

**TRANSCRIPT OF THE PROCEEDINGS OF THE 84th ANNUAL GENERAL MEETING
OF ACC LIMITED HELD THROUGH VIDEO CONFERENCIN GON MONDAY, JULY 6,
2020 AT 2.30 P.M**

Rajiv Choubey
Chief Legal Officer & Company Secretary

Good Afternoon Ladies and Gentlemen and welcome to the 84th Annual General Meeting of the Company ("AGM") held through Video Conferencing / Other Audio Visual Means.

I would like to take you through certain points regarding the participation of the members through video conferencing or other audio visual means before the commencement of the Meeting.

- 1) Due to the Covid-19 pandemic and the resulting nation-wide lockdown, along with social distancing norms, the AGM of your company is being conducted through Video Conferencing or Other Audio Visual Means in accordance with the circulars issued by the Ministry of Corporate Affairs.
- 2) I would like to inform the members that the facility of attending the AGM through Video Conferencing or Other Audio Visual Means has been made available to the members on 'First Come First Serve Basis'.
- 3) All members joining this meeting are by default placed on mute mode to avoid any background noise and to ensure smooth and seamless conduct of the meeting.
- 4) During the question/ answers session, the Chairman will one by one announce the names of shareholders who have registered themselves as speaker shareholders. Speaker shareholders will thereafter be unmuted by the host of the AGM and will be allowed to express their views/ask questions.
- 5) The shareholders/ members are requested to click the audio and video button while speaking, if the shareholders are unable to join through video mode due to any reason, the shareholders are advised to switch off the camera/ video and speak through audio mode.
- 6) Speaker shareholders are recommended to make necessary arrangements at their end to avoid failure of video or audio-visual connectivity namely :-
 - (a) Every speaker shall identify himself/ herself for the record before speaking.

- (b) While speaking, we request the speaker shareholders to preferably use ear phones so that they are clearly audible.
 - (c) Speaker shareholders to minimize any background noises to avoid any disturbance.
 - (d) Speakers are requested to ensure that their wifi is not connected to any other devices and no other background applications are running and there is proper lighting to have a good video audio experience.
- 7) In the event, there is a connectivity problem at speaker shareholders end, we will ask the next speaker to join the meeting. Once connectivity improves, the speaker shareholder will be called back to speak. We would like to request the speaker shareholders to be as brief as possible and kindly limit their speech to a maximum of 3 minutes.
- 8) During the course of the AGM, if any member faces any technical issue, they may call at the toll free number mentioned in the Notice of AGM.
- 9) I would like to inform the members of the Company that Mr. Sekhsaria, Chairman of the Board, is unable to participate in this AGM. Mr. Jan Jenisch, Deputy Chairman, is attending the meeting from Switzerland, and hence he has requested that Directors present to elect amongst themselves the Chairperson for this meeting.
- 10) Thank you very much.

MR. D. SUNDARAM

Thank you Rajiv.

I, D. Sundaram, Independent Director and Chairman of the Audit Committee, is participating in the 84th Annual General Meeting of the Company from my residence at Mumbai.

I would like to propose the name of Mr. Martin Kriegner to chair the 84th Annual General Meeting of the Company. If agreed, I request the directors present in the meeting, to second the name of Mr. Martin.

Now, I request all other directors to consider the proposal one by one on the chairing of Annual General Meeting by Mr. Martin Kriegner:

- i) Mr. Jan Jenisch
- ii) Mr. Shailesh Haribhakti
- iii) Mr. Sushil Kumar Roongta
- iv) Mr. Vijay Kumar Sharma
- v) Ms. Falguni Nayar

- vi) Mr. Sunil Mehta
- vii) Mr. Vinayak Chatterjee
- viii) Mr. Neeraj Akhoury

MR. D. SUNDARAM

Further, I also propose the name of Mr. Shailesh Haribhakti, Independent Director to be Vice Chairman for the meeting and to conduct the meeting in case for any reason, the connection of the Chairman is lost during the meeting. If agreed, I request the directors present in the meeting, to second the name of Mr. Shailesh Haribhakti as the Vice Chairman.

All directors will consider the same and respond one by one on the proposal of Mr. Shailesh Haribhakti to be the Vice Chairman for the AGM

MR. MARTIN KRIEGNER

Thank you Rajiv.

Thank you all Directors for choosing me as the Chairperson of this meeting.

Good afternoon to all shareholders and Directors and a warm welcome to the 84th Annual General Meeting of ACC Limited, being held through Video-Conferencing Mode on account of the coronavirus pandemic. The meeting is being live streamed by webcast through NSDL.

This is the first time in the long history of ACC to have the AGM in this form. I kindly ask all of us to work together to make this AGM a full success.

The requisite quorum is present. I call the meeting to order.

Firstly I would like to thank our Chairman, Mr Narotam Sekhsaria for his leadership and support to ACC. I am privileged to chair the Company's 84th AGM on his behalf.

With me here in the Nani Palkhivala Hall at ACC Cement House, Mumbai are Mr Sridhar Balakrishnan, Managing Director & CEO of the Company, Ms. Rajani Kesari, Chief Financial Officer of the Company and Mr. Rajiv Choubey, the Chief Legal officer & Company Secretary.

I now call upon all the Directors who are on video conference to introduce themselves and confirm their participation in the meeting:

I now call upon all the Directors who are on video conference to introduce themselves and confirm their participation in the meeting:

- i) Mr. Jan Jenisch: **I am participating from my office in Switzerland**
- ii) Mr. Shailesh Haribhakti: **I am participating through my residence at Mumbai and I Chair the Nomination & Remuneration Committee**

- iii) Mr. Sushil Kumar Roongta: **I am participating through my residence at Gurgaon and I Chair the Compliance Committee**
- iv) Mr. Vijay Kumar Sharma: **I am participating from my residence at Mumbai**
- v) Ms. Falguni Nayar: **I am participating through my residence at Alibaug and I Chair the Risk Management Committee**
- vi) Mr. Sunil Mehta: **I am participating through my residence at Mumbai and I Chair the Stakeholders' Relationship Committee**
- vii) Mr. Vinayak Chatterjee: **I am participating from my residence at Gurgaon**
- viii) Mr. Neeraj Akhoury: **I am participating from my office at Mumbai**

I would like to thank our Board members for active participation and guidance which led to a successful 2019 performance. I would like to especially also thank them for their guidance during the lock down. I am pleased to inform you that your Board has been functioning in a fully effective manner during this time.

I am very pleased to introduce Mr. Sridhar Balakrishnan who took charge as the Managing Director & CEO of the Company on 21st February, 2020. Sridhar joined ACC in July 2018 in the role of Chief Commercial Officer and was a member of the Company's Executive Committee. During his tenure Sridhar has been instrumental in delivering strong commercial and marketing results for ACC. I am very pleased to welcome him as the Managing Director and CEO of ACC Limited.

I request Sridhar to introduce himself and confirm his participation in the meeting.

Sridhar:

Thank you Mr. Kriegner. Good Afternoon Ladies & Gentlemen. I am Sridhar Balakrishnan, MD & CEO of ACC Ltd. I joined the Company in July 2018 and have taken over my new role as MD & CEO on February 21, 2020. I thank the Board and the Shareholders for reposing faith in me. I feel privileged to be part of this great Company which has been part of nation building and growth of our country for more than eight decades. The past two years in ACC have been very exciting and I look forward to taking the strong legacy forward to continue to deliver value for our shareholders and other stakeholders. I now handover back to Martin.

M/s Deloitte Haskins & Sells, the Statutory Auditors and M/s Pramod S Shah & Associates Secretarial Auditors are also present at this meeting. We also have the Executive Committee members of the Company present for this meeting.

I thank all the shareholders for participating today and I sincerely wish that all of you are safe and in good health.

The Company has received two letters from corporate shareholders appointing authorised representatives under section 113 of the Companies Act, 2013 in respect of 10,23,95,120 (Ten crores Twenty Three lacs Ninety five thousand one hundred and twenty) Equity Shares representing 54.53% of the paid up equity capital of the Company.

As the Meeting is being held electronically, there is no physical presence of the members, thus the appointment of proxies is not applicable.

The registers, namely, Register of Directors & Key Management Personnel and their shareholding; Register of Contracts or Arrangements in which Directors are interested; and Agreement with MD&CEO, as required under Companies Act, 2013 are available for inspection on the website of the Company.

Members who did not vote earlier through remote e-voting may vote electronically during the course of the meeting.

Since the notice has already been circulated to all members, I take the notice convening the meeting as read.

The meeting today is taking place in the midst of Covid 19 crisis.

At ACC, Health & Safety has always been our number one priority and this practice has enabled us to deal with this crisis in a very proactive manner. To significantly enhance focus on Health & Safety during these difficult times ACC has constituted very early since the outbreak of the Corona Virus a Business Resilience team which is focused on ensuring our employees, communities and stakeholders remain safe. This team is constantly monitoring and assessing the impact of the crisis on our employees, stakeholders and operations, ensuring medical preparedness, training and awareness and implementing effective remedial actions.

The business teams have executed a strong business continuity plan focusing on Health, Cost and Cash. This supported resumption of operations, in a phased manner, post lifting of lockdown under strong health precautions. Today, all of our plants and grinding units are in operation following strict health and safety protocols. We are not compromising on Health and Safety while restarting operations.

Communication remains key during these times. To ensure that we stay connected with all our stakeholders your Company has adapted with speed to the new normal. It has embraced the use of digital technology and contactless connections. This allowed virtual and effective engagement with our customers, contractors, employees and communities.

Our digital focus has been on strengthening emotional connect with our stakeholders and to reinforce our thought leadership. During this Covid-19 crisis, your Company organised webinars, virtual on-site guidance and usage of our digital apps for business partners which helped in managing business safely and remotely.

Through the Corporate Responsibility program, your Company through our ACC TRUST worked extensively with communities and the needy and touched the lives of more than half a million people. Programs were executed to provide assistance, increase awareness and

drive practices for prevention of the spread of the pandemic. ACC TRUST has been distributing food packets, supporting in making available face-masks, sanitising villages and municipalities and donating ventilators to government run hospitals. Your Company has also partnered with three large reputed NGOs reached out to support migrants of Mumbai and Delhi with food packets and rations.

Your Company also undertook major interventions and projects in the areas of Sustainable Livelihoods, Quality Education and Water & Sanitation. Our volunteers were also on ground to provide immediate disaster relief to the victims of the Bihar floods and the Odisha cyclone in 2019.

Overall you will be proud of your Company's efforts and approach in dealing with the pandemic not only in protecting our employees and customers, but also our extended family of stakeholders.

I would now like to speak about the performance of your company in 2019.

The year 2019 was a challenging year for the Indian economy, with GDP growth at ~ 5%, also reflecting in the sluggish demand growth of 1.5 to 2% in the Cement industry. Despite the muted economic environment, ACC net sales increased by 6% to Rs. 15,343 cr. Our premium range of cement products delivered strong double-digit volume growth. Operating EBITDA improved 18% with focus on cost reduction initiatives such as procurement efficiencies, optimising fuel mix and various logistics initiatives. These actions helped deliver Profit After Tax of Rs. 1,378 Cr which is 35% improvement over the previous year.

I am pleased to share that your Company is a debt free company and has sufficient cash reserves to meet its financial obligations with a comfortable liquidity position. We are focused on cash conversion and collections during this period. Your Company has embarked on a robust program to reduce costs and conserve cash, with very successful outcomes.

Our ready mix concrete business continued to record strong growth of 12% in volume terms and 13% revenue growth over previous year. Fifteen (15) new plants were added during the year, taking the total number of ready mix plants to 90. Your Company has also launched several new products like:

- **ACC Ultivaccrete NX**, the highest commercial grade of concrete for specific use in high rise buildings, blast proof structures and bridges
- **ACC Refraxcrete**, which can withstand high temperature upto 200-250 degrees Celsius and can be used in refractories
- **ACC Curecrete**, a self-cured concrete, which not only meets the conventional performance parameters but also eliminates the need for water curing at construction sites
- **ACC Structlitecrete**, a high density concrete for insulation

In line with our strategy of evolving further into a building materials company, our innovation in cement like **Gold watershield** is finding rapid acceptance. We are rolling out a new consumer campaign to further accelerate adoption. Our newly launched construction

chemical brand - **LeakBlock**, has been well received by the market. The innovative packaging and easy to use features are helping educate our stakeholders on improving construction quality.

On the expansion projects announced by the Company, the Sindri project in Jharkhand is progressing as per plan. The integrated plant expansion at Ametha in Madhya Pradesh is on and the timing of implementation is presently being assessed in the given context.

I would also like to share that the synergy projects between ACC and Ambuja Cement as per the Master Supply Agreement (MSA) approved by the Shareholders, are progressing and are delivering efficiencies, especially in the supply chain. We will continue to drive the MSA to derive further benefits.

Your Company continues to work closely with LafargeHolcim. We are using their knowledge and experience in our performance, innovation and digital programs, all of which is helping your Company in delivering robust performance.

Your company continues to work towards becoming carbon neutral, water positive and plastic negative. During the year 2019, your company's Specific CO₂ emissions was 505 kg CO₂/tonne of cement which is one of the best performance in India and compares very well with Global benchmarks. A number of initiatives have been launched towards this purpose some of which are:

- Clinker Factor of 61.15 ; Thermal substitution rate of 5.55%
- Consumed 82.39 million units of Renewable energy resulting in avoiding 75,800 tons of CO₂ emissions
- Produced 54.89 million units of Electrical Energy from Galgal WHRS Project resulting in avoiding 50,500 tons of CO₂ emissions
- Reduced Specific water consumption by 7% and met 17.3% of water requirement through recycled water

During the year 2019, your company adopted revised Sustainable Development 2030 plan with more stringent targets details of which are available in the integrated report.

- Development of low carbon green cement and concrete products. Blended cements by using industrial by-products which forms 88% of ACC's product portfolio. In 2019, we developed **ACC Sustainocrete** ready mix concrete which contributes to savings in material and energy. This product has received **Greenpro** certification.
- Our **Green Building Centres (GBC)** initiative is a key programme that contributes to sustainable construction where we produce sustainable fly ash bricks and pre-fab materials to build affordable homes. Your Company has helped support local micro-entrepreneurs and small businesses to make and market affordable construction materials.
- Your Company continues to make investments into green energy, notably in solar and wind.

- Through our business unit - **Geocycle**, we have safely co-processed over 4.5 lakh tonnes of waste in our cement kilns. This includes 2.26 lakh tonnes of industrial and segregated municipal waste, 1.79 lakh tonnes of waste as alternate raw materials. This initiative to increase the use of alternate fuels in our kilns, helps other industries and cities to manage their burden of waste and is a key lever for us to reduce CO2 emissions.
- On top of that, your Company also used industrial solid waste and by-products that is 6.60 million tonnes of fly-ash and 2.85 million tonnes of slag in manufacturing cement and RMX.

In recognition of its Sustainable Development and Corporate Excellence outcomes, your Company received several of the highest awards in the country such as the '**Outstanding Accomplishment**' for Corporate Excellence at the **CII-ITC Sustainability Awards 2019**; the first **FICCI Indian Circular Economy Awards 2019**, as well as CII's highest recognition for climate action - the **Climate Action Programme CAP 2.0° Resilient award**.

On behalf of ACC, I would like to thank our customers, without whose support, we could not have achieved these results.

I would also like to thank Mr.Akhoury for the remarkable progress that ACC has made under his leadership. Mr.Akhoury, who has taken over the role of CEO in our Group company AMBUJA Cements, will continue as a Non-Executive Director on the Board of the Company.

In the same light, I would like to thank all ACC employees for delivering a strong performance in 2019.

As you are aware, the Board had recommended a final dividend of Rs.14/- per equity share for the financial year 2019 which had to be recalled due to deferment of the Annual General Meeting. The company has instead paid Interim Dividend at the same rate of final dividend, resulting in a total outflow of Rs. 262.90 crores. I am pleased to see that the company could pay out this dividend.

Under Section 145 of the Companies Act, 2013, only qualifications, observations or comments mentioned in the Auditors Report which have an adverse effect on the functioning of the Company are required to be read out at the AGM. Members may please note that the Auditor's Report on Financial Statements of the Company for the year ended 31st December 2019 does not contain any qualifications, observations or comments. Therefore, in the interest of time, I request to take the same as read and Members may note that the same is open to inspection by any member of the company.

I would like to thank all of you for your continued confidence in ACC.

I now hand over to Rajiv for the next part of the proceedings.

MR. RAJIV CHOUBEY

VOTING INSTRUCTIONS

1. In compliance with the Companies Act, 2013 and SEBI Listing Regulations read with MCA & SEBI Circulars, the Members are provided with the facility to cast their vote electronically, through the Remote E-voting services administered by NSDL, on all the resolutions set forth in this Notice.
2. Facility of e-voting is also provided to those Members, who are present in this annual general meeting, and have not casted their vote on the Resolutions through remote E-voting and are otherwise not barred from doing so, are requested to go to the voting page of NSDL and cast their vote while at the same time watch the proceedings of the meeting.
3. The Board of Directors has appointed Mr. Pramod S. Shah, Managing Partner, failing him, Mr. Saurabh Shah, Corporate Advisor of M/s Pramod S. Shah & Associates, Practicing Company Secretaries as a Scrutinizer to scrutinize the votes cast at the meeting and through the remote e-voting.
4. Since the AGM is been conducted through Video Conference and the Resolution set forth in the Notice have already been put to vote through Remote E-voting, there will be no proposing and seconding of resolutions.
5. Thank you very much and I will hand over the meeting back to Chairman.

CHAIRMAN TO START Q&A SESSION

Thank you Rajiv. Now, I shall invite the Shareholders who have registered themselves as speakers to express their views/ask questions/ give suggestions:

Names to be taken one by one:

- 1) Mr. Mukesh Chandiramani
- 2) Ms. H. S. Patel
- 3) Mr. Sanjay Modi/ Ms. Shweta Modi
- 4) Mr. Rajbhawan Singh Mahal
- 5) Mr. S Vishwanathan
- 6) Mr. Saket Kapoor
- 7) Ms. Vasudha Vikas

With this we have received all the questions and the comments and observations from all the listed speaker shareholders. We will respond to the questions one by one.

With those words, I want to thank all the shareholders for taking this initiative to join this annual general meeting through video conferencing mode.

I want to thank all our directors who have participated in this meeting from India and overseas.

I now authorize Rajiv, Company Secretary to conduct the voting process and conclude the meeting.

The E-Voting process will remain open for next 20 minutes so as to enable those Members to cast their vote who have not casted vote through remote e-voting.

The results will be declared on or before July 08, 2020 and the same would be uploaded on the Stock Exchanges website, NSDL website and also be posted on the Company's website.

With your consent, I and all other Board members would like to leave the meeting and wish all shareholders and their families a healthy and safe future.

MR. RAJIV CHOUBEY

Dear Shareholders, I close with my gratitude for your overwhelming support as always. I would like to thank all the Shareholders, our Directors, our Chairman and my colleagues for their participation in the meeting through Video Conferencing and making this event a successful one.

My best wishes to you and your families, Stay Safe.
