

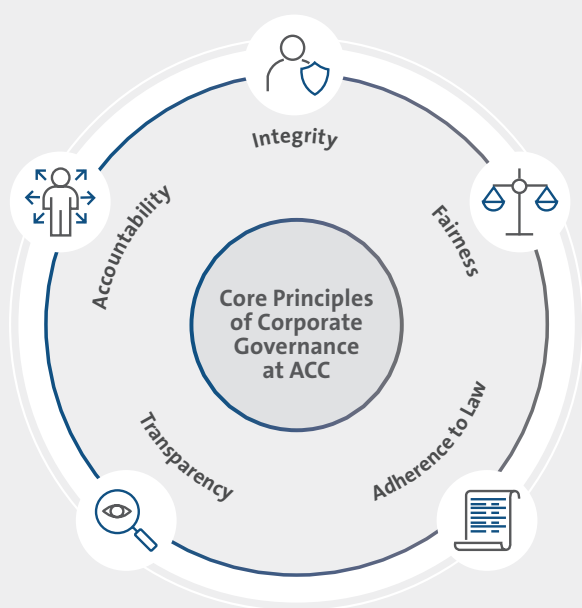
Report on Corporate Governance

ACC'S PHILOSOPHY ON CORPORATE GOVERNANCE

For over eight (8) decades, we have strengthened our industry leadership on the pillar of our corporate governance philosophy. We have institutionalised a robust mechanism of corporate governance, long before it became a statutory requirement. Our governance framework enshrines ethical and responsible conduct of business to create lasting stakeholder value.

The governance framework and philosophy of the Company is inspired by ethics, values and culture of professionalism. We emulate the 'best practices' that are adhered to in the realm of corporate governance globally and these practices are integrated into our growth strategy.

Across our day-to-day operations, we conform to complete transparency and accountability to protect stakeholder interests. Our governance framework drives optimal utilisation of resources and accountability for stewardship. The Board remains at the top of the governance pyramid as a custodian of trust, with the employees at the base which ensures sustainable long term wealth creation.

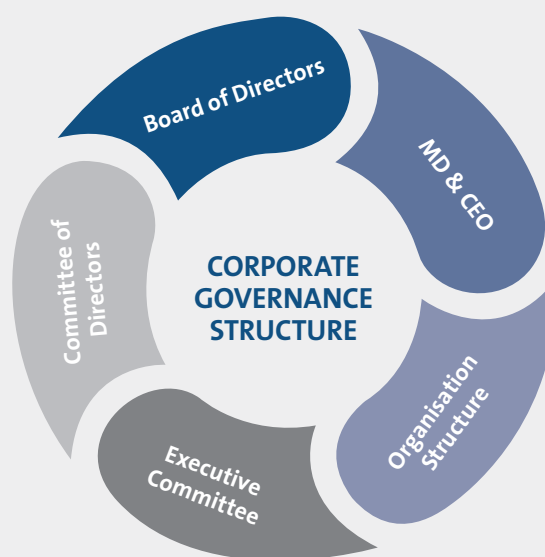


The above-mentioned principles are integral to our business practices and have evolved, over the years, from the Company's culture of agility, continuous innovation and rich experiences gleaned from the past. This distilled wisdom has reinforced stakeholder trust and confidence, attracting and retaining financial and human capital and has helped us enormously in fulfilling societal aspirations.

Our core principles represent the edifice of our two-tier governance model, with the Board of Directors and the Committees of the Board at the apex and the management structure at the operational level. The Board and its Committees guide, support and complement the management team's ideas and initiatives, which in turn

assumes accountability, strives to achieve the set objectives and enhances value creation for all.

ACC's Corporate Governance Structure has evolved over the years and it provides a comprehensive framework to enhance accountability to shareholders and other stakeholders, ensures timely implementations of the plans and adequate disclosures of as well as fair dealings with shareholders and other stakeholder interests and maintenance of high standards of business ethics and integrity.



Board of Directors

ACC is a professionally managed Company functioning under the overall supervision of the Board of Directors ('**Board**'). Its Board comprises the required combination of Independent and Non-Independent Directors, including an Independent Woman Director in line with the provisions of the Companies Act, 2013 ('**the Act**') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('**the SEBI Listing Regulations**'). The Company's Managing Director and Chief Executive Officer is the only Executive Director on the Board.

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

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

Committee of Directors

Having regard to the significant contributions that Committees make in assisting the Board of Directors in discharging its duties and responsibilities, the Board through its following Committees closely monitor various areas of business.

The Committees of the Board are:

- (i) Audit Committee
- (ii) Nomination & Remuneration Committee
- (iii) Corporate Social Responsibility ('CSR') Committee*
- (iv) Sustainability Committee*
- (v) Risk Management Committee and
- (vi) Compliance Committee.

The Board has voluntarily set up the Compliance Committee, which oversees the legal compliance process, other legal matters and key litigation.

*w.e.f. January 1, 2022, the CSR & Sustainability Committee was split into two (2) separate Committees i.e. CSR Committee and Sustainability Committee

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

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

Executive Committee ('ExCo')

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

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

Organisational structure, roles and responsibilities

ACC operates its business with a functional organisational structure. ExCo and other functional heads provide the expertise to face operational challenges with agility and efficiency.

Led by the MD & CEO, it comprises verticals for the functions of Sales & Marketing, Manufacturing, Human

Resources, Finance, Procurement, Supply Chain, Legal & RMX functions. The business operates through three (3) regional manufacturing clusters (North, East, South West and Central) and three (3) regional Sales & Marketing Offices (North, East and Central, South and West).

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

BOARD OF DIRECTORS

The composition of the Board is in conformity with Regulation 17 and Regulation 17A of the SEBI Listing Regulations read with Section 149 of the Act.

In terms of the provisions of the Act and the SEBI Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis. On the basis of such disclosures, it is confirmed that as on December 31, 2021, none of the Directors of the Company:

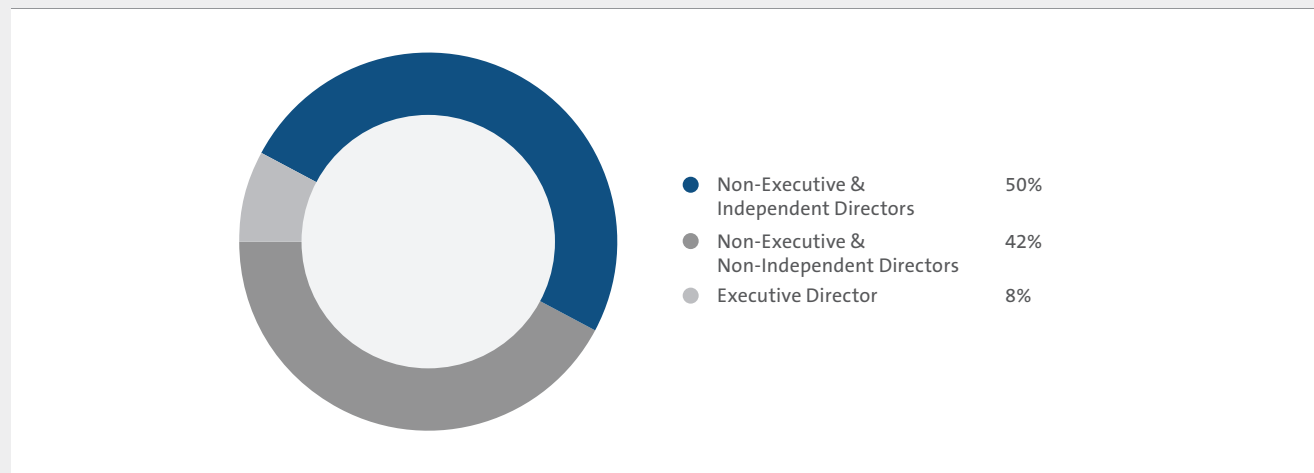
- holds Directorship positions in more than twenty (20) companies [including ten (10) public limited companies and seven (7) listed companies];
- holds Executive Director position and serves as an Independent Director in more than three (3) listed companies; and
- is a Member of more than ten (10) Committees and/ or Chairperson of more than five (5) Committees, across all the Indian public limited companies in which they are Directors.

For the purpose of determination of Committee position limits, chairperson and membership positions of the Audit Committee ('AC') and the Stakeholders' Relationship Committee ('SRC') have been considered in terms of Regulation 26 of the SEBI Listing Regulations.

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

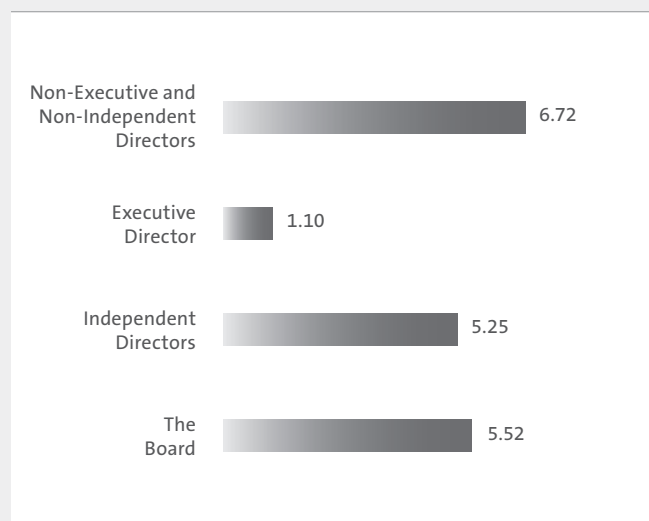
Size and Composition of the Board as on December 31, 2021

Composition of Board



Tenure Analysis of the Board as on December 31, 2021

Average Tenure in years (category-wise)



Present Tenure of Directors in years



Key Board qualifications, expertise and attributes

The ACC Board comprises professionals of eminence and stature drawn from diverse fields. The Board of Directors collectively bring to the fore a wide repertoire of skills and experience, which elevates the quality of the Board's decision-making and allows them to make effective contribution to the Board and its Committees.

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

The table below summarises the key skills, attributes and competencies identified by the Board of Directors to function effectively:

Definition of key skills/ attributes/ competencies



Financial Literacy

Ability to analyse and understand the key financial statements, assess financial viability of the projects & efficient use of resources, experience in the fields of taxation, audit, financial management, banking, insurance and investments, treasury, fund raising, private equity, venture capital investments and internal controls.



Sustainability

Experience in guiding the sustainability and ESG visions of organisations and promoting integration of these into the overall strategy and value chain of the Company as well as helping the organisation in fulfilling its responsibility towards the society.



Sales & Marketing Management

Understanding the market dynamics, experience in developing strategies to increase sales and market share, build brand awareness and equity, enhancing brand reputation, experience in overseeing large supply chain operations and optimum resource utilisation, realisation of market potential and the competitive advantages.



Industry Acumen

Expertise and knowledge of business related issues in general and those of Cement business in particular, oversight and knowledge of working of similar industries in which the Company operates, perspective on markets and opportunities.



Innovation & Technology

Experience in innovative use of information technology across the value chain and use of IT to enhance the business practices, anticipating technology driven changes and disruptions, ability to analyse the information and share innovative approaches and solutions to the problems, appreciation of latest IT trends and promoting use of cyber security controls across the organisation.



General Management

Experience in leading well-governed large organisations, possessing intrinsic leadership skills including the ability to appropriately represent the Company, set appropriate Board and organisation culture.



Strategy & Operations

Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities and Demonstrated strengths in developing talent, succession planning, driving change and long-term growth.

Directors' profile

Brief details of Directors as on December 31, 2021 are mentioned as under:-



MR N S SEKHSARIA

(DIN: 00276351)

(Non-Executive and Non-Independent Director)

Nationality	: Indian
Age	: 72 years
Date of Initial Appointment	: December 27, 1999
Term ending date	: NA
Shareholding	: Nil

Areas of expertise



MR JAN JENISCH

(DIN: 07957196)

(Non-Executive and Non-Independent Director)

Nationality	: German
Age	: 55 years
Date of Initial Appointment	: October 17, 2017
Term ending date	: NA
Shareholding	: Nil

Areas of expertise



MR NEERAJ AKHOURY

(DIN: 07419090)

(Non-Executive and Non-Independent Director)

Nationality	: Indian
Age	: 53 years
Date of Initial Appointment	: December 16, 2016
Term ending date	: NA
Shareholding	: Nil

Areas of expertise



MR MARTIN KRIEGNER

(DIN: 00077715)

(Non-Executive and Non-Independent Director)

Nationality	: Austrian
Age	: 60 years
Date of Initial Appointment	: February 11, 2016
Term ending date	: NA
Shareholding	: Nil

Areas of expertise



MR SHAILESH HARIBHAKTI

(DIN: 00007347)

(Non-Executive and Independent Director)

Nationality	: Indian
Age	: 65 years
Date of Initial Appointment	: February 17, 2006
Term ending date	: July 23, 2024
Shareholding	: Nil

Areas of expertise



MR SUSHIL KUMAR ROONGTA

(DIN: 00309302)

(Non-Executive and Independent Director)

Nationality	: Indian
Age	: 71 years
Date of Initial Appointment	: February 3, 2011
Term ending date	: July 23, 2024
Shareholding	: Nil

Areas of expertise



**MS FALGUNI NAYAR**

(DIN: 00003633)

(Non-Executive and Independent Director)

Nationality	: Indian
Age	: 58 years
Date of Initial Appointment	: April 24, 2014
Term ending date	: April 23, 2024
Shareholding	: Nil

Areas of expertise**MR D SUNDARAM**

(DIN: 00016304)

(Non-Executive and Independent Director)

Nationality	: Indian
Age	: 68 years
Date of Initial Appointment	: March 22, 2019
Term ending date	: March 21, 2024
Shareholding	: Nil

Areas of expertise**MR VINAYAK CHATTERJEE**

(DIN: 00008933)

(Non-Executive and Independent Director)

Nationality	: Indian
Age	: 62 years
Date of Initial Appointment	: March 22, 2019
Term ending date	: March 21, 2024
Shareholding	: Nil

Areas of expertise**MR SUNIL MEHTA**

(DIN: 00065343)

(Non-Executive and Independent Director)

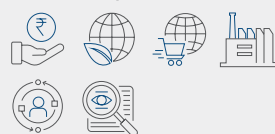
Nationality	: Indian
Age	: 64 years
Date of Initial Appointment	: March 22, 2019
Term ending date	: March 21, 2024
Shareholding	: Nil

Areas of expertise**MR SRIVIDHAR BALAKRISHNAN**

(DIN: 08699523)

(MD & CEO)

Nationality	: Indian
Age	: 51 years
Date of Initial Appointment	: February 21, 2020
Term ending date	: February 20, 2025
Shareholding	: Nil

Areas of expertise**MR M R KUMAR**

(DIN: 03628755)

(Non-Executive and Non-Independent Director)

Nationality	: Indian
Age	: 60 years
Date of Initial Appointment	: October 19, 2020
Term ending date	: NA
Shareholding	: Nil

Areas of expertise

The detailed profiles of Directors is available on the Company's website and can be accessed on web link at <https://www.acclimited.com/about/board-of-directors>

Directorships and Memberships of Committees

The total number of Directorship(s) held by the Directors and the Memberships/ Chairmanships on Committees held by them as mentioned hereunder, is in compliance with the provisions of the Act and the SEBI Listing Regulations. None of the Directors are related *inter se*.

Name of the Director	Category	*Number of Directorship(s) held in other Public Companies	*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	4	1. ACC Limited@%; 2. Ambuja Cements Limited@%; 3. Everest Industries Limited@	0	0
Mr Jan Jenisch (Deputy Chairman)	Non-Executive/ Non-Independent	2	1. ACC Limited@; 2. Ambuja Cements Limited@	0	0
Mr Neeraj Akhoury	Non-Executive/ Non-Independent	4	1. ACC Limited@; 2. Ambuja Cements Limited^	1	0
Mr Martin Kriegner	Non-Executive/ Non-Independent	3	1. ACC Limited@; 2. Ambuja Cements Limited@	2	0
Mr Shailesh Haribhakti	Non-Executive/ Independent	10	1. ACC Limited#; 2. Ambuja Cements Limited#; 3. Torrent Pharmaceuticals Limited#; 4. L&T Finance Holdings Limited#%; 5. Blue Star Limited#%; 6. Future Lifestyle Fashion Limited#%; 7. Bajaj Electricals Limited#	10	4
Mr S K Roongta	Non-Executive/ Independent	8	1. ACC Limited#; 2. JK Paper Limited@; 3. Jubilant Pharmova Limited#; 4. Jubilant Ingrevia Limited#; 5. Titagarh Wagons Limited#	5	2
Ms Falguni Nayar	Non-Executive/ Independent	4	1. ACC Limited#; 2. Dabur India Limited#; 3. FSN e-commerce Ventures Limited^	1	0
Mr D Sundaram	Non-Executive/ Independent	5	1. ACC Limited#; 2. Infosys Limited#; 3. Crompton Greaves Consumer Electricals Limited#; 4. GlaxosmithKline Pharmaceuticals Limited#	7	5
Mr Vinayak Chatterjee	Non-Executive/ Independent	4	1. ACC Limited#; 2. Apollo Hospitals Enterprise Limited#; 3. Indraprastha Medical Corporation Limited#; 4. KEC International Limited@	2	0
Mr Sunil Mehta	Non-Executive/ Independent	3	1. ACC Limited#; 2. Yes Bank@%	3	1
Mr Sridhar Balakrishnan	MD & CEO/ Executive	3	1. ACC Limited^	1	0
Mr M R Kumar	Non-Executive/ Non-Independent	6	1. ACC Limited@; 2. LIC Housing Finance Ltd\$%; 3. IDBI Bank Ltd@%	0	0

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

**Committees considered are AC & SRC.

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

Category of Directorship held:

@Non-Executive & Non-Independent

#Non-Executive & Independent

^Executive

\$Nominee

% Chairman

Board diversity

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

Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalised a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The Policy on diversity is available on the Company's website and can be accessed on web link at www.acclimited.com/assets/new/new_pdf/Policyondiversityoftheboard.pdf

Directors and Officers Insurance ('D&O')

In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken D&O for all its Directors and members of the Senior Management for such quantum and for such risks as determined by the Board of Directors.

Independent Directors

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

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

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

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

All the Independent Directors on the Board of the Company have submitted their respective declarations confirming that they meet the criteria of independence as mentioned in Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. Also, in terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

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

The maximum tenure of the Independent Directors is in compliance with the provisions of the SEBI Listing Regulations and the Act. No Independent Director of the Company has resigned or was re-appointed during the financial year under review.

Meeting of Independent Directors

During the year under review, the Independent Directors met on December 15, 2021, *inter alia* to discuss:

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

The Independent Directors have expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express its views on matters transacted at the meetings and the openness and transparency with which the Management discusses various subject matters specified in the agendas of meetings. The consolidated Evaluation Report of the Board, based on inputs received from the Directors was discussed at the meeting of the Board held on December 16, 2021 and the action areas identified in the process are being implemented to ensure a better interface at the Board/ Management level.

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

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

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

By way of an introduction to the Company, the Directors are presented with a book on the rich legacy of the Company, which traces its history of over eight (8) decades of its existence, past Annual Reports, the Sustainable Development Reports, brochure on the CSR activities pursued by the Company and brochure which discusses various topics related to cement, its applications, etc. and ACC Parivar, the Company's house magazine.

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

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

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

The Independent Directors of the Company were provided with an induction booklet containing details such as industry overview, manufacturing and operations, logistics, procurement, branding, introduction to Global Digital Hub, sustainability and CSR initiatives as well as governance and compliance framework of the Company.

Details of the programme for familiarisation of Independent Directors with the working of the Company are available on the website of the Company and can be accessed through the weblink at <https://acclimited.com/assets/new/pdf/CG/Familiarization-Programme-2021.pdf>

Performance evaluation of the Board and individual Directors

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

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

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

Remuneration of Directors

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

The details of remuneration for the year ended December 31, 2021 are given hereunder:

(₹ Lakh)				
Name of the Director	Salary/ Incentive	Commission	Sitting Fees	Total
Mr N S Sekhsaria, Chairman	-	50.00	5.00	55.00
Mr Jan Jenisch, Deputy Chairman	-	20.00	1.50	21.50
*Mr Neeraj Akhoury (MD up to February 20, 2020)	56.69	-	-	56.69
*Mr Neeraj Akhoury (Non-Executive Director w.e.f. February 21, 2020)	-	-	-	-
*Mr Martin Kriegner	-	-	-	-
Mr Shailesh Haribhakti	-	36.00	8.00	44.00
Mr S K Roongta	-	36.00	8.10	44.10
Ms Falguni Nayar	-	20.00	4.40	24.40
Mr D Sundaram	-	45.00	8.00	53.00
Mr Vinayak Chatterjee	-	36.00	8.30	44.30
Mr Sunil Mehta	-	36.00	7.20	43.20
**Mr Sridhar Balakrishnan	515.00	-	-	515.00
Mr M R Kumar	-	20.00	2.00	22.00

#Received performance incentive for the year 2020 in the year 2021 on pro rata basis for the period January 1, 2020 to February 20, 2020.

*Mr Martin Kriegner and Mr Neeraj Akhoury have waived their right to receive Directors' commission and sitting fees.

**The remuneration of Mr Sridhar Balakrishnan includes the Performance Linked Incentive of ₹151.79 Lakh for the year 2020 and the performance shares of Holcim Ltd. (Ultimate Holding Company) of ₹54.95 Lakh.

In accordance with the SEBI Listing Regulations, no employee including Key Managerial Personnel or Director or Promoter of a listed entity, shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit-sharing in connection with dealings in the securities of the Company, without prior approval from the Board as well as from shareholders by way of an ordinary resolution. No such instances were reported during the financial year ended December 31, 2021.

The policy for payment of remuneration to Directors, Key Managerial Personnel and members of the Executive Committee is set out on the website of the Company and can be accessed through the weblink at www.acclimited.com/assets/new/pdf/CG/Policy_remuneration_selection_for_appointment.pdf

Employment agreement entered with MD & CEO

The Company had entered into an agreement with Mr Sridhar Balakrishnan, MD & CEO and the same can be accessed at the website of the Company through the weblink at <https://acclimited.com/securepdf/Agreement-bsridhar>

Meetings

Board meetings held during the year under review

Dates on which the Board meetings were held in 2021	Total strength of the Board	Number of Directors present
February 11, 2021	12	11
March 25, 2021	12	11
April 19, 2021	12	12
July 19, 2021	12	11
August 3, 2021	12	11
October 19, 2021	12	10
December 16, 2021	12	11

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

Attendance of Directors at Board meetings and Annual General Meeting

Name of the Director	Attendance at the Board meetings held on							Attendance at the AGM held on April 7, 2021
	February 11, 2021	March 25, 2021	April 19, 2021	July 19, 2021	August 3, 2021	October 19, 2021	December 16, 2021	
Mr N S Sekhsaria	✓	✓	✓	✓	✓	✓	✓	LOA
Mr Jan Jenisch	LOA	✓	✓	LOA	LOA	LOA	✓	✓
Mr Neeraj Akhoury	✓	✓	✓	✓	✓	✓	✓	✓
Mr Martin Kriegner	✓	✓	✓	✓	✓	✓	✓	✓
Mr Shailesh Haribhakti	✓	✓	✓	✓	✓	✓	✓	✓
Mr S K Roongta	✓	✓	✓	✓	✓	✓	✓	✓
Ms Falguni Nayar	✓	✓	✓	✓	✓	✓	✓	✓
Mr D Sundaram	✓	✓	✓	✓	✓	✓	✓	✓
Mr Vinayak Chatterjee	✓	✓	✓	✓	✓	✓	✓	✓
Mr Sunil Mehta	✓	✓	✓	✓	✓	✓	✓	✓
Mr Sridhar Balakrishnan	✓	✓	✓	✓	✓	✓	✓	✓
Mr M R Kumar	✓	LOA	✓	✓	✓	LOA	LOA	LOA

LOA – Leave of Absence

Duties and functions of the Board

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

The Board has the responsibility to oversee the conduct of the Company's business and to supervise and support the Management, who is responsible for the day-to-day operations. It does this by providing strategic guidance, monitoring operational performance and ensuring that robust policies and procedures are in place. The Board through its various Committees also reviews the identified risks and the

mitigation measures undertaken/ to be undertaken in respect thereof, ensures integrity in the Company's accounting and financial reporting systems, adequacy of internal controls and compliance with all relevant laws and discharges its functions towards CSR. In particular, the Board reviews and approves quarterly/ half-yearly unaudited financial results and the audited annual financial statements (both consolidated and standalone), corporate strategies, business plans, annual budgets, sets corporate objectives and monitors their implementation and oversees major capital expenditure. It monitors overall operating performance, Health & Safety (H&S) performance and reviews such other items which require the Board's attention. It directs and guides the activities of the Management towards achieving set goals and seeks accountability. The agenda for the Board meetings

covers items as set out in the SEBI Listing Regulations to the extent that they 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 to the Directors within the period stipulated in the Secretarial Standards. The Board processes are also in consonance with the requirements of the Secretarial Standard-1 relating to the meetings of the Board and its Committees.

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

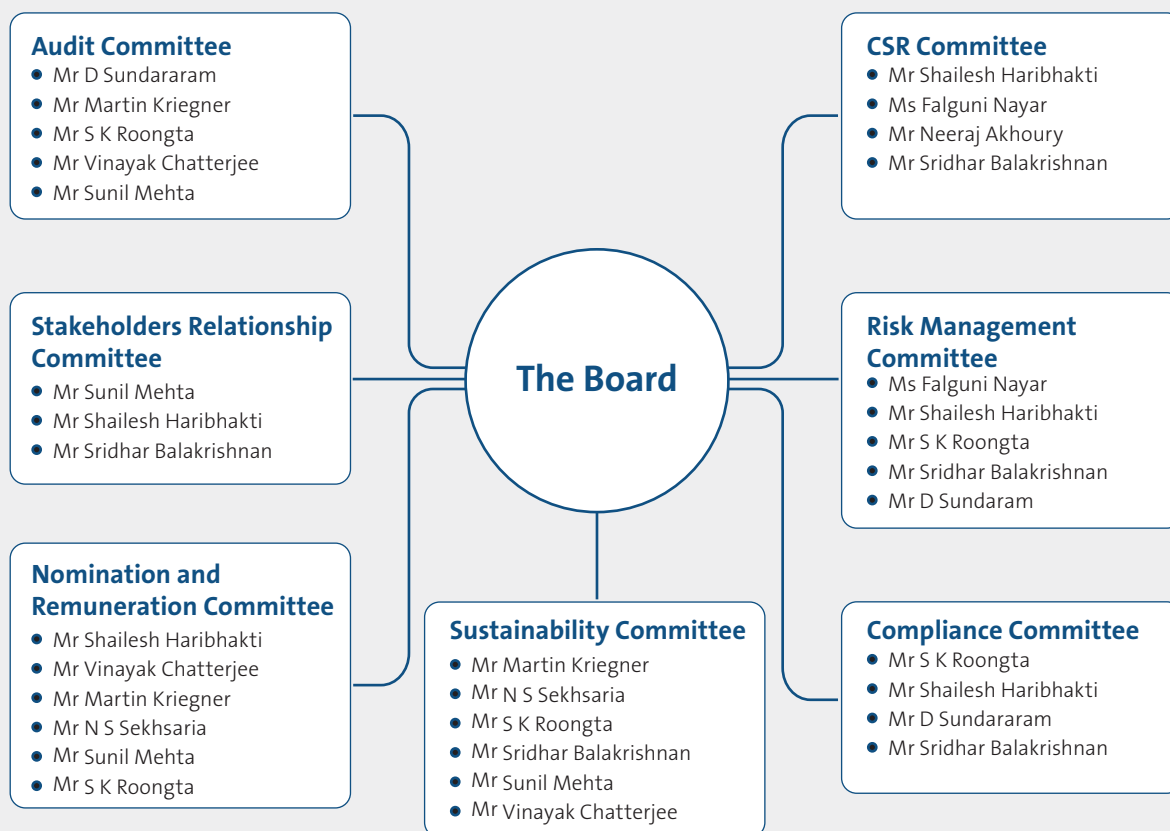
COMMITTEES OF THE BOARD

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

Committee was constituted in 1992. The Committee has subsequently been re-constituted as the Nomination & Remuneration Committee with wider terms of reference as per statutory requirements.

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

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



AUDIT COMMITTEE

The Audit Committee acts as an interface between the Statutory and Internal Auditors, the Management and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes; reviewing the Company's established systems and processes for internal financial controls and governance and reviews the Company's statutory and internal audit processes.

The Audit Committee of the Board is constituted in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. More than two-third (2/3rd) of the members of the Committee, including the Chairman are Independent Directors. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and the SEBI Listing Regulations. All the members on the Audit Committee are financially literate and possess sound knowledge in finance and accounting practices. The Chairman of the Committee possesses professional qualifications in the field of Finance and Accounting.

The representatives of the Statutory Auditors are permanent invitees to the Audit Committee meetings. They have attended all Audit Committee meetings held during the year at which the Financial Statements have been placed for review. The representative of the Cost Auditor is invited to attend the meeting of the Audit Committee at which the Cost Audit Report is presented for discussion. The MD & CEO, the Chief Financial Officer ('CFO'), the Chief Internal Auditor and the Chief Manufacturing Officer attend the meetings of the Committee. The Chief Legal Officer & Company Secretary is the Secretary of the Committee.

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

The Terms of Reference of the Committee *inter alia* include:

A. General

- i. Develop, with the appropriate assistance from the statutory auditors, the internal auditors and management, an annual audit plan, internal audit plan and other plans/ matters to be reviewed as part of the responsibilities of the Committee;
- ii. Perform such other role as mandated to the Committee by the Board of Directors and under the applicable rules/ regulations/ laws.

B. Financial Reporting and Financial Reporting Processes

- i. Oversight of the Company's financial reporting process and the disclosure of financial statements/ results and information submitted to the stock exchanges, regulatory authorities or the

shareholders to ensure that the financial statement reflect a true and fair view correct and the same time sufficient and credible;

- ii. Review with management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Act;
 - b) Changes, if any, in the accounting policies and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of the judgement by the management;
 - d) Significant adjustments, if any, made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements concerning financial statement;
 - f) Disclosure in financial statements including related party transactions;
 - g) Qualification/ modified opinion, if any, in draft audit report.
- iii. Review accounting adjustments, if any, that are noted or proposed by the statutory auditors but were 'passed' (as immaterial or otherwise);
- iv. Scrutiny of inter-corporate loans and investments;
- v. Valuation of undertakings or assets of the Company, wherever it is necessary;
- vi. Monitoring the end use of funds raised through public offers and related matters;
- vii. Review with the management the quarterly financial statements before submission to the Board for approval;
- viii. Review of the Management Discussion & Analysis of financial and result of operations;
- ix. Consider and discuss with the statutory auditors its judgements about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting with reference to Generally Accepted Accounting Principles in India;
- x. Review financial statements including details of significant transactions/ investments by the subsidiaries.

C. Risk Management, Internal Control and Governance Processes

- i. Review and discuss with Management the adequacy of the Company's system of business risk assessment including the risk of fraud. Discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures;
- ii. Review and discuss with the statutory auditors, the internal auditors and management the adequacy and effectiveness of the Company's system of internal controls;
- iii. Review any material defalcations or acts of fraud/ misconduct as reported by the Risk Management Committee.

D. Statutory Audit

- i. Recommend to the Board the appointment, re-appointment, terms of reference and, if required the replacement or removal of the Statutory Auditors, Cost Auditors and Secretarial Auditors considering their independence and effectiveness and also recommend the audit fees;
- ii. Give approval of all auditing and permissible non-auditing services (services other than those services which cannot be rendered by the Statutory Auditors as per Section 144 of the Act) to be rendered by the Statutory Auditors and determining the remuneration for all such services;
- iii. Annually review and discuss with the Statutory Auditors all significant relationships that they have with the Company or any of its related parties to determine the auditors' independence;
- iv. Review the performance of the Statutory Auditors;
- v. Review and discuss the nature and scope of the Statutory Auditors' annual audit as well as post-audit discussion with the Auditors to ascertain any area of concern;
- vi. Mandatory review of Management Letters/letters of internal control weaknesses and any significant findings and recommendations issued by the Statutory Auditors together with Management's response thereto;
- vii. Following completion of the annual audit, review and discuss with the Statutory Auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- viii. Meet at least once every six (6) months, separately with the external auditors to discuss any matters that the Committee or the external auditors believe should be discussed separately;

- ix. Review the annual Cost Audit report submitted by the Cost Auditors.

E. Internal Audit

- i. Review the Internal Audit scope and recommend changes, if any;
- ii. To approve appointment, removal and terms of remuneration of Chief Internal Auditor;
- iii. Review with the Management the performance of the internal auditors and adequacy of the internal controls;
- iv. Consider and approve, in consultation with the Statutory Auditors and the Head of Internal Audit, the annual scope and plan of the Company's Internal Audit and any significant changes thereto;
- v. Review the adequacy of the Internal Audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- vi. Review with the Internal Auditor and the Statutory Auditors the co-ordination of audit efforts to assure adequacy of coverage, reduction of redundant efforts and the effective use of audit resources;
- vii. Review internal audit reports relating to internal control weaknesses;
- viii. Review any significant findings and recommendations of Internal Audit, together with Management's responses thereto;
- ix. Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of an internal control system of a material nature and reporting the matters to the Board;
- x. Review with the Internal Auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- xi. Meet at least once every six (6) months, separately with the Chief Internal Auditor to discuss any matters that the Committee or the Chief Internal Auditor believes should be discussed separately.

F. Other Responsibilities

- i. (a) Approval of Related Party Transactions ('RPTs') or subsequent modifications thereto. Such approval can be in the form of omnibus approval of RPTs subject to conditions specified in Regulation 23 of the SEBI Listing Regulations;
- (b) Review of RPTs on a quarterly basis;

- ii. Review of internal control systems, policies and procedures under the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
- iii. Review of key new developments in Tax, Incentive and Legal matters;
- iv. Perform other activities as required by law or determined by the Board;
- v. Approval of appointment of CFO after assessing his qualification, experience & background etc.;
- vi. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter;
- vii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- viii. Institute and oversee special investigations as needed;
- ix. Periodically report to the Board or Committee of the Board *inter alia* all significant matters that have come to the knowledge of the Committee, covering internal controls, financial statements, policies and statutory/ regulatory compliances;
- x. Confirm annually that all responsibilities outlined in this Charter have been carried out by the Committee;
- xi. Self-evaluation of the Committee's performance once every year.

G. Vigil Mechanism

To oversee and review the Vigil Mechanism/ whistle-blower function established by the Company to report the genuine concerns against the suspected or confirmed fraudulent activities, allegations of corruption, violation of the Company's Code of Conduct.

The Company will provide adequate safeguards against victimisation of persons who use this mechanism. Such persons shall have direct access to the Chairman of the Audit Committee when appropriate.

The composition of the Audit Committee as on December 31, 2021 and details of the member's participation at the meetings of the Committee are as under:

Name of the Director	Category	Attendance at the Audit Committee meeting held on					
		February 11, 2021	April 19, 2021	June 14, 2021	July 19, 2021	October 19, 2021	November 22, 2021
Mr D Sundaram, Chairman	Non-Executive/ Independent	✓	✓	✓	✓	✓	✓
Mr Martin Kriegner	Non-Executive/ Non-Independent	✓	✓	✓	✓	✓	✓
Mr S K Roongta	Non-Executive/ Independent	✓	✓	✓	✓	LOA	✓
Mr Vinayak Chatterjee	Non-Executive/ Independent	✓	✓	✓	✓	✓	✓
Mr Sunil Mehta	Non-Executive/ Independent	✓	✓	✓	✓	✓	LOA

LOA – Leave of Absence

Mr D Sundaram, Chairman of the Committee was present at the Annual General Meeting held on April 7, 2021 to address the shareholders' queries.

Performance review of the Audit Committee

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

STAKEHOLDERS' RELATIONSHIP COMMITTEE ('SRC')

The composition of the SRC of the Board is in line with the requirements of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations. The SRC comprises three (3) members of which two-thirds (2/3rd) of the members including the chairman are Independent Directors. The Committee is governed by a Charter.

The terms of reference of the Committee are:

- To review the steps taken to resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
- To review the measures taken for effective exercise of voting rights by shareholders;
- To review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company;
- To approve issue of duplicate share certificates for shares 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;
- To issue and allot right shares/ bonus shares pursuant to a Rights Issue/ Bonus Issue subject to such approval as may be required;
- To monitor dematerialisation of shares and all matters incidental or related thereto;
- To authorise the Company Secretary & Head Compliance/ other officers of the Company to attend to take such actions as necessary or deemed fit by the Committee for any matter and to monitor action taken;
- To monitor Investor Relation activities of the Company and give guidance on the flow of information from the Company to the Investors;
- Review of transfer of unpaid/ unclaimed dividend/ shares to the Investor Education and Protection Fund of the Government of India in line with the relevant Rules thereunder;
- All other matters incidental or related to shares of the Company;
- Perform such other functions as may be required by law, the Company's Articles of Association or as may be assigned by the Board of Directors.

The composition of the SRC as on December 31, 2021 and details of the members participation at the meetings of the Committee are as under:

Name of the Director	Category	Attendance at the Stakeholders' Relationship Committee meeting held on		
		February 10, 2021	July 16, 2021	October 18, 2021
Mr Sunil Mehta, Chairman	Non-Executive/ Independent	✓	✓	✓
Mr Shailesh Haribhakti	Non-Executive/ Independent	✓	✓	✓
Mr Sridhar Balakrishnan	Executive/ Non-Independent	✓	✓	✓

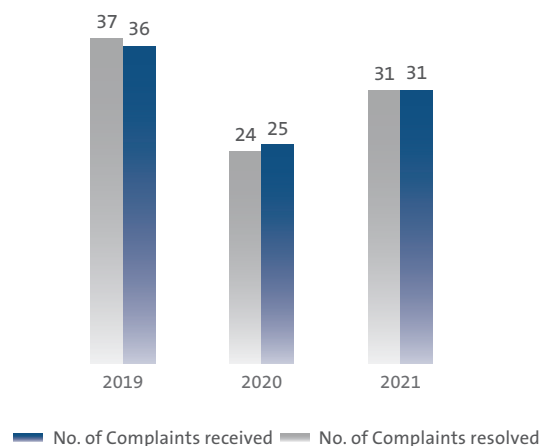
Mr Sunil Mehta, Chairman of the Committee was present at the Annual General Meeting held on April 7, 2021 to address the shareholders' queries.

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

During the year, Twenty-four (24) complaints were received from shareholders relating to transfers/ transmission of shares, issue of duplicate share certificates and related matters. These complaints were attended within a period of thirty (30) days from the date of receipt by the Company as on December 31, 2021 which now stands resolved as on the date of this Report.

Analysis of Complaints received and resolved during the year ended December 31, 2021 and previous years:

Details of Complaints received and resolved



NOMINATION & REMUNERATION COMMITTEE ('N&RC')

The N&RC of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The N&RC is governed by a Charter in line with the Act and the SEBI Listing Regulations. The Chairman of the Committee is an Independent Director and two-third (2/3rd) of the Members of the Committee are Independent Directors. The Chairman of the Board is a Member of the Committee but does not chair the Committee.

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

- Identify persons who are qualified to become Directors in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulate criteria for determining qualifications, attributes and Independence of a Director;
- Devising a policy on Board Diversity;
- Review the Succession Policy of the Company under the overall guidance of the Board of Directors and succession policy of the Company;

- Formulate the criteria for evaluating the performance of the Board of Directors;
- Formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel ('KMP') and Senior Management employees;
- Identifying individuals for appointment as KMP and other Senior Management positions, recommend to the Board their appointment and removal. The Committee may consider any recommendations made by the Board and/ or parent company in this regard;
- Specify the manner for effective evaluation of performance of Board, its Committees, individual Directors and review its implementation and compliance;
- Review the performance evaluation of the Directors, KMP and Senior Management Employees;
- Administration of the Employee Stock Option Schemes (ESOS), if any.

The composition of the N&RC as on December 31, 2021 and details of the Members participation at the meetings of the Committee are as under:

Name of the Director	Category	Attendance at the N&R Committee meetings held on				
		March 10, 2021	March 19, 2021	June 9, 2021	November 17, 2021	December 15, 2021
Mr Shailesh Haribhakti, Chairman	Non-Executive/ Independent	✓	✓	✓	✓	✓
Mr N S Sekhsaria	Non-Executive/ Non-Independent	✓	✓	✓	✓	✓
Mr Martin Kriegner	Non-Executive/ Non-Independent	✓	✓	✓	✓	✓
Mr Vinayak Chatterjee	Non-Executive/ Independent	✓	✓	✓	✓	✓

Mr Shailesh Haribhakti, Chairman of the Committee was present at the Annual General Meeting held on April 7, 2021 to address the shareholders' queries. Mr S K Roongta and Mr Sunil Mehta, Independent Directors, have been appointed as the members of the N&RC w.e.f. January 1, 2022, in line with the amended provisions of SEBI Listing regulations.

CORPORATE SOCIAL RESPONSIBILITY ('CSR') COMMITTEE

The Company has always been conscious of its obligations *vis-à-vis* the communities it impacts and has been pursuing various CSR activities long before these were mandated by law. The CSR Committee was set up by the Board of Directors on February 7, 2013 to assist the Board in fulfilling its corporate social responsibility and to strive for overall sustainable development in the conduct of the Company's business. The Committee was renamed as the Corporate Social Responsibility & Sustainability Committee with effect from October 15, 2019 in accordance with the approval of the Board of Directors.

However, considering the fact that Environment, Social and Governance (ESG) aspect requires special attention and focus the CSR & Sustainability Committee was split into two (2) separate Committees i.e. CSR Committee and Sustainability Committee by the Board of Directors of the Company with effect from January 1, 2022.

Committee is constituted in line with the provisions of Section 135 of the Act.

The terms of reference of the CSR Committee broadly includes the following:

- To review from time to time the CSR policy of the Company and to ensure that the CSR policy is in line with Schedule VII of the Companies Act, 2013 as amended from time to time;
- To review CSR projects with a view to ensure that they are in line with CSR objectives and CSR Policy of the Company;
- To ensure that the Company's overall business strategy reflects its long-term objectives on corporate social responsibility;
- To consider and advise the Board and the Management on various CSR projects to be implemented by the Company either directly or through the "ACC TRUST" of which the Company is the Settlor, established for this purpose in furtherance of its social obligations;
- To review the annual CSR budget and recommend to the Board the amount of expenditure to be incurred on various

CSR programmes/ activities either directly or through the “ACC TRUST” or any other trusts;

- To oversee impact assessment of CSR projects of the Company;
- To advise the Board on significant stakeholder concerns relating to CSR;
- To review and recommend to the Board for its approval any other reporting on CSR;

- Such other related matters which the Committee may deem appropriate, required by law or assigned to the Committee by the Board of Directors from time to time.

The Committee’s scope will encompass Company policies and performance related to CSR as described above. The Committee shall review the Company’s objectives, plans and performance and recommend actions, as necessary, to ensure continuous performance improvement and alignment with the expectations of stakeholders (both internal and external).

The composition of the CSR Committee as on December 31, 2021 and details of the members’ participation at the meetings of the Committee are as under:

Name of the Director	Category	Attendance at the CSR & Sustainability Committee meetings held on		
		March 26, 2021	August 6, 2021	December 14, 2021
Mr Shailesh Haribhakti, Chairman	Non-Executive/ Independent	✓	✓	✓
Ms Falguni Nayar	Non-Executive/ Independent	✓	✓	LOA
Mr Neeraj Akhoury	Non-Executive/ Non-Independent	✓	✓	✓
Mr Sridhar Balakrishnan	Executive/ Non-Independent	✓	✓	✓

LOA – Leave of Absence

Mr Shailesh Haribhakti, Chairman of the Committee was present at the Annual General Meeting held on April 7, 2021 to address the shareholders’ queries.

The Company’s CSR Policy is comprehensive and is in alignment with the requirements of the Act and the United Nations Sustainable Development Goals. The Policy can be accessed at the Company’s website at https://acclimited.com/assets/new/new_pdf/CSR-Policy.pdf and the CSR Report forms an integral part of the Board’s Report.

RISK MANAGEMENT COMMITTEE (‘RMC’)

The Company has constituted the above Committee in line with the SEBI Listing Regulations as it is in the list of top 1,000 Companies in the country based on its market capitalisation for the immediately preceding financial year.

The RMC was constituted by the Board of Directors in the year 2014. The Members of the Committee are drawn from the Members of the Board. The majority of the Committee members include Independent Directors.

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

The Committee is governed by a charter and its terms of reference comprises the following:

- Developing Risk Management Policy and Risk Management system framework for the Company;
- Overseeing key risks including identification, assessment, monitoring, and mitigation and reporting of various risks including strategic, financial, operation and compliance risks;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Assist the Board in framing, implementing and monitoring the Risk Management Plan for the Company and reviewing and guiding the Risk Policy;
- The Committee shall review the adequacy of Risk Management Process applied by the management;
- The role and responsibilities of the Committee shall include such other items as may be applicable under the relevant Regulations and/or included within the scope by the Board.

The composition of the RMC as on December 31, 2021 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Director	Category	Attendance at the Risk Management Committee meetings held on	
		July 16, 2021	December 14, 2021
Ms Falguni Nayar, Chairperson	Non-Executive/ Independent	✓	✓
Mr Shailesh Haribhakti	Non-Executive/ Independent	✓	✓
Mr S K Roongta	Non-Executive/ Independent	✓	✓
Mr Sridhar Balakrishnan	Executive/ Non-Independent	✓	✓

Ms Falguni Nayar, Chairperson of the Committee was present at the Annual General Meeting held on April 7, 2021 to address the shareholders’ queries.

Mr D Sundaram, Independent Director, has been appointed as a member of the Risk Management Committee w.e.f. January 1, 2022.

COMPLIANCE COMMITTEE

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

The terms of reference of the Committee broadly comprises:

- reviewing the legal environment in which the Company operates with a view to understand the implications of major legislative and regulatory developments and their interpretation by the courts of law that may significantly affect the interests of 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 MD & CEO, ExCo members and the Chief Legal Officer & Company Secretary and to recommend corrective actions, if any, where required;
- reviewing significant legal cases filed by and against the Company to determine *inter alia*, the probability of liabilities arising therefrom which are of a contingent nature.

The composition of the Compliance Committee as on December 31, 2021 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Director	Category	Attendance at the Compliance Committee meetings held on			
		February 10, 2021	April 16, 2021	July 16, 2021	October 18, 2021
Mr S K Roongta, Chairman	Non-Executive/ Independent	✓	✓	✓	✓
Mr Shailesh Haribhakti	Non-Executive/ Independent	✓	✓	✓	✓
Mr D Sundaram	Non-Executive/ Independent	✓	✓	✓	✓
Mr Sridhar Balakrishnan	Executive/ Non-Independent	✓	✓	✓	✓

Mr S K Roongta, Chairman of the Committee was present at the Annual General Meeting held on April 7, 2021 to address the shareholders' queries.

SUBSIDIARY COMPANIES

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

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

Details of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any is placed before the Board for review. Copies of Minutes of the Board and Committee Meeting(s) of the Subsidiary Companies are placed at the Board Meeting of the Company.

The Audited Annual Financial Statements and the Unaudited Quarterly Financial Results, along with the Auditors Limited Review thereon of Subsidiary Companies are presented at the

meetings of the Audit Committee and Board of Directors of the Company for an overview prior to their consolidation with the Parent Company.

The Company does not have a material subsidiary and the requirement of secretarial audit as specified in Regulation 24A of the SEBI Listing Regulations is not applicable. However, pursuant to the requirements of Section 204 of the Act, its subsidiary, ACC Mineral Resources Limited is subjected to a Secretarial Audit. Secretarial Audit was conducted for the year ended December 31, 2021 and no adverse remarks have been made by the Secretarial Auditors in their Report.

The Company's policy on material subsidiary is available on the Company's website and can be assessed through the weblink at <https://www.acclimited.com/assets/new/pdf/CG/Policy-for-determining-material-subsiary.pdf>

DISCLOSURES

Compliance with Regulations 17 to 27 & Regulation 46 of SEBI Listing Regulations

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

Disclosures in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

Particulars	Numbers
a) Number of complaints at the beginning of the financial year	1
b) Number of complaints filed during the financial year	0
c) Number of complaints disposed of during the financial year	1
d) Number of complaints pending as on end of the financial year	0

Disclosure of Non-Compliance of any Requirement of Corporate Governance Report, with Reasons

The Company has complied with and disclosed all the mandatory corporate governance requirements mentioned under sub-para (2) to (10) of part C of Schedule V of the SEBI Listing Regulations.

Indian Accounting Standards (Ind AS)

The Company has prepared its Standalone and Consolidated Financial Statements in accordance with Indian Accounting Standards as notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

FEES PAID TO STATUTORY AUDITORS

For the year ended December 31, 2021, the Company and its subsidiaries have paid a consolidated sum of ₹3.37 Crore to the statutory auditor and all its entities.

Particulars	(₹ Crore)		
	By Company	By Subsidiary	Total
Statutory Audit fees including fees for tax accounts	2.13	0.06	2.19
Limited Reviews	1.05	0.06	1.11
Reimbursement of Expenses & Other Services	0.07	-	0.07
Total	3.25	0.12	3.37

RELATED PARTY TRANSACTIONS

All transactions entered into by the Company during the year with related parties were in the ordinary course of business and on arm's length pricing basis and were approved by the Audit Committee. These transactions are also subject to review by an external independent agency. The policy on related party transactions has been placed on the Company's website and can be accessed at <https://acclimited.com/assets/new/pdf/CG/Related-Party-Transactions-Policy-20210824.pdf> In line with the amended SEBI Listing Regulations, the policy has been amended suitably.

There are no materially significant transactions with the related parties that had potential conflict with the interest of the Company. Where any material related party transaction is proposed, approval of the shareholders is obtained. No related party whether or not it is a party to the particular transaction or not is allowed to vote to approve the transaction in line with the SEBI Listing Regulations.

NON-COMPLIANCES/ STRICTURES AND PENALTIES IMPOSED

There has been no instance of non-compliance by the Company on any matter related to capital markets and no strictures or penalties have been imposed on the Company by the Stock Exchanges or by the SEBI or by any statutory authority on any matters related to capital markets during the last three (3) years.

VIGIL MECHANISM/ WHISTLE-BLOWER POLICY

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

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

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

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

EthicalView Committee consisting of Senior Employees headed by Chief Legal Officer & Company Secretary has been constituted which investigates the complaints raised and recommends appropriate action where necessary. The Committee reports to the Audit Committee which in turn apprises the Board on such matters as necessary. No personnel have been denied access to the Audit Committee.

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

The EthicalView Reporting Policy is available on the Company's website and can be accessed on weblink at <https://www.acclimited.com/assets/new/pdf/ethicalview-reporting-policy.pdf>

Compliance with non-mandatory provisions

The status with regard to compliance by the Company with discretionary requirements as listed out in Part E of Schedule II of the SEBI Listing Regulations is as under:

- The Chairman's office is separate from that of the MD & CEO and that Company has not reimbursed the expenses incurred by him in performance of his duties
- The audit report of the Company's Financial Statements for the year ended December 31, 2021 is 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 elaborated in the Report under the Heading 'Means of Communication'

CREDIT RATING

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

LEGAL COMPLIANCE MANAGEMENT TOOL

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

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

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

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

CODE OF BUSINESS CONDUCT

The Board of Directors has approved a Code of Business Conduct ('Code'), which is applicable to the members of the Board and to all employees. The Company follows a policy of 'Zero Tolerance' to bribery and corruption in any form and the Board has laid down the Anti-Bribery & Corruption Directive, which forms an Appendix to the above Code. The code has been posted on the Company's website at www.acclimited.com/assets/new/pdf/ACC-Code-of-Conduct-Final-signed-18-04-2017.pdf

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 of the workplace, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

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

FAIR COMPETITION DIRECTIVE PROGRAMME

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

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

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

PREVENTION OF INSIDER TRADING

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

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

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

The Board of Directors have also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure and Conduct as per the requirements of the Prohibition of Insider Trading Regulations.

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

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

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

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

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

MEANS OF COMMUNICATION

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

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

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

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

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

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

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchanges. An internal management Committee comprising the MD & CEO, the CFO and the Chief Legal Officer & Company Secretary has been constituted and empowered to decide on the materiality of information for the purpose of making disclosures to the stock exchanges. The policy for determining materiality of events has been placed on the Company's website and can be accessed at https://www.acclimited.com/assets/new/new_pdf/Policy-for-Dissemination-of-Information-and-Determining-Information-Events-for-reporting-to-the-Stock-Exchanges.pdf

Disclosures made to the Stock Exchanges are also made available on the Company's website under the heading 'Announcements' and can be accessed through weblink at <https://www.acclimited.com/>

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

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

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

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

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

GENERAL INFORMATION TO SHAREHOLDERS

Annual General Meeting

- Date: Thursday, April 21, 2022
- Time: 3.00 p.m.
- Mode: Video conference and other audio-visual means
- Venue: Cement House, 121, Maharshi Karve Road, Mumbai – 400 020 (Registered Office)
- Financial Year: January-December 2021
- Dividend Payment Date: On or after April 27, 2022

Investor services

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

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

Address for correspondence with the RTA and Company

KFIN Technologies Private Limited,
Selenium Building, Plot Nos. 31 & 32,
Financial District, Nanakramguda,
Gachibowli, Hyderabad – 500 032, Telangana.

ACC Limited, Cement House, 121, Maharshi Karve Road,
Mumbai – 400 020

Communication to Members

The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The aforesaid communication is also intimated to the stock exchanges and

available on the website of the Company. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the web link at <https://acclimited.com/newsite/pdf/Communication-to-the-Sharholders-holding-shares-in-Physical-Form.pdf>

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate, claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website under the link at https://acclimited.com/assets/new/pdf/IEPF_Dividend/Form-ISR-4.pdf

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

SMS reach outs

During the financial year under review, the Company partnered with NSDL for reaching out to its Shareholders through SMS, to register for e-communications by updating their e-mail Ids directly with the depositories through a secured one-time password based facility.

Plant locations

The locations of the Company's plants are given on page 7 of the Integrated Report. The details of the plants, along with their addresses and telephone numbers are also available on the Company's website.

MARKET INFORMATION

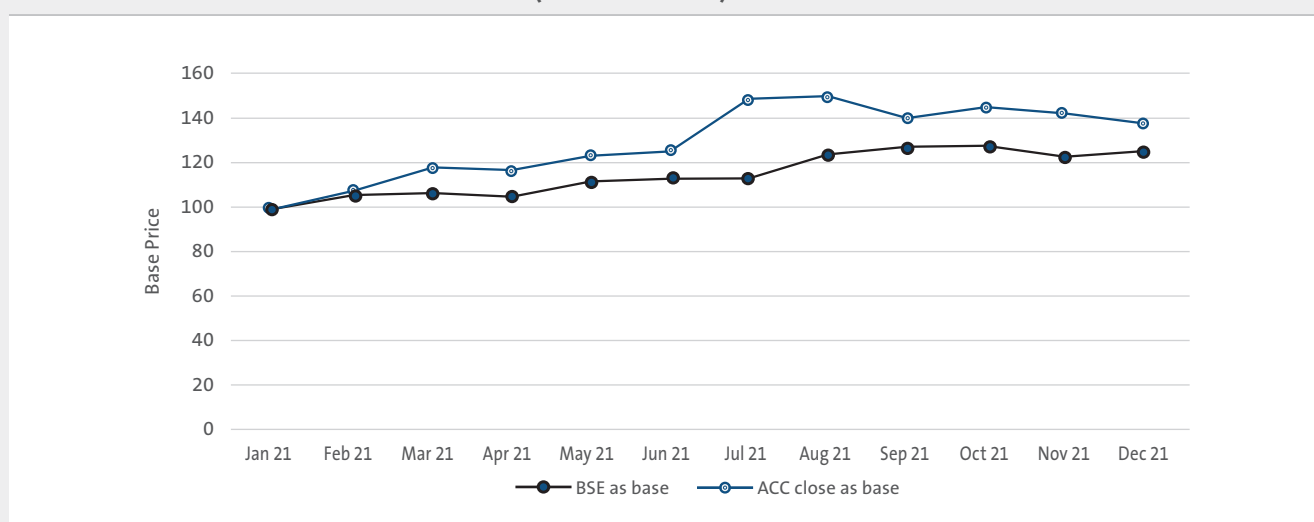
Listing on Stock Exchanges

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

Name & Address of stock exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/ CDSL (Dematerialised shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	500410	INE012A01025
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	ACC	

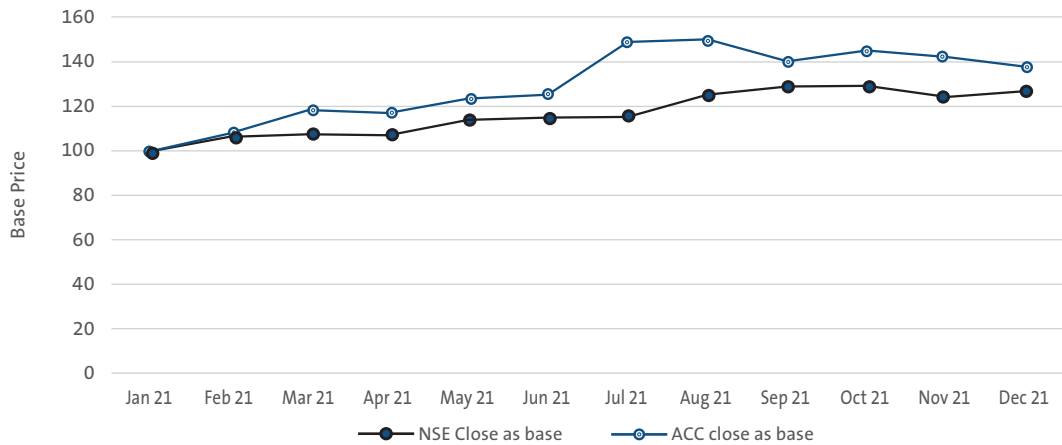
ACC Share Price on BSE vis-à-vis BSE Sensex January-December 2021

Months	BSE Sensex Close	ACC Share Price			No. of shares traded during the month	Turnover (₹ Crore)
		High ₹	Low ₹	Close ₹		
Jan-21	46,285.77	1,813.40	1,594.25	1,604.80	8,77,778	149.46
Feb-21	49,099.99	1,850.00	1,584.35	1,732.95	1,174,658	206.94
Mar-21	49,509.15	1,924.50	1,690.85	1,902.55	8,11,023	148.12
Apr-21	48,782.36	2,022.75	1,784.15	1,882.3	9,02,743	169.78
May-21	51,937.44	2,039.25	1,852.85	1,985.95	4,39,471	85.44
Jun-21	52,482.71	2,078.50	1,960.30	2,016.05	5,57,434	113.55
Jul-21	52,586.84	2,414.85	1,975.00	2,393.15	9,26,697	207.7
Aug-21	57,552.39	2,456.40	2,231.35	2,413.05	4,26,789	100.56
Sep-21	59,126.36	2,506.35	2,245.65	2,254.5	4,43,930	105.94
Oct-21	59,306.93	2,360.00	2,141.75	2,333.5	6,69,992	151.76
Nov-21	57,064.87	2,587.95	2,240.05	2,288.05	2,97,900	72.52
Dec-21	58,253.82	2,339.20	2,086.25	2,217.40	2,98,417	65.54

ACC Share Price on BSE and BSE Sensex Trend (Base Price basis)

ACC Share Price on NSE vis-à-vis S&P CNX Nifty January-December 2021

Month	S & P CNX Nifty Close	ACC Share Price			No. of shares traded during the month	Turnover (₹ Crore)
		High ₹	Low ₹	Close ₹		
Jan-21	13,634.60	1,814.00	1,593.40	1,603.85	2,41,15,000	4,113.43
Feb-21	14,529.15	1,847.00	1,584.20	1,733.20	2,51,90,000	4,452.04
Mar-21	14,690.70	1,925.00	1,692.00	1,903.25	2,41,43,000	4,413.24
Apr-21	14,631.10	2,022.85	1,782.25	1,882.75	2,40,92,000	4,545.43
May-21	15,582.80	2,040.00	1,853.20	1,986.05	1,27,71,000	2,479.99
Jun-21	15,721.50	2,078.00	1,959.75	2,014.80	81,38,000	1,652.58
Jul-21	15,763.05	2,415.00	1,975.00	2,394.10	2,09,06,000	4,678.15
Aug-21	17,132.20	2,454.95	2,230.55	2,413.20	97,49,000	2,278.27
Sep-21	17,618.15	2,509.00	2,245.10	2,254.50	76,49,000	1,825.94
Oct-21	17,671.65	2,364.00	2,142.05	2,333.40	1,36,65,000	3,111.75
Nov-21	16,983.20	2,589.00	2,240.00	2,286.40	69,94,000	1,706.46
Dec-21	17,354.05	2,340.85	2,087.80	2,215.75	72,94,000	1,623.18

ACC Share Price on NSE and CNX Nifty Trend (Base Price basis)



SHARE TRANSFER SYSTEM/ DIVIDEND AND OTHER RELATED MATTERS

Nomination facility for shareholding

As per the provisions of Section 72 of the Act, facility for making nomination is available for the members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA or download the same from the Company's website through the weblink at https://acclimited.com/assets/new/pdf/IEPF_Dividend/Form-SH13-Nomination-Form.pdf

Members holding shares in dematerialised form should contact their Depository Participants (DP) in this regard.

Permanent Account Number

Members who hold shares in physical form are advised that SEBI has made it mandatory for all holders and claimants of physical securities to furnish PAN vide Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.

Subdivision of shares

The Company subdivided the face value of its equity shares from ₹100 to ₹10 in 1999. Shares having the face value of ₹100 are no longer traded on the stock exchanges. The members still holding share certificates of ₹100 are requested to contact the RTA for obtaining subdivided shares.

Dividend

Payment of dividend through Automated Clearing House (ACH)

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

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

Unclaimed dividends

The Company is required to transfer dividends, which have remained unpaid/ unclaimed for a period of seven (7) years from the date the dividend is due for payment to the Investor Education & Protection Fund ('IEPF') established by the Government. Accordingly, during the financial year 2022, unclaimed dividends pertaining to the following periods will be transferred to IEPF:

- 77th final dividend for the year ended December 31, 2014
- 78th interim dividend for the year ended December 31, 2015

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

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 (₹)	Date for transfer to IEPF
December 31, 2014 (77 th Final)	March 20, 2015	19.00	May 24, 2022
December 31, 2015 (78 th Interim)	July 17, 2015	11.00	September 20, 2022
December 31, 2015 (78 th Final)	April 13, 2016	06.00	June 17, 2023
December 31, 2016 (79 th Interim)	July 26, 2016	11.00	September 29, 2023
December 31, 2016 (79 th Final)	March 29, 2017	06.00	June 2, 2024
December 31, 2017 (80 th Interim)	July 17, 2017	11.00	September 21, 2024
December 31, 2017 (80 th Final)	June 13, 2018	15.00	August 18, 2025
December 31, 2018 (81 st Final)	March 22, 2019	14.00	May 27, 2026
December 31, 2019 (82 nd Interim)	May 12, 2020	14.00	July 17, 2027
December 31, 2020 (83 rd Final)	April 7, 2021	14.00	June 13, 2028

Transfer of shares into IEPF (in cases where dividend has not been paid or claimed for seven consecutive years or more)

In terms of Section 124(6) of the Act read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, and Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is

required to transfer the shares in respect of which dividends have remained unpaid/ unclaimed for a period of seven (7) consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, during the year the Company has transferred 99,943 and 32,049 shares on July 3, 2021 and October 7, 2021 respectively to the IEPF.

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

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

1

Login to website of MCA at <https://www.mca.gov.in/content/mca/global/en/home.html> and click on 'Investor Relations' tab under 'MCA Services' section for filing the web-based form IEPF-5 for the refund of dividend/ shares. Read the instructions provided on the website/ instruction kit carefully before filling the form.

2

Submit the duly filled form by following the instructions given 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.

3

Take a print out of the duly filled Form No. IEPF-5 and the acknowledgement issued after uploading the form.

4

Submit an indemnity bond in original, copy of the acknowledgement and self-attested copy of the Form, along with other documents as mentioned in the Form No. IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked 'Claim for refund from IEPF Authority/ Claim for shares from IEPF' as the case may be. Kindly note that submission of documents to the Company is necessary to initiate the refund process.

5

Form IEPF-5 completed in all respects will be verified by the Company and on the basis of Company's Verification Report, refund will be released by the IEPF Authority in favour of claimants' Aadhaar-linked bank account through electronic transfer and/ or the shares shall be credited to the demat account of the claimant, as the case may be.

The Nodal Officer of the Company for IEPF Refunds Process is Mr Rajiv Choubey, Chief Legal Officer & Company Secretary and the Deputy Nodal Officer is Ms Pooja Bhanushali whose e-mail id is HSSA-CompanySecretarial-Team@acclimited.com

Dealing with securities which have remained unclaimed

Regulation 39(4) of the SEBI Listing Regulations read with Schedule VI 'Manner of dealing with Unclaimed Shares', had directed Companies to dematerialise such shares, which have been returned as 'undelivered' by the postal authorities and hold these shares in an 'Unclaimed Suspense Account' to

be opened with either one of the Depositories viz. National Securities Depository Limited ('NSDL') or Central Depository Services (India) Limited ('CDSL').

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

UNCLAIMED SUSPENSE ACCOUNT

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

Particulars	Number of shareholders	Number of shares
Aggregate number of shareholders and outstanding shares held in the Unclaimed Suspense Account as on January 1, 2021	519	63,315
Number of shareholders/ legal heirs to whom the shares were transferred from the Unclaimed Suspense account upon receipt and verification of necessary documents	1	80
Number of shareholders whose shares were transferred from the Unclaimed Suspense Account to IEPF authority MCA Demat Suspense Account	86	6,869
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Account as on December 31, 2021	432	*56,366

*Voting Rights in respect of the aforesaid 56,366 shares held in the Unclaimed Suspense Account are frozen till the time such shares are claimed by the concerned shareholders and the shares are re-transferred in their names.

Pending investors' grievances

Any Member whose grievance has not been resolved satisfactorily by the RTA, may kindly write to the Chief Legal Officer & Company Secretary at the Registered Office with a copy of the earlier correspondence, if any or through e-mail ID of the Company at ACC-InvestorSupport@acclimited.com

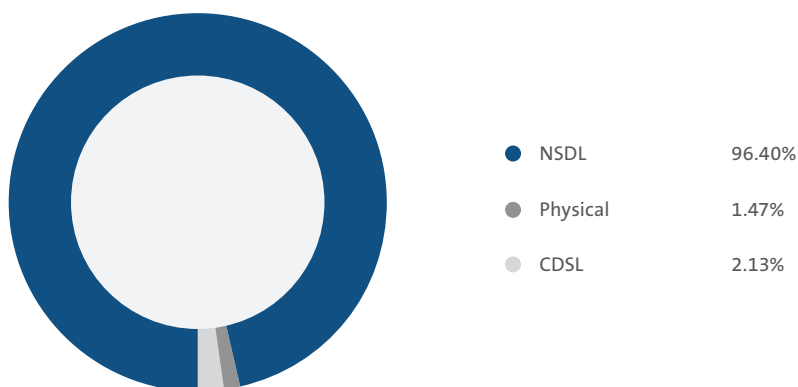
Reconciliation of share capital audit

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

Distribution of shareholding as on December 31, 2021

No. of shares Slab	No. of shareholders	Percentage	Number of Shares						Total Number of Shares	Percentage of share capital (%)
			Physical	Percentage of share capital (%)	NSDL	Percentage of share capital (%)	CDSL	Percentage of share capital (%)		
1 – 51	89,828	70.75	1,24,066	0.07	7,20,140	0.38	4,27,926	0.23	12,72,132	0.68
51 – 100	12,732	10.03	1,30,570	0.07	6,56,330	0.35	2,56,964	0.14	10,43,864	0.56
101 – 200	8,870	6.99	2,01,485	0.11	8,43,313	0.45	2,87,232	0.15	13,32,030	0.71
201 – 500	7,725	6.08	3,86,545	0.21	17,08,912	0.91	4,59,685	0.24	25,55,142	1.36
501 – 1000	3,699	2.91	3,51,562	0.19	18,64,848	0.99	4,74,934	0.25	26,91,344	1.43
1001 – 5000	3,192	2.51	7,68,291	0.41	47,63,440	2.54	9,66,226	0.51	64,97,957	3.46
5001 – 10000	392	0.31	2,07,207	0.11	22,22,455	1.18	3,19,062	0.17	27,48,724	1.46
10001 and above	524	0.41	5,90,860	0.31	16,82,43,933	89.59	8,11,277	0.43	16,96,46,070	90.34
TOTAL	1,26,962	100.00	27,60,586	1.47	18,10,23,371	96.40	40,03,306	2.13	18,77,87,263	100.00

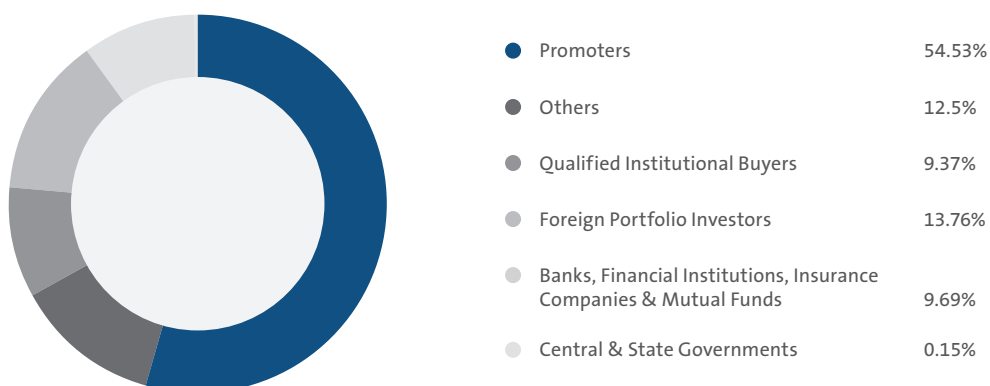
Distribution of Shareholding as on December 31, 2021



Shareholding pattern as on December 31, 2021

Category	Number of shares held	Percentage
Promoter:		
Ambuja Cements Limited	9,39,84,120	50.05
Holderind Investments Limited	84,11,000	4.48
		54.53
Public:		
Banks/ Financial Institutions	15,76,861	0.84
Insurance Companies	500	0.00
Mutual Funds	1,66,26,031	8.85
		9.69
Central & State Governments	2,87,815	0.15
Foreign Portfolio Investors	2,58,45,640	13.76
Qualified Institutional Buyers	1,75,88,607	9.37
Directors	0	0.00
Others	2,34,66,689	12.50
Total	18,77,87,263	100.00

Percentage Holding as on December 31, 2021



Statement showing shareholding of more than 1% of the capital as on December 31, 2021

Sl. No.	Name of the shareholders	Number of shares	Percentage of Share Capital (%)
1.	Ambuja Cements Limited	9,39,84,120	50.05
2.	Holderind Investments Limited	84,11,000	4.48
3.	Life Insurance Corporation of India	1,08,27,402	5.77
4.	Franklin India Bluechip Fund	28,50,000	1.52
5.	Aditya Birla Sun Life Trustee Private Limited A/c Aditya Birla Sun Life Equity Fund	19,55,538	1.04
6.	Tata Infrastructure Fund	23,14,144	1.23
8.	DSP Equity Savings Fund	21,54,391	1.15
9.	NPS Trust – A/c SBI Pension Fund Scheme – Central Government	30,45,461	1.62
Total		12,55,42,056	66.86

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

Commodity price risk or foreign exchange risk and hedging activities

For details on Commodity price risk, please refer to Page 264. The Company has Fx exposure for both revenue and capex items. However, the Company has in place a Board-approved Fx Hedging Policy to deal with such exposures.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): NIL

Particulars of past three (3) Annual General Meetings

AGM	Financial Year	Venue	Mode	Day, Date	Time (IST)	Special Resolutions passed
85 th	Calendar Year 2020	Cement House, 121, Maharshi Karve Road, Mumbai – 400 020	Video conference and other audio-visual means	Wednesday, April 7, 2021	3:00 p.m.	No Special Resolution was passed
84 th	Calendar Year 2019	Cement House, 121, Maharshi Karve Road, Mumbai – 400 020	Video conference and other audio-visual means	Monday, July 6, 2020	2:30 p.m.	No Special Resolution was passed
83 rd	Calendar Year 2018	Pama Thadani Auditorium Jai Hind College, “A” Road Churchgate (West) Mumbai – 400 020	Physical	Friday, March 22, 2019	3.00 p.m.	Re-appointment of Independent Directors for a second term of five (5) consecutive years commencing from the dates on which their present appointment with the Company expires

Extraordinary General Meeting ('EGM')

No EGM was held during the period under reference.

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

Financial Calendar 2022

Board meeting for consideration of accounts for the Financial Year ended December 31, 2021 and recommendation of dividend	Wednesday, February 9, 2022
Sending of Annual Reports	On or before Saturday, March 26, 2022
Cut-off Date (for e-voting)	Thursday, April 14, 2022
Record Date (for dividend)	Tuesday, April 5, 2022
Date, Time and Venue of the 86 th Annual General Meeting	Thursday, April 21, 2022 at 3.00 p.m. Cement House, 121, Maharshi Karve Road, Mumbai – 400 020 (Registered Office)
Dividend Payment Date	On or after Wednesday, April 27, 2022*
Probable date of despatch of warrants	On or after Wednesday, April 27, 2022*
Board meeting for consideration of unaudited quarterly results for the financial year ended December 31, 2022	Within forty-five (45) days from the end of the quarter, as stipulated under the SEBI Listing Regulations
Audited Results for the current financial year ending December 31, 2022	Within sixty (60) days from the end of the Financial Year, as stipulated under the SEBI Listing Regulations

* The Company shall ensure the payment of Dividend within 30 days from the date of declaration of the dividend at the AGM.

The Board in its Meeting held on February 9, 2022 has approved the Report on Corporate Governance for the Financial Year 2021.

For and on behalf of the Board

N S Sekhsaria
Chairman

Mumbai
February 9, 2022

Compliance with Code of Conduct

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, 2021.

For ACC Limited

Sridhar Balakrishnan

Managing Director & Chief Executive Officer

Mumbai

February 9, 2022

Managing Director & Chief Executive Officer and Chief Financial Officer Certification

We the undersigned, in our respective capacities as Managing Director and Chief Executive Officer 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 Cash Flow Statement for the year ended **December 31, 2021** and based on 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 quarter, 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 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. We are not aware of deficiencies in the design or operation of such internal controls, and accordingly have not communicated any such matters to the Auditors and the Audit Committee.
- e) We have indicated, based in our most recent evaluation, to the Auditors and the Audit Committee:
 - (a) significant changes, if any in internal control over financial reporting during the year ended December 31, 2021;
 - (b) 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;
 - (c) 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,

Sridhar Balakrishnan

Managing Director & CEO

Mumbai

February 1, 2022

Yatin Malhotra

Chief Financial Officer

ANNEXURE 1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
ACC Limited
Cement House, 121,
Maharshi Karve Road, Mumbai – 400 020

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ACC Limited** having CIN **L26940MH1936PLC002515** and having registered office at Cement House, 121, Maharshi Karve Road, Mumbai – 400 020 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from to time).

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal at www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on December 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Mr Narotam Satyanarayan Sekhsaria	00276351	27/12/1999
2.	Mr Sridhar Balakrishnan	08699523	20/02/2020
3.	Mr Jan Jenisch	07957196	17/10/2017
4.	Mr Neeraj Akhoury	07419090	16/12/2016
5.	Mr Martin Kriegner	00077715	11/02/2016
6.	Mr Mangalam Ramasubramanian Kumar	03628755	19/10/2020
7.	Mr Shailesh Vishnubhai Haribhakti	00007347	17/02/2006
8.	Mr Sushil Kumar Roongta	00309302	03/02/2011
9.	Ms Falguni Sanjay Nayar	00003633	24/04/2014
10.	Mr Damodarannair Sundaram	00016304	22/03/2019
11.	Mr Vinayak Chatterjee	00008933	22/03/2019
12.	Mr Sunil Mehta	00065343	22/03/2019

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **U. HEGDE & ASSOCIATES,**
Company Secretaries

Umashankar K. Hegde
Proprietor

C.P. No. 11161 # M. No. ACS 22133
ICSI UDIN: A022133C002356861

Place: Mumbai
Date: January 31, 2022

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
ACC Limited

1. This certificate is issued in accordance with the terms of our engagement letter reference no. SN/2021-22/09A dated April 12, 2021.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of ACC Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on December 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

MANAGEMENTS' RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended December 31, 2021.
9. We 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 **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Saira Nainar
Partner
(Membership No. 040081)
(UDIN: 22040081ABALPH9286)

Place: Mumbai
Date: February 9, 2022