limited into a benchmark for Indian Cement Industry. His acumen as an entrepreneur and technocrat turned that Company 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. Mr Sekhsaria championed community development by establishing the Ambuja Cement Foundation and guiding it into a model of excellence in social responsibility.

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

Mr Sekhsaria is a Member on the Nomination & Remuneration Committee of the Board.

Consequent upon the amalgamation of Holcim (India) Private Limited, one of the promoters of ACC, with Ambuja Cement Limited w.e.f. August 12, 2016, Mr Sekhsaria is classified as a Non Independent Director, as per the provision of Section 149 of the Companies Act, 2013 (Act) and SEBI Regulations.

Mr Eric Olsen (DIN: 07238383)- Non Executive and Non Independent Director

Mr Eric Olsen is the Deputy Chairman of the Board of Directors.

Mr Olsen is a business graduate from the University of Colorado, Certified Public Accountant (Chicago, USA), and holds a Master of Business Administration from HEC International Business School in Paris.

Since July 2015, Mr Olsen is the Chief Executive Officer of LafargeHolcim Ltd. Prior to the global merger of Lafarge Limited and Holcim Limited, Mr Olsen was Executive Vice President Operations of Lafarge and a member of its Executive Committee.

Mr Olsen started his career in the field of Mergers & Acquisitions (M&A) at Deloitte & Touche, Banque Paribas and was a partner of Trinity Associates.

He is also a Board Member of Cimpress N.V.

Mr Olsen is a Member on the Nomination & Remuneration Committee of the Board.

Mr Harish Badami (DIN: 02298385) - Executive and Non Independent Director

Mr Badami is CEO&MD of the Company.

Mr Badami is a B.Tech from IIT Bombay and an MBA from IIM Calcutta. He has over twenty-five years experience in the Chemical Industry with leading multinational companies viz. ICI; Rohm and Haas, India; Dow Chemical, India and Celanese Chemicals India Private Limited. Mr Badami was the President & Managing Director of Dow Chemical, India during the period 2009-2011 and was the Managing Director of Celanese Chemicals India Private Limited prior to his joining ACC. In these roles, Mr Badami was responsible for developing integrated strategies for the local subsidiaries including implementation of robust business plans, building organizational capability and manufacturing footprint.

Mr Badami has been conferred with the Distinguished Alumnus Award by IIT Bombay, his alma mater.

Mr Badami is a Member on the Stakeholders' Relationship Committee, CSR Committee, Risk Management Committee and the Compliance Committee of the Board.

Mr Harish Badami steps down as CEO&MD w.e.f. February 4, 2017.

Mr Neeraj Akhoury (DIN: 07419090) - MD&CEO (Designate) and Non Independent Director

Mr Akhoury has a successful track record in the core sector industries of steel and cement and has held leadership roles in India and other emerging markets. He started his career with Tata Steel in 1993 and in 1999, joined the former Lafarge group in India. 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 Strategy & Business Development Director for Middle East & Africa at the Lafarge headquarters in Paris. His previous appointment was as the CEO of Lafarge Surma Cement Limited and Country Representative of LafargeHolcim Bangladesh.

Mr Akhoury takes over as MD&CEO of the Company w.e.f. February 4, 2017.

Mr Martin Kriegner (DIN: 00077715) - Non Executive and Non Independent Director

Mr Martin Kriegner is a Member of the Executive Committee of LafargeHolcim Limited and is responsible for the Groups operations in India and South East Asia.

Mr Kriegner is a graduate from Vienna University with a Doctorate in Law and an MBA from the University of Economics in Vienna.

Mr Kriegner joined Lafarge in 1990 and became the CEO of Lafarge Perlmooser AG, Austria in 1998. He moved to India as CEO of the Lafarge Cement operations in 2002 and later served as Regional President Cement for Asia, based in Kuala Lumpur. In 2012, he was appointed CEO of Lafarge India Private Limited and was responsible for Lafarge's cement, RMX and aggregates business in India.

In July 2015, he became Area Manager Central Europe for LafargeHolcim operations and was appointed Head of India, effective March 1, 2016.

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

Mr Shailesh Haribhakti (DIN: 00007347) - Non Executive and Independent Director

Mr Shailesh Haribhakti is the Founder & Chief Mentor of Baker Tilly DHC Pvt. Ltd. and of Haribhakti & Co. LLP (Chartered Accountants); Chairman, New Haribhakti Business Services LLP and Chairman, Mentorcap Management Pvt. Ltd.

Evolving from a background in Audit, Tax and Consulting, he now seeks to create enduring value for companies and organizations he is involved with by being a deeply engaged Independent Director. His strong belief is that good governance creates a sustainable competitive advantage. He is a strong supporter of a clean and green environment and is pioneering the concept of 'innovating to zero' in the social context.

Mr Haribhakti is currently Chairman of the National Pension Scheme Trust and a Member of the Pension Advisory Committee (PAC) of Pension Fund Regulatory & Development Authority (PFRDA). He serves on several large Boards of multinational and Indian companies and 'Not for Profit' organizations. He is also a member on several Advisory Boards.

Mr Haribhakti has participated in creating Indian Multinationals in the services sector. His passion for teaching, writing and public speaking have made him an associate with IIM-A, many management institutions and several industry & professional forums. He has led BMA, IIA (Mumbai), ICAI (WIRC), IMC, FPSB and Rotary Club of Bombay over the last several decades. For two years, he served on the Standards Advisory Council of the IASB in London.

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

Mr S K Roongta (DIN: 00309302) - Non Executive and Independent Director

Mr Roongta holds a degree in Bachelor of Engineering from 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).

Mr Roongta has a wide and varied experience in public sector undertakings. He is Non Executive Chairman of Bharat Aluminium Company Limited (BALCO) and Talwandi Sabo Power Limited (TSPL). Earlier, during his tenure as Chairman of SAIL from August 2006 to May 2010, the ranking of SAIL among 'World Class Steel Makers' moved up to the second position from the seventeenth 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 Policy Document on Corporate Governance.

Mr Roongta 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. Lakshmi Pat University. He is also associated with apex chambers, being member of Steering Committee of Federation of Indian Chambers of Commerce and Industry (FICCI) and is the Chairman of its Metal Committee. He also chairs the National Expert Committee on Minerals & Metals of Indian Chambers of Commerce (ICC).

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.

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

Mr Ashwin Dani (DIN: 00009126) - Non Executive and Independent Director

Mr Dani holds a BSc (Hons) degree from the Institute of Science, University of Mumbai. He completed B.Sc. (Tech) - Paints, Pigments and Varnishes from U.D.C.T. (now known as Institute of Chemical Technology), University of Mumbai. He holds a Masters Degree in Polymer Science (USA) and a Diploma in Colour Science (USA).

Mr Dani started his career in 1967, as a Development Chemist with Inmont Corp. (now known as BASF), Detroit, USA, a major supplier of automotive OEM and refinishes. He joined Asian Paints Ltd. in 1968 as Senior Executive and moved through successive senior positions like Director - R&D, Works Director, Whole-time Director and as Vice Chairman and Managing Director from December, 1998 to March, 2009. Mr Dani has in-depth knowledge of supply chain management and is mainly responsible for the strong and committed dealer network at Asian Paints Limited which inter alia has contributed to that company's superior performance. Currently, he is the Non Executive Vice Chairman of Asian Paints Limited.

Mr Dani is the past President of the Indian Paint Association (IPA) and has received a number of awards for his contributions to the Paint Industry. He was the

Vice President of Federation of Indian Chambers of Commerce and Industry (FICCI). He was a member of the Central Board of Trustees - Employees Provident Fund of the Government of India and was also the President of the Board of Governors of the UDCT (presently ICT) Alumni Association, Mumbai. Currently, he is a member on the Board of Management of ICT Mumbai.

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

Mr Farrokh Kavarana (DIN: 00027689) - Non Executive and Independent Director

Mr Kavarana holds a B.Com. (Hons.) degree from the University of Bombay and an MBA from the Wharton School, University of Pennsylvania. He is a Fellow of the Institute of Chartered Accountants of England & Wales and a Member of the Institute of Chartered Accountants of India.

Mr Kavarana retired in 2014 as a Director of Tata Sons Limited and Tata Industries Limited, the apex holding companies of the Tata Group, after a career spanning four decades with the Group. He was Chairman of several Tata Companies in India and abroad - Tata AIG General Insurance Company Ltd., Tata AIA Life Insurance Company Ltd., Tata Projects Limited and Trent Limited. He was Executive Chairman of Tata Asset Management Ltd. from 2005 to 2009 and of Tata Infotech Ltd. from 2000 to 2005. He served as Executive Director of Tata Motors Limited from 1994 to 2000. He was Vice Chairman & Managing Director of Tata International AG, Switzerland and Tata Ltd., U.K., from 1975 to 1994 responsible for Tata Sons' overseas operations and investments. Prior to his association with Tata Group, Mr Kavarana was with McKinsey & Co. Inc. in London and Washington D.C. from 1970 to 1974.

Mr Kavarana is involved with several social and charitable institutions and is Chairman - Lady Tata Memorial Trust, Trustee - Nani Palkhivala Memorial Trust and the National Centre for the Performing Arts. He was a founder Trustee of Childline India Foundation from 1999 to 2014. He is a recipient of the Dadabhai

Naoroji International Millennium Award 2005 and the Wharton India Alumni Award 2009.

He is a Member on the Audit Committee, the Nomination & Remuneration Committee and the Corporate Social Responsibility Committee of the Board. He is the Chairman of the Stakeholders' Relationship Committee and of the the Compliance Committee of the Board.

Mr Vijay Kumar Sharma (DIN: 02449088) - Non Executive and Non Independent Director

Shri Vijay Kumar Sharma who was the Managing Director of Life Insurance Corporation of India (LIC), was promoted as Chairman of LIC in December, 2016. Prior to his taking charge as Managing Director, LIC, on November 1, 2013, he was Managing Director & Chief Executive Officer of LIC Housing Finance Limited (LICHFL), a premiere housing finance provider in the country with loan portfolio exceeding ₹ 83,000 crore.

Mr Vijay Kumar Sharma is a post-graduate (M.Sc.) in Botany from Patna University. Shri Sharma joined LIC as Direct Recruit Officer in 1981 and has grown with the Company since then. During his stint as Senior Divisional Manager, Karnal, a rural division, had catapulted to Number One position in the country in premium income ahead of all other metro centres. As Executive Director of Pension & Group Schemes, he pioneered the launch of various prestigious pension schemes in the country. As Zonal Manager in-charge of Southern Zone, he successfully turned around its operations and put it on growth trajectory, making it No. 1 zone in 2010.

Shri Sharma's focused leadership, proficiency in invigorating staff performance, re-organizing teams and developing talent, enabled LICHFL maintain its growth momentum despite volatile markets and adverse macro-economic conditions. During his tenure, LICHFL was adjudged as "Best Housing Finance Company 2011" by CNBC-TV 18.

His key areas of expertise have been Business Strategy, Business Development, Processes & Systems, Leadership Development, Branding & Product

Development and Risk Mitigation & Compliance. A strategic leader, recognized for making sweeping improvements to efficiency, product development and marketing and identifying areas of opportunity, he is acclaimed as a “Crisis Manager” for stabilizing operations and leading turnaround growth strategies in uniquely challenging situations.

Mr Sharma has been an inspirational leader who utilizes negotiation skills gained over thirty five years of extensive experience in insurance and financial sectors and strongly connects to the grass root levels, believes in “bottom-up approach” and has the ability to see the Big Picture and translate to reality.

Mr Arunkumar Gandhi (DIN: 00007597) - Non Executive and Independent Director

Mr Arunkumar Gandhi is a Fellow Member of the Institute of Chartered Accountants in England & Wales, a Fellow Member of the Institute of Chartered Accountants of India and an Associate Member of the Chartered Institute of Taxation, London.

He was with N. M. Raiji & Co., Chartered Accountants, as a partner from 1969 and in 1993 became a Senior Partner upto July, 2003. As partner, Mr Gandhi audited several public sector and private sector entities. He is an expert on share valuation and corporate restructuring (i.e. mergers/demergers etc.).

He was the Executive Director of Tata Sons Ltd. from August, 2003 till August, 2008 and was thereafter appointed Director of Tata Sons Ltd., on whose Board he served upto March, 2013. Currently, he is an Advisor to the Tata Group.

Mr Gandhi has been assisting the Tata Group in acquiring diverse assets and companies across the globe. This has enabled the Tata Group to acquire critical assets, resources and access to world class R&D facilities. In these transactions, he advised on business valuation, financial due diligence, counter-party negotiations, financing and merger control.

Over the last 20 years, Mr Gandhi served on the Board of Directors of various Indian and foreign companies.

Mr Gandhi is the Chairman of the Audit Committee of the Board.

Ms Falguni Nayar (DIN: 00003633) - Non Executive and Independent Director

Ms Falguni Nayar is a Graduate from Sydenham College of Commerce & Economics and Post Graduate from Indian Institute of Management, Ahmedabad.

Ms Nayar has a rich experience of over two and half decades. She started 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 Managing Director & Chief Executive Officer of Kotak Investment Bank from 2006 to 2012. Ms Nayar is the founder and Chief Executive Officer of Nykaa, which is an on-line shopping website.

Ms Nayar was recognized as Top Woman in Business by Business Today in 2009 and 2011. She has also received FICCI Ladies Organization Award for Top Woman Achiever in the field of banking in 2008.

Ms Nayar is a Member on the CSR Committee and the Risk Management Committee of the Board.

Mr Christof Hassig (DIN: 01680305) - Non Executive and Non Independent Director

Mr Christof Hassig heads the Corporate Strategy and Mergers & Acquisitions function in LafargeHolcim, reporting directly to the Chief Executive Officer.

Before joining the former Holcim Limited in 1999, Mr Christof Hassig worked for twenty five years at UBS in many different functions, including Global Relationship Manager and Investment Banker for multinational corporates in Switzerland and abroad.

Within the former Holcim Limited, he was reporting directly to the Chief Financial Officer with many direct links to all other Executive Directors including Chief Executive Officer. For the past fifteen years, he built and led the department Corporate Financing & Treasury.

This function spans across all the geographic regions and includes a matrix organization with the finance department of the operating companies in the various countries. In December 2012, he took over additional responsibilities as head of the newly created Mergers & Acquisitions function at Group level. In March 2013, the Group's Insurance Department was moved and

integrated into the Corporate Finance & Treasury Department.

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

Directorships and Membership on Committees:

The total number of Directorship(s) held by the Directors, and the position of membership / chairmanship on Committees is given below. All the Directors are compliant with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and "SEBI Regulations" in this regard.

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	2	0	0
Mr Eric Olsen, Deputy Chairman	Non Executive / Non Independent	17.07.2015	2	0	0
Mr Harish Badami, CEO&MD	Executive	13.08.2014	1	1	0
Mr Neeraj Akhoury, (appointed as an Additional Director)	MD&CEO (Designate) / Non Independent	16.12.2016	1	0	0
Mr Martin Kriegner (appointed w.e.f. 11.02.2016)	Non Executive / Non Independent	11.02.2016	2	2	0
Mr Shailesh Haribhakti	Non Executive / Independent	17.02.2006	7	3	4
Mr Sushil Kumar Roongta	Non Executive / Independent	03.02.2011	3	2	1
Mr Ashwin Dani	Non Executive / Independent	15.12.2011	4	4	2
Mr Farrokh Kavarana	Non Executive / Independent	03.05.2013	2	2	1
Mr Vijay Kumar Sharma	Non Executive / Non Independent	06.02.2014	2	0	0
Mr Arunkumar Gandhi	Non Executive / Independent	24.04.2014	3	1	1
Ms Falguni Nayar	Non Executive / Independent	24.04.2014	5	2	0
Mr Christof Hassig	Non Executive / Non Independent	09.12.2015	2	0	0
#Mr Bernard Terver (resigned as Director w.e.f. 11.02.2016)	Non Executive / Non Independent	04.12.2013	2	2	1

*Excludes directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies;

**Committees considered are Audit Committee & Stakeholders' Relationship Committee and includes Membership(s) & Chairmanship(s) held by the Directors on the said committees of ACC.

#information as available on the date of cessation.

BOARD DIVERSITY

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

Pursuant to SEBI Regulations, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is posted on the Company’s website and can be accessed on web link http://www.acclimited.com/assets/new/new_pdf/Policyondiversityoftheboard.pdf

INDEPENDENT DIRECTORS

Independent Directors play an important role in the governance processes of the Board. With different points of views flowing from their expertise and experience they enrich the decision making process at the Board and prevent conflicts of interest in the decision making process.

The appointment of Independent Directors is carried out in a structured manner. The Nomination & Remuneration Committee identifies potential candidates based on certain laid down criteria and takes into consideration the diversity of the Board.

The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment. Their appointment has been approved by the Members of the Company at the Extraordinary General Meeting of the Company held on September 10, 2014.

None of the Independent Directors serve as “Independent Directors” in more than seven listed companies.

The Independent Directors have confirmed that they meet the criteria of independence laid down under the Act and the SEBI Regulations.

During the year under review, the Independent Directors met on December 16, 2016, 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;
- Evaluation of the performance of the Corporate Secretarial function; and
- Other related matters.

All the Independent Directors were present throughout the Meeting. They expressed satisfaction at the robustness of the evaluation process, the Board’s freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings. Their suggestions were discussed at the Board Meeting held on December 17, 2016 and are being implemented to ensure a more robust interaction at a Board / Management level.

INDUCTION PROGRAMME FOR NEW DIRECTORS AND ONGOING FAMILIARIZATION PROGRAMME FOR EXISTING INDEPENDENT AND NON INDEPENDENT DIRECTORS

An appropriate induction programme for new Directors and an ongoing familiarization with respect to the business / working of the Company for all Directors is a major contributor for meaningful Board level deliberations and sound business decisions.

At the time of appointing a Director, a formal letter of appointment is given to the Director, inter alia, explaining the role, function, duties and responsibilities of the Director and the Board’s expectations from the Director. The Director is also explained in detail the compliances required from him / her under the Act, SEBI Regulations and other relevant regulations and his / her affirmation taken with respect to the same.

By way of an introduction to the Company, the Director is presented with a book on the Company which traces its history, relevant Annual Reports, Sustainable Development Report, brochure on the CSR activities

pursued by the Company, copies of “The Indian Concrete Journal” which is a well accepted journal on civil engineering and construction, published by the Company which interalia discusses topics on various types of cement and their applications and “ACC Parivar” a house magazine.

A presentation is also shared with the newly appointed director giving an overarching perspective of the cement industry, organizational set up of the Company, the functioning of various divisions / departments, Company’s market share and the markets in which it operates, brand equity, governance and 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 discharge his / her role as a Director of the Company.

Further, as an ongoing process, the Board of Directors is updated on a quarterly basis through presentations and discussions on the overall economic trends, the performance of the Cement Industry and that of the Company, analysis of the circumstances which helped or adversely impacted the Company’s performance, comparison of the Company’s performance with its peers in the Industry based on information available in 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 and mitigation plan etc.

Details of the programme for familiarization of Independent Directors with the working of the Company are available on the website of the Company and can be accessed through web link <http://www.acclimited.com/assets/new/pdf/CG/Familiarization-Programme-for-Independent-Directors.pdf>

PERFORMANCE EVALUATION OF THE BOARD AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and the SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of its Audit,

Nomination & Remuneration and Compliance Committees respectively. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various 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 and the Chairman of Nomination & Remuneration Committee met all the Directors individually to get an overview of the functioning of the Board and its constituents, interalia, on the following broad criteria i.e. attendance and level of participation at meetings of the Board/Committees, independence of judgement exercised by Independent Directors, interpersonal relationship etc.

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

REMUNERATION OF DIRECTORS

The policy for remuneration of Directors, Key Managerial Personnel and Management Executive Committee is set out as Annexure ‘C’ to the Board’s Report.

Terms of remuneration of Mr Harish Badami, Chief Executive Officer & Managing Director (CEO&MD)

The terms and conditions of appointment and remuneration of Mr Harish Badami, CEO&MD, as approved by the Members of the Company at the Extraordinary General Meeting held on September 10, 2014 and the amendment thereto as approved by the Members of the Company by a Postal ballot passed on July 15, 2016 are as under:

Period of Appointment - Five years w.e.f. August 13, 2014

Salary Grade - ₹ 11,00,000 - ₹ 25,00,000 per month

Allowances -

- i. Housing: Free furnished residential accommodation or HRA at the rate of 40% of the basic salary.
- ii. LTA: An amount not exceeding 12.5% of the basic salary. The entitlement for any one year to the extent not availed of shall be allowed to be accumulated upto the next two Company’s financial years.
- iii. Medical Reimbursement: Such amount as may be decided by the Company and CEO&MD, in addition to Group Medical Policy, as per the rules of the Company.
- iv. Special Allowance: as may be decided by the Board, on the recommendation of the Nomination & Remuneration Committee.

Perquisites -

- i. Membership of one club.
- ii. Personal Accident Insurance Policy, as per the rules of the Company.
- iii. Other perquisites, as may be decided by the Board, on the recommendation of the Nomination & Remuneration Committee, subject to the overall ceiling on managerial remuneration as prescribed under the Companies Act, 2013.

Retiral Benefits - Contribution to Provident Fund and Superannuation Fund, as per the rules of the Company. Gratuity at the rate of half month’s basic salary for each completed year of service.

Performance Bonus - Annual Performance Bonus not exceeding 50% of the Annual Fixed Gross Compensation based on CEO&MD’s performance against set goals and the Company meeting the target performance for the financial year.

Sign-on Amount -

- ₹ 2.20 Crore payable as under:
- ₹ 60.00 lakh on joining the Company
- ₹ 40.00 lakh as on January 1, 2015
- ₹ 80.00 lakh as on January 1, 2016
- ₹ 40.00 lakh as on January 1, 2017

Deferred Bonus - Based on his performance and upon achieving the targeted goals, the CEO&MD shall be paid an additional bonus (Deferred Bonus) of ₹ 70.00 lakh per annum which will become payable three years after each grant. The first grant will be made in April 2015 on a prorata basis from the date of his joining. This Deferred Bonus may be substituted by a stock plan once implemented by LafargeHolcim for senior leadership.

With effect from December 14, 2015, LafargeHolcim has introduced a “Long Term Incentive Scheme” for its senior leadership globally, pursuant to which the grant of Deferred Bonus stands discontinued from the said date. However, Mr Badami is eligible to receive the Deferred Bonus amount in respect of grants made prior to December 15, 2015.

In terms of LafargeHolcim’s Long Term Incentive Scheme, a grant of 4100 shares has been made to Mr Badami by LafargeHolcim. The cost of these shares will be borne by LafargeHolcim.

Minimum Remuneration - Where in the financial years during the currency of the tenure of the CEO&MD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified, subject to requisite approvals being obtained.

Notice Period & Severance Fees -

As per the agreed terms, under the following scenarios:

- Resignation from service;
- Termination of services by the Company;
- Termination of services with cause;
- In the case of change of control or significant re-organization.

Authority to the Board for variation in the terms of appointment and remuneration

The terms and conditions of appointments and remuneration may be varied altered increased enhanced or widened from time-to-time by the Board as it may in its discretion deem fit, within the maximum amount payable in accordance with the provisions of the Companies Act, 2013 read with Schedule V and The Companies (Appointment and remuneration of Managerial Personnel) Rules 2014 or any amendments made hereafter in this regard.

Remuneration drawn by Directors and Key Managerial Personnel

The remuneration drawn by the Directors during the year is as under:

					₹ Lakhs
Name of the Director	Category	Salary	Commission	Sitting Fees	Total
Mr N S Sekhsaria, Chairman	Non Executive / Non Independent	-	37.00	5.60	42.60
Mr Eric Olsen, Deputy Chairman	Non Executive / Non Independent	-	16.00	3.60	19.60
Mr Harish Badami, CEO&MD	Executive	732.07*	-	-	732.07
Mr Neeraj Akhoury, (appointed as an Additional Director w.e.f. 16.12.2016)	MD&CEO (Designate) / Non Independent	-	-	-	-
Mr Martin Kriegner (appointed w.e.f. 11.02.2016)	Non Executive / Non Independent	-	24.86	8.40	33.26
Mr Shailesh Haribhakti	Non Executive / Independent	-	28.00	8.90	36.90
Mr Sushil Kumar Roongta	Non Executive / Independent	-	28.00	6.80	34.80
Mr Ashwin Dani	Non Executive / Independent	-	28.00	8.90	36.90
Mr Farrokh Kavarana	Non Executive / Independent	-	28.00	10.60	38.60
Mr Vijay Kumar Sharma	Non Executive / Non Independent	-	16.00	1.00	17.00
Mr Arunkumar Gandhi	Non Executive / Independent	-	34.00	7.30	41.30
Ms Falguni Nayar	Non Executive / Independent	-	16.00	2.60	18.60
Mr Christof Hassig	Non Executive / Non Independent	-	16.00	3.50	19.50
#Mr Bernard Terver (resigned as Director w.e.f. 11.02.2016)	Non Executive / Non Independent	-	3.21	1.90	5.11

* includes performance bonus

The Board of Directors at its Meeting held on December 16, 2016 has approved a severance payment of ₹ 527.12 lakhs to Mr Harish Badami pursuant to the authority conferred on it by the Members of the Company.

None of the Directors of the Company have had any pecuniary relationship with the Company.

The remuneration drawn by the Key Managerial Personnel during the year is as under:

				₹ Lakhs
Name of Key Managerial Personnel	Salary	Commission	Sitting Fees	Total
Mr Sunil Nayak, Chief Financial Officer	246.25*	-	-	246.25
Mr Burjor D Nariman, Company Secretary & Head Compliance	117.48*	-	-	117.48

* includes performance bonus

MEETINGS

Board Meetings held during the Year

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
February 10, 2016	12	10
April 28, 2016	12	10
July 26, 2016	12	11
August 16, 2016	12	10
October 21, 2016	12	10
December 16, 2016	12	10
December 17, 2016	13	11

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 April 13, 2016
	February 10, 2016	April 28, 2016	July 26, 2016	August 16, 2016	October 21, 2016	December 16, 2016	December 17, 2016	
Mr N S Sekhsaria, Chairman	✓	✓	✓	✓	✓	✓	✓	✓
Mr Eric Olsen, Deputy Chairman	✓	✓	✓	Leave of Absence	✓	✓	✓	-
Mr Harish Badami, CEO&MD	✓	✓	✓	✓	✓	Leave of Absence	Leave of Absence	✓
Mr Neeraj Akhoury, (appointed as an Additional Director and as MD&CEO (Designate) w.e.f. 16.12.2016))	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓	Not Applicable
Mr Martin Kriegner (appointed w.e.f. 11.02.2016)	Not Applicable	✓	✓	✓	✓	✓	✓	✓
Mr Shailesh Haribhakti	✓	✓	✓	✓	✓	✓	✓	✓
Mr Sushil Kumar Roongta	Leave of Absence	✓	✓	✓	✓	✓	✓	✓
Mr Ashwin Dani	✓	✓	✓	Leave of Absence	✓	✓	✓	✓
Mr Farrokh Kavarana	✓	✓	✓	✓	✓	✓	✓	✓
Mr Vijay Kumar Sharma	Leave of Absence	Leave of Absence	✓	✓	Leave of Absence	Leave of Absence	Leave of Absence	-
Mr Arunkumar Gandhi	✓	✓	✓	✓	✓	✓	✓	✓
Ms Falguni Nayar	✓	Leave of Absence	Leave of Absence	✓	Leave of Absence	✓	✓	✓
Mr Christof Hassig	✓	✓	✓	✓	✓	✓	✓	-
Mr Bernard Terver (resigned w.e.f. 11.02.2016)	✓	Not Applicable	Not Applicable	Not Applicable				

The Act facilitates the participation of a Director in Board/Committee Meetings through video conference or other audio visual mode. Accordingly, the option to participate in the Meeting through video conference was made available for the Directors except in respect of such items which are not permitted to be transacted through video conference.

Duties and Functions of the Board

The Board of Directors provide strategic guidance, monitors operational performance and ensures that robust policies and procedures are in place and through its various Committees, guarantees the quality of the Company's risk management and internal controls and ensures compliance with all relevant laws. In particular,

the Board periodically reviews the items required to be placed before it and reviews and approves quarterly / half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans and annual budgets. It monitors overall operating performance, Health & Safety (H&S) performance and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards achieving set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in SEBI 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.

COMMITTEES OF THE BOARD

Over the long years of its existence, the Company has developed robust governance structure and processes. For instance, long before it was mandated by the law, the Board of Directors had constituted the Audit Committee in 1986. A Share Committee was constituted in 1962 to look into various matters relating to the shares of the Company and investor relations, which Committee has transformed as Stakeholders' Relationship Committee. Likewise, a Compensation Committee was constituted in 1992. This Committee has subsequently been reconstituted as the Nomination & Remuneration Committee with wider terms of reference.

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained herein. Each of these Committees have the requisite expertise to handle issues relevant to their field. These Committees spend considerable time and give focused attention to the various issues placed before it and the guidance provided by these Committees lend immense value and enhances 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 Chairman of the Committees, who also inform the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the respective Board / Committee Meetings.

Audit Committee - Mandatory Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting

processes, reviewing the Company's established systems & processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. Majority of the Members on 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 Regulations. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management (i) the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon, (ii) audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies, if any, and reasons for the same. Major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and/or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

Internal Financial Controls and Governance Processes

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

- To oversee and review the functioning of a vigil mechanism (implemented in the Company as a EthicalView Reporting Policy) and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

Audit

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management’s response thereto.
- Review and recommend to the Board the appointment / re-appointment of the Statutory Auditors and Cost Auditors considering their independence and effectiveness and their replacement and removal.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated

in Section 144 of the Companies Act, 2013 and payment for such services.

- Recommend to the Board the remuneration of the Statutory Auditors / Cost Auditors.
- Discussions with the Statutory Auditors / Chief Internal Auditors on significant difficulties encountered during the course of the Audit.
- Reviewing the annual Cost Audit Report submitted by the Cost Auditor.

Other Duties

- To approve the appointment, removal and terms of remuneration of the Chief Internal Auditor and to approve the appointment of the Chief Financial Officer.
- To grant omnibus approval for related party transactions which 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.

The composition of the Audit Committee as at December 31, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Audit Committee Meetings held on						
		February 9, 2016	April 27, 2016	July 25, 2016	September 26, 2016	October 21, 2016	November 21, 2016	December 14, 2016
Mr Arunkumar Gandhi, Chairman	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓
Mr Martin Kriegner (appointed w.e.f. 11.02.2016)	Non Executive/ Non Independent	Not Applicable	✓	✓	Leave of Absence	Leave of Absence	✓	Leave of Absence
Mr Sushil Kumar Roongta	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓
Mr Ashwin Dani	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓
Mr Farrokh Kavarana	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓
Mr Bernard Terver (resigned w.e.f. 11.02.2016)	Non Executive/ Non Independent	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

The Chairman of the Committee was present at the Annual General Meeting of the Company.

All the Members on the Audit Committee possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and internal controls.

The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended all the Audit Committee Meetings held during the year. The representative of the Cost Auditor is invited to attend the Meeting of the Audit Committee when the Cost Audit Report is tabled for discussion. The Chief Executive Officer & Managing Director (CEO&MD), the Chief Financial Officer (CFO), the Chief Internal Auditor, the Chief Manufacturing Officer, Chief Marketing Officer attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their respective areas of audit.

Self Assessment by the Audit Committee

The Audit Committee has set in place a process to measure and benchmark its performance each year. The assessment broadly covers composition, structure and committee meetings; overview of the financial reporting process; internal control systems and overview of internal and external audits. The results of the self assessment are presented to the Audit Committee along with the action plan in the areas requiring improvement.

Stakeholders’ Relationship Committee - Mandatory Committee

The Stakeholders’ Relationship Committee comprises three Members of which two 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 certificates / certificates relating to other securities;
- to issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue subject to such approvals as may be required;
- to oversee the implementation of ESOS scheme, if any, implemented by the Company;
- to issue and allot debentures, bonds, and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares/debentures/other securities and all matters incidental or related thereto;
- to authorize the Company Secretary & Head Compliance / other officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend/interest, change of address for correspondence etc and to monitor action taken;
- to authorize the Company Secretary & Head Compliance / 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 and renewal, split or consolidation of share certificates;
- 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 including complaints relating to transfer/transmission of shares/securities, non-receipt of declared dividends/Annual Reports, issue of duplicate certificates and other complaints;
- all other matters incidental or related to shares, debentures and other securities of the Company;
- any other matter as may be assigned to the Committee by the Board of Directors.

The composition of the Stakeholders’ Relationship Committee as at December 31, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Stakeholders’ Relationship Committee Meetings held on				
		February 9, 2016	April 26, 2016	May 20, 2016	July 25, 2016	November 28, 2016
Mr Farrokh Kavarana, Chairman (appointed w.e.f. 17.12.2016)	Non Executive/ Independent	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr Shailesh Haribhakti	Non Executive/ Independent	✓	✓	✓	✓	✓
Mr Harish Badami	Executive	✓	✓	✓	✓	✓
Mr Martin Kriegner, Chairman (appointed as Chairman w.e.f. 11.02.2016) (resigned from the Committee w.e.f. 17.12.2016)	Non Executive/ Non Independent	Not Applicable	✓	✓	✓	✓
Mr Bernard Terver, Chairman (resigned w.e.f. 11.02.2016)	Non Executive/ Non Independent	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable

All the Members of the Committee have attended the Annual General Meeting.

Mr. Burjor D Nariman, Company Secretary & Head Compliance, functions as the Compliance Officer.

During the year, 36 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 30 days from the date of receipt by the Company and as of December 31, 2016, all matters / queries were resolved. The Company had 3 share transfers pending as on December 31, 2016. These share transfers were received by the Company on December 28, 2016.

Nomination & Remuneration Committee - Mandatory Committee

The Nomination & Remuneration Committee is governed by a Charter. The Chairman of the Committee is an Independent Director and majority of the Members on the committee are Independent Directors.

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

- Succession planning of the Board of Directors and Management Executive Committee (ExCo);

- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and ExCo Members;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and ExCo Members and their remuneration;
- Review the performance of the Board of Directors, Key Managerial Personnel and ExCo Members based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors, Key Managerial Personnel and ExCo Members, 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.

The composition of the Nomination & Remuneration Committee as at December 31, 2016 and the details of Members' participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the N&R Committee Meetings held on						
		February 10, 2016	April 28, 2016	July 26, 2016	November 28, 2016	December 5, 2016	December 14, 2016	December 16, 2016
Mr Ashwin Dani, Chairman	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓
Mr N S Sekhsaria	Non Executive/ Non Independent	✓	✓	✓	✓	✓	✓	✓
Mr Martin Kriegner (appointed w.e.f. 11.02.2016)	Non Executive/ Non Independent	Not Applicable	✓	✓	✓	✓	✓	✓
Mr Shailesh Haribhakti	Non Executive/ Independent	✓	✓	✓	Leave of Absence	✓	✓	✓
Mr Farrokh Kavarana	Non Executive/ Independent	✓	✓	✓	✓	✓	✓	✓
Mr Eric Olsen	Non Executive/ Non Independent	✓	Leave of Absence	Leave of Absence	Leave of Absence	Leave of Absence	Leave of Absence	✓
Mr Bernard Terver (resigned w.e.f. 11.02.2016)	Non Executive/ Non Independent	✓	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

The Chairman of the Committee was present at the Annual General Meeting of the Company.

Corporate Social Responsibility (CSR) Committee - Mandatory Committee

The Company has always been mindful of its obligations vis-a-vis the communities it impacts and has been pursuing various CSR activities long before it became mandated by law. As required under the Act, a formal 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 Corporate Social Responsibility Committee (CSR) broadly comprises:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company, as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the CSR Committee as at December 31, 2016 and the details of Members' participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Corporate Social Responsibility Committee Meetings held on	
		April 26, 2016	November 28, 2016
Mr Shailesh Haribhakti, Chairman	Non Executive/ Independent	✓	✓
Ms Falguni Nayar	Non Executive/ Independent	✓	Leave of Absence
Mr Farrokh Kavarana	Non Executive/ Independent	✓	✓
Mr Harish Badami	Executive	✓	✓
Mr Martin Kriegner (resigned w.e.f. 17.12.2016)	Non Executive/ Non Independent	✓	Leave of Absence

The CSR Policy is comprehensive and in alignment with the requirements of the Act and the United Nations Sustainable Development Goals. The CSR Policy Statement and the CSR Report forms part of the Board’s Report to the Members of the Company.

Risk Management Committee - Mandatory Committee

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

The Risk Management Committee was constituted by the Board of Directors in 2014. The Committee is governed by a charter and its objectives and scope broadly comprises:

- Oversight of risk management performed by the operating management;
- Reviewing the Business Risk Management (BRM) policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

The composition of the Risk Management Committee as at December 31, 2016 and the details of Members’ participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Risk Management Committee Meetings held on	
		April 26, 2016	November 28, 2016
Mr Shailesh Haribhakti, Chairman	Non Executive/ Independent	✓	✓
Ms Falguni Nayar	Non Executive/ Independent	✓	Leave of Absence
Mr S K Roongta (appointed w.e.f. 17.12.2016)	Non Executive/ Independent	Not Applicable	Not Applicable
Mr Harish Badami	Executive	✓	✓
Mr Martin Kriegner (appointed w.e.f. 11.02.2016) (resigned w.e.f. 17.12.2016)	Non Executive/ Non Independent	✓	Leave of Absence

Compliance Committee - Non Mandatory Committee

Recognizing the importance of compliance with various laws and regulations, the Board of Directors constituted a 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 essential for sustainable growth.

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 of law that may significantly affect the Company;

- 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 CEO&MD, Executive Committee Members and the Company Secretary & Head Compliance and recommend corrective actions, if any, where required;
- reviewing significant legal cases filed by and against the Company.

The composition of the Compliance Committee as at December 31, 2016 and the details of the Members’ participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Compliance Committee Meetings held on			
		February 9, 2016	April 26, 2016	July 25, 2016	September 26, 2016
Mr Farrokh Kavarana, Chairman	Non Executive / Independent	✓	✓	✓	✓
Mr Shailesh Haribhakti	Non Executive / Independent	✓	✓	✓	✓
Mr S K Roongta (appointed w.e.f. 17.12.2016)	Non Executive / Independent	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mr Harish Badami	Executive	✓	✓	✓	✓
Mr Martin Kriegner (appointed w.e.f. 11.02.2016) (resigned w.e.f. 17.12.2016)	Non Executive / Non Independent	Not Applicable	✓	✓	Leave of Absence
Mr Bernard Terver (resigned w.e.f. 11.02.2016)	Non Executive / Non Independent	✓	Not Applicable	Not Applicable	Not Applicable

Capex Committee - Non Mandatory Committee

The Capex Committee was constituted to review the technical and financial viability of large projects and in particular the Jamul Project. As the said Project has been completed, the Board of Directors at its Meeting held on December 17, 2016 has dissolved this Committee.

SUBSIDIARY COMPANIES

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company.

The Company’s policy on “material subsidiary” is placed on the Company’s website and can be accessed through weblink <http://www.acclimited.com/newsite/pdf/CG/Determiningmaterialsubsidiaries.pdf>

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings of the Company.

Copies of the Minutes of the Nomination & Remuneration Committee, Audit Committee and Board Meetings of Subsidiary Companies are given to all the Directors and tabled at the Board Meetings of the Company.

DISCLOSURES

INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

The Company is required to adopt “IND AS” w.e.f. January 1, 2017. The implementation of “IND AS” is a major change process for which the Company has established a project team and has dedicated considerable resources. The impact of the change on adoption of “IND AS” has been assessed and the Company is ready to adopt “IND AS”.

RELATED PARTY TRANSACTIONS

All Transactions with related parties were in the ordinary course of business and on an arm’s length pricing basis. The Policy on related party transaction has been placed on the Company’s website and can be accessed through <http://www.acclimited.com/newsite/pdf/CG/PolicyonRPT.pdf>

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 (SEBI) or by any statutory authority on any matters related to capital markets during the last three 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 Code. The Code has been posted on the Company’s website www.acclimited.com.

The Code lays down the standard of conduct which is expected to be followed by the Directors and by the employees in their business dealings and in particular on matters relating to integrity in the work place, 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 were required to complete an e-learning module in addition to the face-to-face training conducted by 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 extensive training sessions for creating awareness among relevant employees on fair competitive practices.

Under the fair competition programmes, training sessions are being conducted on annual basis for the relevant 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 market place. E-Learning training is imparted to all relevant employees in addition to face-to-face training. Specific modules on “Do’s and Dont’s” in a tender bidding process have been added.

In addition to the above, the processes of the Company are subject to audits and where required 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 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 also that no discrimination will

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

E-Mail: acc@ethicalview.com

Online reporting on <https://integrityline.holcim.com>

National Toll Free Number: 1800-209-2008

Fax Number: +91(22) 66459575

Address: PO Box 137, Pune 411 001

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

PREVENTION OF INSIDER TRADING

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, which came into effect from May 15, 2015, 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. The ACC Code mandates taking of pre-clearance for dealing in the Company’s shares. It also prohibits the purchase or sale of 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 when the Trading Window is closed.

The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors, designated employees and connected persons have affirmed compliance with the Code.

MEANS OF COMMUNICATION

The Company follows a robust process of communicating with its stakeholders and investors. For this purpose, it displays multiple channels of communications viz. through dissemination of information on the on-line portal of the Stock Exchanges, press releases, the Annual Reports and uploading relevant information on its website.

The unaudited quarterly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year, as required under SEBI Regulations. The aforesaid financial results are announced to the Stock Exchanges within thirty minutes from the close of the Board Meeting at which these were considered and approved. The results are published in leading English daily newspapers 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 well in advance of the Annual General Meeting.

The Annual Report of the Company, the quarterly / half yearly and the audited financial statements and the press releases of the Company are also placed on the Company’s website: www.acclimited.com and can be downloaded.

The presentations giving an analysis of 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, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI Regulations including material information having a bearing on the performance / operations of the Company or other price sensitive information. All information is filed electronically on BSE’s on-line Portal - BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE

Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited.

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 CEO&MD, the Chief Financial Officer and the Company Secretary has been constituted and empowered to decide on the materiality of the information for the purpose of making disclosure to the Stock Exchanges.

All disclosures made to the Stock Exchanges are also available on the Company's website under the heading 'Announcements' and can be accessed through weblink <http://www.acclimited.com/media/announcements>.

Facility has been provided by SEBI for investors to place their complaints / grievances on a centralized web-based complaints redress system viz. SEBI Complaints Redress System (SCORES). The salient features of this system are: Centralized 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 complaint and its current status.

A separate dedicated section under 'Corporate Governance' on the Company's website gives information on unclaimed dividends, quarterly compliance reports and other relevant information of interest to the investors / public.

The Company also uploads on the BSE Listing Centre and on NSE NEAPS portals, details of analysts and institutional investor meetings whenever the Company's representatives attend any meeting of the investors.

COMPLIANCE WITH NON-MANDATORY PROVISIONS

The compliance with non mandatory recommendation listed in Part E of Schedule II of SEBI Regulations is as under:

The position of the Chairman of the Board of Directors and the CEO are separate.

The Company's Standalone Financial Statements for the year ended December 31, 2016 are unmodified.

The Chief Internal Auditor reports directly to the Audit Committee.

The Company follows a robust process of communicating with the shareholders which has been explained earlier in the Report under "Means of Communication".

GENERAL INFORMATION TO SHAREHOLDERS

Financial Year : January - December

Investor Services

The Company has an in-house Share Department located at its Registered Office which offers all share related services to its Members and Investors. These services include transfer / transmission / dematerialization of shares / payment of dividends / sub-division / consolidation / renewal of share certificates and investor grievances.

The Company is registered with SEBI as Registrar to an Issue / Share Transfer Agent in Category II Share Transfer Agent and the registration code is INR000004124.

Address for Correspondence with the Company

ACC Limited
Share Department
"Cement House"
121, Maharshi Karve Road,
Mumbai 400020

Telephone No.:	(022) 33024469
Fax No.:	(022) 66317458
Communication by E-mail:	sujata.chitre@acclimited.com

Communication by Members

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain their Demat Account/s for queries relating to shareholding, change of address,

update of bank details for electronic credit of dividend. However, queries relating to non-receipt of dividend, non-receipt of annual reports or on matters relating to the working of the Company should be addressed to the Company.

Members who hold shares in physical form should address their queries to the Company for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewal / split / consolidation of share certificates, issue of duplicate share certificates 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 certified copies of PAN Cards and other proof of identity and/or address.

Members are requested to indicate their DP ID & Client ID / Ledger Folio number in their correspondence with

the Company and also to provide their Email addresses and telephone numbers to facilitate prompt response from the Company.

Exclusive E-Mail ID & Toll Free Number

The Company has designated an e-mail ID to enable the Members and Investors to correspond with the Company. The e-mail ID is ACC-InvestorSupport@acclimited.com

The Company has also set up a toll free number 1800-3002-1001 to facilitate the Members / Investors to contact the Company. The toll free services will be available on all working days of the Company from 9.15 a.m. till 5.00 p.m.

Plant Location

The location 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.

MARKET INFORMATION

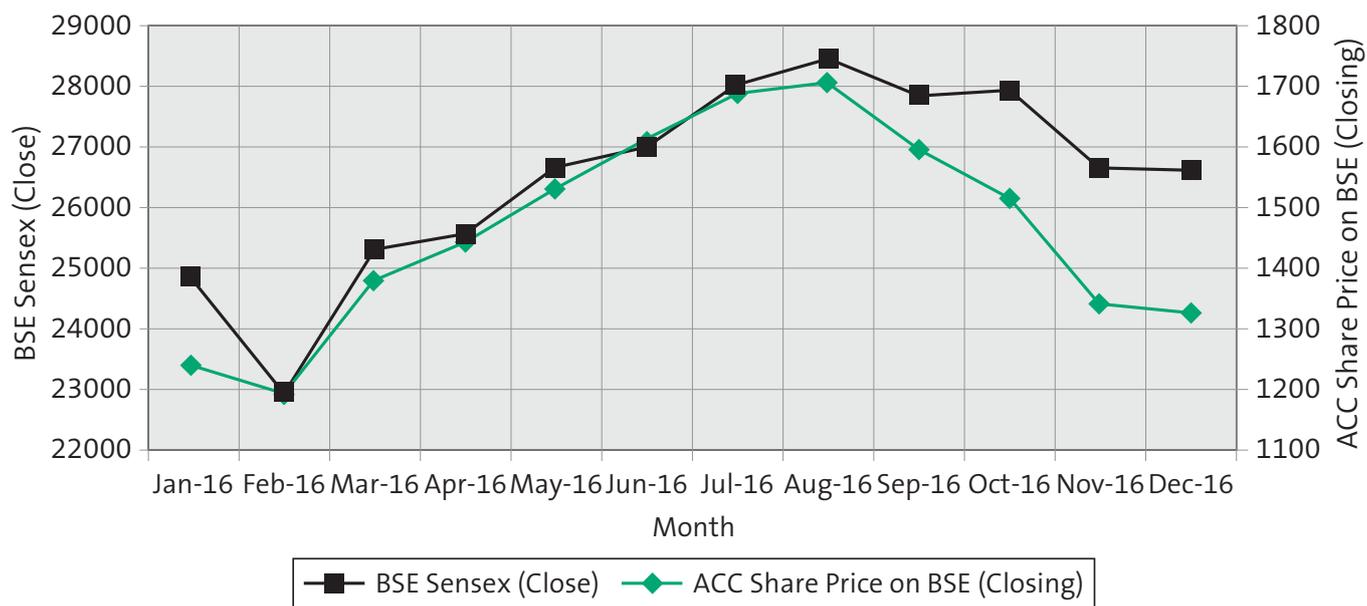
Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name and Address of the Stock Exchanges	Stock Code / Scrip Code	ISIN Number for NSDL / CDSL (Dematerialized shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	500410	INE012A01025
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	ACC	

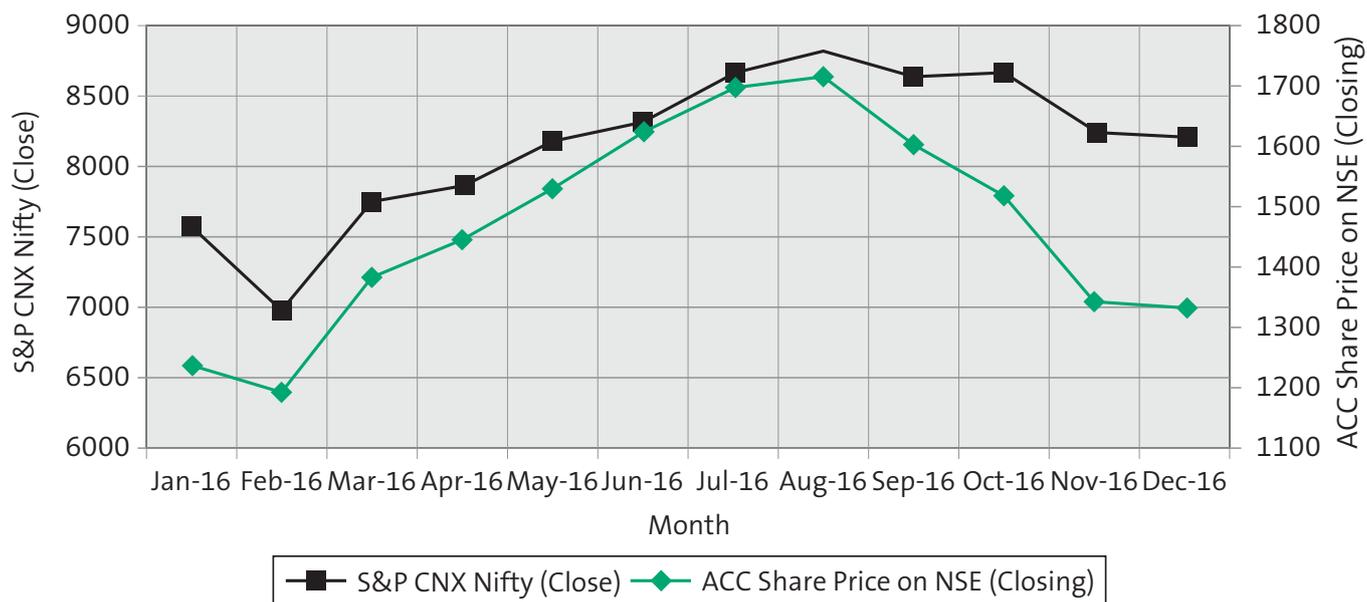
ACC Share Price on BSE vis-à-vis BSE Sensex January - December 2016

Month	BSE Sensex (Close)	High ₹	Low ₹	Close ₹	No. of shares traded during the month	Turnover ₹ crores
January 2016	24,870.69	1,382.00	1,207.00	1,240.40	2,64,092	33.57
February 2016	23,002.00	1,310.00	1,173.25	1,191.15	3,94,180	49.17
March 2016	25,341.86	1,399.00	1,193.00	1,380.30	5,53,837	70.54
April 2016	25,606.62	1,481.45	1,371.00	1,443.00	3,27,814	46.99
May 2016	26,667.96	1,580.00	1,379.35	1,531.80	4,11,622	60.12
June 2016	26,999.72	1,619.00	1,521.65	1,613.65	4,43,787	69.51
July 2016	28,051.86	1,717.15	1,568.00	1,689.95	7,76,217	129.15
August 2016	28,452.17	1,738.00	1,587.95	1,707.65	7,07,083	118.68
September 2016	27,865.96	1,715.00	1,572.10	1,594.95	4,85,747	80.33
October 2016	27,930.21	1,713.00	1,510.20	1,515.90	5,65,745	90.93
November 2016	26,652.81	1,538.00	1,257.00	1,342.60	90,52,586	1,373.35
December 2016	26,626.46	1,387.85	1,270.10	1,328.40	2,53,281	33.44

ACC Share Price on BSE & BSE Sensex


ACC Share Price on NSE vis-à-vis S&P CNX Nifty January - December 2016

Month	S & P CNX Nifty (Close)	High ₹	Low ₹	Close ₹	No. of shares traded during the month	Turnover ₹ crores
January 2016	7,563.55	1,380.40	1,205.00	1,240.05	33,54,694	427.95
February 2016	6,987.05	1,309.75	1,174.00	1,193.90	39,22,019	489.90
March 2016	7,738.40	1,400.00	1,195.00	1,381.90	65,44,795	858.21
April 2016	7,849.80	1,482.50	1,371.25	1,443.15	52,68,607	755.39
May 2016	8,160.10	1,546.50	1,379.30	1,529.05	55,80,756	817.86
June 2016	8,287.75	1,624.95	1,522.00	1,616.05	79,32,470	1,236.36
July 2016	8,638.50	1,718.00	1,569.05	1,688.70	61,54,641	1,017.74
August 2016	8,786.20	1,736.40	1,584.00	1,709.80	58,41,445	978.52
September 2016	8,611.15	1,715.00	1,570.25	1,599.85	54,99,907	901.91
October 2016	8,625.70	1,674.00	1,508.60	1,517.75	60,03,586	956.11
November 2016	8,224.50	1,528.70	1,256.55	1,342.40	73,52,760	1,018.36
December 2016	8,185.80	1,385.00	1,269.55	1,331.05	46,37,547	611.57

ACC Share Price on NSE & S&P CNX Nifty


SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

i. Share transfers

Share transfer forms (SH-4) for shares held in physical mode which are received by the Company, complete in all respects are promptly processed and the share certificates are returned to the transferees within a period of fifteen days from the date of receipt of transfer. Share transfer forms which are incomplete or where the Company has noticed irregularities in the document are immediately returned to the transferees by registered post.

ii. Nomination facility for shareholding

As per the provisions of the Act, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participant (DP) in this regard.

iii. Permanent Account Number (PAN)

Members holding 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.

iv. Subdivision of shares

The Company had subdivided the face value of its Equity Shares from ₹ 100 to ₹ 10 in 1999. The old shares having face value of ₹ 100 are no longer tradable on the Stock Exchanges. Members holding share certificates of the face value of ₹ 100 are requested to send the certificates to the Share Department of the Company for exchange with shares of the face value of ₹ 10 each.

v. Dividend

a. Payment of Dividend through Automated Clearing House (ACH)

The Company provides the facility for direct credit of the dividend to the Members Bank Account. SEBI 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' "Automated Clearing House" mode. Members who hold shares in demat mode should inform their Depository Participant, whereas Members holding shares in physical form should inform the Company of the core banking account details allotted to them by their bankers. In cases where the core banking details are not available, the Company will issue dividend warrants to the Members.

b. Unclaimed Dividends

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years from the date the dividend has become due for payment to the Investor Education & Protection Fund (IEPF) established by the Government. Accordingly, during the year, unclaimed dividends pertaining to the following periods will be transferred to IEPF:

- 72nd Final Dividend for the year ended December 31, 2009.
- 73rd Interim Dividend for the year ended December 31, 2010.

Before transferring the monies to IEPF, individual letters are sent each year to those Members whose unclaimed dividends are due for transfer so as to enable them to claim the dividends before the due date. The information on unclaimed dividend is also posted on the website of the Company www.acclimited.com.

With effect from September 7, 2016, Investors / Depositors whose unpaid dividends, matured deposits or debentures etc. were transferred to IEPF under Companies Act, 1956 and/or Companies Act, 2013 can claim the amounts as per the following procedures/guidelines:

Guidelines for Investors to file claim

- i. Download the Form IEPF-5 from the website of IEPF (<http://www.iepf.gov.in>) for filing the claim for refund. Read the instructions provided on the website/instruction kit alongwith 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, an acknowledgement 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 IEPF-5 and the acknowledgement issued after uploading the form.
- iv. Submit an indemnity bond in original, copy of the acknowledgement and self attested copy of e-form alongwith the other documents as mentioned in the Form IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked "Claim for refund from IEPF Authority". Kindly remember 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.

The Nodal Officer of the Company for IEPF Refunds Process is Mr Naresh Motiani whose e-mail id is naresh.motiani@acclimited.com

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
31.12.2009 (72 nd Final)	08.04.2010	13.00	12.06.2017
31.12.2010 (73 rd Interim)	22.07.2010	10.00	25.09.2017
31.12.2010 (73 rd Final)	13.04.2011	20.50	17.06.2018
31.12.2011 (74 th Interim)	28.07.2011	11.00	30.09.2018
31.12.2011 (74 th Final)	28.03.2012	17.00	01.06.2019
31.12.2012 (75 th Interim)	26.07.2012	11.00	29.09.2019
31.12.2012 (75 th Final)	05.04.2013	19.00	09.06.2020
31.12.2013 (76 th Interim)	25.07.2013	11.00	28.09.2020
31.12.2013 (76 th Final)	09.04.2014	19.00	13.06.2021
31.12.2014 (77 th Interim)	24.07.2014	15.00	27.09.2021
31.12.2014 (77 th Final)	20.03.2015	19.00	24.05.2022
31.12.2015 (78 th Interim)	17.07.2015	11.00	20.09.2022
31.12.2015 (78 th Final)	13.04.2016	6.00	17.06.2023
31.12.2016 (79 th Interim)	26.07.2016	11.00	29.09.2023

vi. Transfer of ‘Underlying Shares’ into Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years)

In terms of Section 125(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government. As required under the said Rules, the Company has published a Notice in the newspapers inviting the Members attention to the aforesaid Rules. The Company has also sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the said Rules to take immediate action in the matter.

vii. Dealing with securities which have remained unclaimed

Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI “Manner of dealing with Unclaimed Shares”, which came into effect from December 1, 2015, has directed Companies to dematerialize 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. NSDL or CDSL.

All corporate benefits on such shares viz. bonus shares, dividends etc. shall be credited to the unclaimed suspense account as applicable for a period of seven years and will 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 Companies Act, 2013. The Members are requested to note the same and take action for claiming the shares.

The details of shares transferred to the demat “Unclaimed Suspense A/c” of ACC Limited are as under:

Sr No	Particulars	No. of Shares	No. of shareholders
1.	Aggregate no. of shareholders and outstanding shares in the Unclaimed Suspense Account as on the date of transfer and as on 31.03.2016	3,75,638	2,937
2.	Number of claims received from 01.04.2016 to 31.12.2016	10,584	69*
3.	Number of claims processed	3,161	15
4.	Balance shares standing in the “ACC Limited-Unclaimed Suspense Account” as on 31.12.2016 (Sr No. 1 - Sr No. 3)	3,72,477	2,922

* remaining 54 shareholders are still to comply with the procedure.

The voting rights on the aforesaid shares shall remain frozen till the rightful owner claims the shares.

viii. Pending Investors’ Grievances

Any Member / Investor whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary & Head Compliance at the Registered Office with a copy of the earlier correspondence.

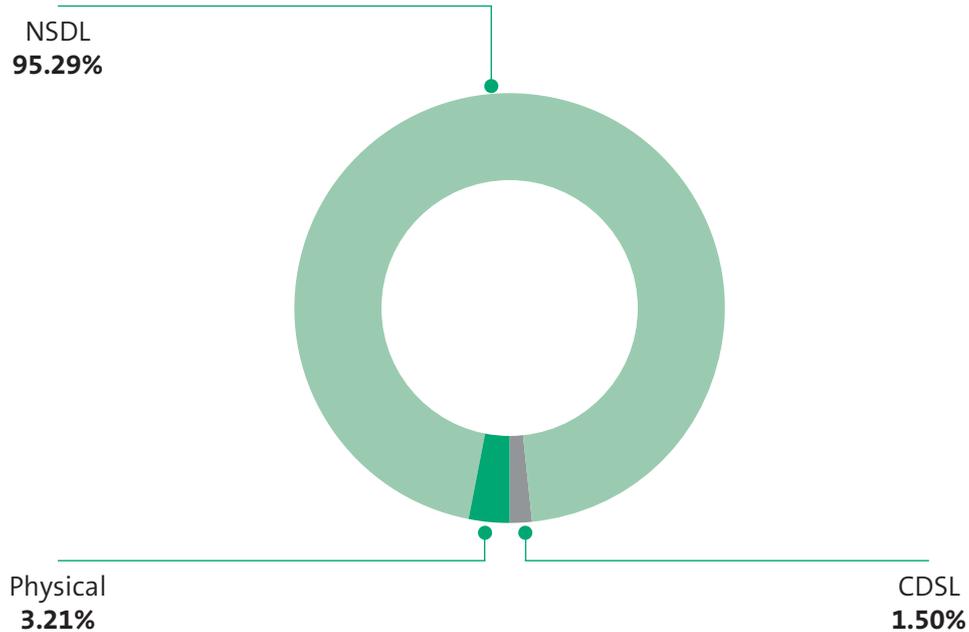
ix. Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (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 National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (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 National Stock Exchange of India Limited on a quarterly basis and is also placed before Stakeholders’ Relationship Committee and the Board of Directors.

Distribution of Shareholding as on December 31, 2016

No. of shares slab	No. of share holders	%	Physical	% of share capital	NSDL	% of share capital	CDSL	% of share capital	Total No. of Shares	% of share capital
01-50	62655	59.98	233119	0.12	669125	0.36	215631	0.11	1117875	0.60
51-100	13213	12.65	247575	0.13	680999	0.36	159361	0.08	1087935	0.58
101-200	10263	9.82	395349	0.21	946245	0.50	194765	0.10	1536359	0.82
201-500	9211	8.82	751065	0.40	1945180	1.04	348870	0.19	3045115	1.62
501-1000	4397	4.21	694482	0.37	2128074	1.13	361744	0.19	3184300	1.70
1001-5000	3903	3.74	1593505	0.85	5680161	3.02	780269	0.42	8053935	4.29
5001-10000	427	0.41	385221	0.21	2380202	1.27	225546	0.12	2990969	1.59
>10000	394	0.37	1737103	0.92	164508047	87.60	525625	0.28	166770775	88.81
Total	104463	100.00	6037419	3.21	178938033	95.29	2811811	1.50	187787263	100.00

Distribution of Shareholding as on December 31, 2016

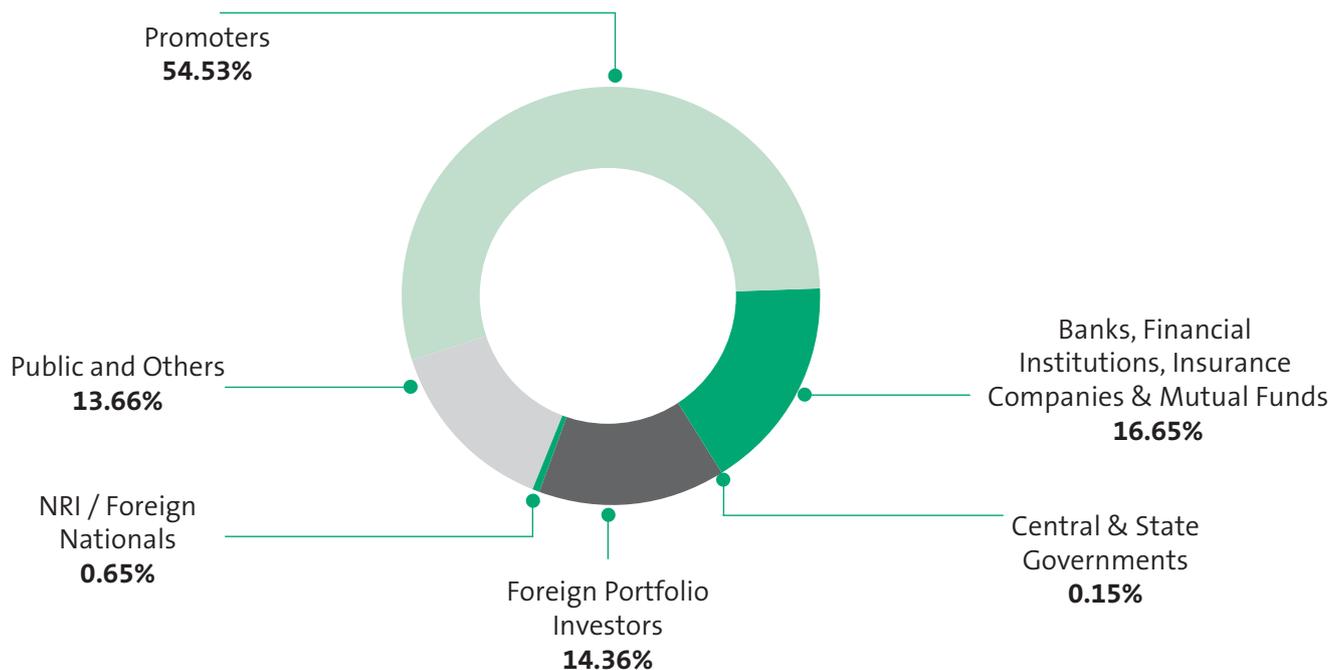


The Company has entered into agreements with both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with either of the two depositories.

Members holding shares in physical mode are urged in their own interest to hold these shares in dematerialized form with any Depository Participant.

Shareholding Pattern as on December 31, 2016

Category	No. of Shares held	%	
Promoters:			
i. Ambuja Cements Limited	93984120	50.05	
ii. Holderind Investments Ltd.	8411000	4.48	54.53
Banks, Financial Institutions, Insurance Companies & Mutual Funds:			
i. Banks	545291	0.29	
ii. Financial Institutions	24684052	13.15	
iii. Insurance Companies	1632040	0.87	
iv. Mutual Funds	4396731	2.34	16.65
Central & State Governments	287815		0.15
Foreign Portfolio Investors	26974845		14.36
NRIs / Foreign Nationals	1221734		0.65
Directors	3100		0.00
Public and Others	25646535		13.66
TOTAL	187787263		100.00



Pursuant to the amalgamation of Holcim (India) Private Ltd. with Ambuja Cements Limited w.e.f. 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.

Statement showing Shareholding of more than 1% of the Capital as on December 31, 2016

Sr. No.	Names of the shareholders		Number of shares	Percentage of Capital
1	Ambuja Cements Limited (Promoter)	93984120		
	Holderind Investments Ltd (Promoter)	8411000	102395120	54.53
2	Life Insurance Corporation of India		21226841	11.30
3	Aberdeen Global Indian Equity Limited		2925000	1.56
4	Europacific Growth Fund		2340000	1.25
5	JP Morgan Sicav Investment Company (Mauritius) Limited		2280391	1.21
6	JP Morgan India Fund		2000988	1.07
	TOTAL		133168340	70.92

Global Depository Receipts (GDR) or any Convertible instrument, conversion dates and likely impact on Equity

NIL

Particulars of past three Annual General Meetings

AGM	Financial Year	Venue	Date	Time	Special Resolutions passed
80 th	Calendar Year 2015	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020	13.04.2016	3.00 p.m.	Special Resolution for adoption of Articles of Association was passed
79 th	Calendar Year 2014		20.03.2015	3.00 p.m.	No Special Resolution was passed
78 th	Calendar Year 2013		09.04.2014	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

A postal ballot was conducted pursuant to the provisions of Section 110 of the Act for moving an Ordinary Resolution for variation in the terms of remuneration of Mr Harish Badami, Chief Executive Officer & Managing Director, within the overall limits prescribed under Section 197, 198 and other applicable provisions of the Act and the Companies (Management & Administration) Rules, 2014 read with Schedule V of the Act. The Company had appointed Mr Khushroo K Driver of K & K Corporate Solutions Private Limited, as scrutinizer for conducting the postal ballot process in a fair and transparent manner. Accordingly, the Postal Ballot was conducted by the

Scrutinizer and his Report was submitted to the Chairman. The results of the voting conducted through the Postal Ballot are as under:

Particulars	Number of Ballots	Number of Votes	% of votes
Total Postal Ballot Forms received	1860	142419451	100.00
Less: Invalid Forms received	100	19809	0.01
Net valid Postal Ballot Forms received	1760	142399642	99.99
Postal Ballot Forms with assent for the Resolution	1611	141924471	99.65
Postal Ballot Forms with dissent for the Resolution	149	475171	0.33

The Ordinary Resolution as per Notice dated June 10, 2016 for the proposed changes in the terms of remuneration of the CEO&MD, was accordingly passed with the requisite majority.

FINANCIAL CALENDAR 2017:

Board Meeting for consideration of Accounts for the financial year ended December 31, 2016 and recommendation of dividend	February 3, 2017
Posting of Annual Reports	On or before March 4, 2017
Book Closure Dates	March 20, 2017 to March 24, 2017 (both days inclusive)
Last date for receipt of Proxy Forms	March 27, 2017 before 3.00 p.m.
Date, Time and Venue of the 81 st Annual General Meeting	March 29, 2017 at 3.00 p.m. Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020
Dividend Payment Date	April 6, 2017
Probable date of despatch of warrants	On or before April 5, 2017
Board Meeting for consideration of unaudited quarterly results for the financial year ended December 31, 2017	Within forty-five days from the end of the quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges
Audited results for the current financial year ending December 31, 2017	Within sixty days from the end of the last quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges

For and on behalf of the Board

N S Sekhsaria
Chairman

Mumbai
February 3, 2017

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

As provided under 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, 2016.

For ACC Limited

Harish Badami

Chief Executive Officer & Managing Director

Mumbai

February 3, 2017

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We the undersigned, in our respective capacities as Chief Executive Officer & Managing Director and Chief Financial Officer of ACC Limited (“the Company”) to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended December 31, 2016 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s Code of Business Conduct.
- c. We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Business Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over the financial reporting.

Yours faithfully

Harish Badami
CEO & Managing Director

Sunil Nayak
Chief Financial Officer

Mumbai

February 3, 2017

S R B C & CO LLP

Chartered Accountants

The Ruby, 14th Floor
29, Senapati Bapat Marg

Dadar (West)

Mumbai 400 028.

Tel. No. + 91 22 6192 0000

Fax No. + 91 22 6192 1000

AUDITORS' CERTIFICATE

To
The Members of ACC Limited

We have examined the compliance of conditions of corporate governance by ACC Limited, for the year ended on December 31, 2016, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

As a result of the appointment of the MD&CEO (Designate) as an Additional Director on December 16, 2016, the number of independent directors was less than that required under the Regulations from that date till December 31, 2016, by one director. The Company has been advised that it has a period of ninety days within which to achieve the required composition. In our opinion and to the best of our information and according to the explanations given to us, read with the matter described hereinabove, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations'), pursuant to the Listing Agreement of the said Company with stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

Per Ravi Bansal

Partner

Membership No.: 49365

Mumbai
February 3, 2017