ACC Limited

Minutes of the Seventy – Ninth Annual General Meeting of the Members of ACC Limited held at Birla Matushri Sabhagar, 19 Sir Vithaldas Thackersey Marg, Mumbai 400 020 on Friday, 20th March 2015 at 3.00 p.m.

The following Directors were present:

Mr N S Sekhsaria (Chairman)
Mr Harish Badami (CEO & Managing Director)
Mr Shailesh Haribhakti
Mr Ashwin Dani
Mr Farrokh Kavarana
Mr Vijay Kumar Sharma
Mr Arunkumar Gandhi
Mrs Falguni Nayar

2. Besides the above Directors, 134 Members were present in person and 22 Members were represented by proxy representing 2,57,668 shares. The following Members were present through their representatives:

Name of the Institution	Name of the Representative
Holcim (India) Private Limited (Promoter)	Mr Bernard Terver, failing him Mr Aidan Lynam, failing him Mr Niraj Bansal
Holderind Investments Limited (Promoter)	Mr Bernard Terver, failing him Mr Aidan Lynam, failing him Mr Niraj Bansal
Life Insurance Corporation of India	Mr Gunjan Ray, Administrative Officer (Investment – M&A)
Unit Trust of India	Ms Radhika Gupta
The New India Assurance Company Limited	Mr Vishal Gupta

3. The Directors' Report, Audited Financial Statements, the Register of Directors' Shareholding were placed before the Meeting.

4. Mr B D Nariman, Company Secretary & Head Compliance at the outset acquainted the Members on the safety arrangements made at the venue.

5. He mentioned that Mr Bernard Fontana, Mr Bernard Terver and Mr Aidan Lynam had asked that their apologies be conveyed to the Members for not being personally present at the Meeting for reasons explained.

6. Mr Nariman mentioned that in compliance with the Companies Act, 2013, the Company had provided e-voting facility for the Members to vote electronically on the Resolutions set out in the Notice of the Meeting. The e-voting platform set up with NSDL was kept open from Wednesday, 11th March, 2015 to Friday, 13th March, 2015.

Mr Khushru K Driver, Director of K & K Corporate Solutions Private Limited, a qualified Company Secretary and an Advocate of the Bombay High Court was appointed as the Scrutinizer to conduct the ballot in a fair and transparent manner. The sequence of the proceeding of the Meeting was informed to the Members.

7. The empty Ballot box was shown to the Members and was thereafter sealed and signed by Scrutinizer in the presence of the Directors, and the Members. The seal on the box was signed by the Scrutinizer and placed at a convenient location near the dais to enable the Members to cast their votes.

8. Mr Nariman thereafter requested the Chairman to address the Meeting.

9. Mr N S Sekhsaria, Chairman of the Board of Directors took the Chair. He welcomed the Members to the Seventy-Ninth Annual General Meeting of the Company and called the Meeting to order. He introduced the Directors present at the Meeting.

10. With the consent of the Members, the Notice convening the Meeting was taken as read.

11. The Chairman requested Mr B D Nariman, Company Secretary & Head Compliance to read the Auditors' Report, which was read out by Mr Nariman.

10. In his 'Opening Remarks' the Chairman mentioned that the year 2014 started with sluggish industrial production, but a new stable Government helped improved overall business sentiment. Inflation has slowed down and the economic environment looked better in the year ahead.

11. He shared the performance highlights of the Company for the year ended 31st December 2014. Members were informed that for the year 2014, the Board of Directors had recommended a dividend of ₹ 34/- per share which included interim dividend of ₹ 15/- per share paid in August 2014. The dividend paid for the year 2013 was ₹ 30/- per share.

The Chairman mentioned that the new plant with a grinding unit at Jamul is expected to be completed this year. In addition, a new grinding unit is also coming up at Sindri which is part of the Jamul Project and is expected to be completed by Q1, 2016.

Ready Mixed Concrete (RMX) business performed well during the year. The business focused on sale of value added products and solutions and the Company has. supplied RMX to several landmark projects in the country.

The Company's community development initiatives were focused mainly on health, sanitation, education, livelihood and income generation. The Company's Corporate Social Responsibility (CSR) activities/ initiatives are generally focused around the communities near our Plants. During the year the Company spent ₹ 27.45 crore on various CSR activities.

The Chairman mentioned that the Company was committed to ensure sustainable development. It had significantly reduced thermal and electrical energy, cut CO_2 emissions and reduced water consumption. Waste processing platforms were commissioned at Wadi and Kymore to increase the usage of alternative fuels.

The Chairman stated that there was a modest but steady revival for the Indian economy in 2015 which would have a positive impact on infrastructure, housing and construction sectors and increase the demand for cement. The Company would continue to focus on cost reduction, increase the sale of premium products and focus on other customer excellence initiatives which should deliver improved Company performance.

Two stalwarts, Mr M L Narula and Mr Kuldip Kaura, retired from the Board of Directors in 2014. Mr M L Narula has been associated with ACC for over five decades. Joining as a Trainee Engineer, Mr Narula rose to become the Managing Director of the Company. He retired from the Company in 2007. He was thereafter appointed as a director on the Board. Mr Narula has made a huge contribution to ACC and its Board.

Mr Kuldip Kaura joined the Board in 2009 and was appointed CEO & Managing Director in 2010. He retired in August 2014. His tenure was notable for the Institutionalizing Excellence programme in the Company. The Chairman requested the Members to join the Board in thanking the two stalwarts, Mr Narula and Mr Kaura for their outstanding contributions.

Mr Harish Badami has taken charge as CEO & Managing Director of the Company with effect from August 13, 2014. Mr Badami is a B. Tech from IIT Mumbai and an MBA from IIM Kolkata. Before joining ACC, he was the Managing Director of Celanese India. He has over 25 years experience in the Chemical Industry with leading multinational companies.

Mr Arunkumar Gandhi and Mrs Falguni Nayar were appointed as Additional Directors of the Company in the category of Independent Directors with effect from April 24, 2014.

The Chariman stated that the Members would be proud to know that in a Fortune India - Hay Group Survey ACC Limited was ranked as “India’s Most Admired Company” in Cement Sector for the last two consecutive years. The Company’s Annual Report for 2013 has also won the prestigious Gold Shield from the Institute of Chartered Accountants of India for “Excellence in Financial Reporting”. The Company has sought to maintain the same standard of detailed reporting and transparency in the Annual Report for 2014 now placed before the Members

The Chairman thereafter invited the Member to join the Board of Directors and him in thanking the employees of ACC and its management team for their commitment and hard work.

The Chairman also thanked the Members, for the tremendous support and encouragement that they have extended to the Company which has enabled ACC to be counted year after year among India’s most respected companies.

Finally. he conveyed his best wishes to the Members and their families families.

10. The Chairman informed the Members that the Resolutions as set out in the notice of the Meeting would now be proposed and seconded. He called out the first Resolution pertaining to the adoption of the Audited Financial Statements and the Report of the Board of Directors and the Auditors thereon. He requested Mr Nariman, Company Secretary to read out the Resolution to the Members which was read by Mr Nariman.

11. **Resolution No. 1** - Adoption of the Audited Financial Statements and the Report of the Board of Directors and the Auditors thereon was thereafter proposed as an **Ordinary Resolution**

Proposed by: Mr Niraj Bansal

Seconded by: Mr B D Nariman

"RESOLVED THAT the Audited Financial Statements for the Company's Financial Year ended December 31, 2014 together with all the schedules and notes annexed thereto and the Reports of the Board of Directors and the Auditors thereon be and the same are hereby approved and adopted."

The Chairman thereafter read out the other Resolutions as under:

Resolution No. 2 – Declaration of final Dividend for the financial year ended 31st December 2014 was proposed as an **Ordinary Resolution**

Proposed by: Ms Ashalata Maheshwari and Mr Gautam Tiwari

Seconded by: Mr Beruz Pouredehi

"RESOLVED THAT the final dividend for the financial year ended December 31, 2014 at the rate of Rs 19/- (Rupees Nineteen only) per equity share on 18,77,45,356 fully paid Equity Shares of Rs 10/- each aggregating Rs 356,71,61,764/- (Rupees Three Hundred Fifty Six Crore Seventy One Lakhs Sixty One Thousand Seven Hundred Sixty Four only) as recommended by the Board is hereby declared and the same be paid to those shareholders whose names stand on the Register of Members of the Company on 20th March, 2015 in respect of shares held in physical form and in respect of shares held in electronic form to the beneficial owners of shares as on 13th March, 2015 who are entitled to the dividend as per the list furnished by the Depositories for this purpose;

"RESOLVED FURTHER that the Interim Dividend at the rate of Rs 15/- per equity share on 18,77,45,356 fully paid equity shares of Rs 10/- each aggregating ` 281,61,80,340/- (Rupees Two Hundred Eighty One Crore Sixty One Lakhs Eighty

Thousand Three Hundred Forty only) declared by the Board at its Meeting held on 24th July, 2014 be and is hereby approved, ratified and confirmed."

Resolution No.3 - Appointment of Mr Bernard Fonatan who retires by rotation and is eligible for reappointment was proposed as an **Ordinary Resolution**:

Proposed by: Mr Jitendra Maheshwari

Seconded by: Mr Gautam Tiwari

"RESOLVED THAT Mr Bernard Fontana, Non Executive / Non Independent Director of the Company having Director Identification Number 05178749, who retires by rotation but is eligible for re-appointment be and is hereby re-appointed a Director of the Company."

Resolution No 4 - Appointment of Mr Aidan Lynam who retires by rotation and is eligible for reappointment was proposed as an **Ordinary Resolution**:

Proposed by: Mrs Lekha Shah

Seconded by: Mr Prakash Vijaykar

"RESOLVED THAT Mr Aidan Lynam, Non Executive / Non Independent Director of the Company having Director Identification Number 03058208 who retires by rotation but is eligible for re-appointment be and is hereby re-appointed a Director of the Company."

Resolution No 5 - Appointment of Statutory Auditors was proposed as an **Ordinary Resolution**

Proposed by: Mr Prakash Vijaykar

Seconded by: Mr Tehmton Davar

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs S R B C & CO LLP, Chartered Accountants, Mumbai having ICAI Firm Registration No.324982E, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of the provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's financial year 2015, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and re-imbursement of out of pocket expenses incurred by them in connection with the audit of the accounts of the Company."

Resolution No 6 – Ratification of Remuneration to the Cost auditor

Before moving the Resolution, on Chairman's request, Mr Burjor Nariman explained to the Members that Messrs N I Mehta & Company, Cost Accountants having Firm Registration No 000023 were appointed by the Board of Directors of the Company as "Cost Auditors" for the year 2015 to conduct the audit of the costs records of the Company on a remuneration of ₹ 10 lakhs plus payment of service tax as applicable and re-imbursement of out of pocket expenses incurred by them. In line with the Companies Act, 2013, the aforesaid remuneration payable to the Cost Auditors was being placed before the Members for their ratification.

The Resolution was thereafter proposed as an **Ordinary Resolution:**

Proposed by: Mr Hiranand Kotwani

Seconded by: Mr Prakash Mapara

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable during the year 2015 to Messrs. N I Mehta & Company, Cost Accountants having Firm Registration No. 000023 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2014, amounting to Rs 10 lakhs (Rupees Ten lakhs) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

Resolution No 7 - Commission to Non Executive Directors was proposed as an **Ordinary Resolution**

Proposed by: Mr Prakash Mapara

Seconded by: Mr Prakash Vijaykar

"RESOLVED THAT in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) including any statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company and subject to all applicable approval(s) as may be required, consent of the Members be and is hereby accorded to the payment of commission for a period of five years commencing from January 1, 2015 to the Non Executive Directors of the Company as may be decided by the Board from time to time, provided that the total commission payable to the Non Executive Directors per annum shall not exceed one percent of the net profits of the Company for that year as computed in the manner specified under Section 198 of the Act, with authority to the Board to determine the manner and proportion in which the amount be distributed among Non Executive Directors."

18. The Chairman thereafter invited the Members to express their views on the Resolutions proposed and seconded as aforesaid and urged them in the interest of all other Members present at the Meeting to be brief and to the point.

19. **Mrs Ashalata Maheshwari**: Mrs Maheshwari spoke in Hindi. She mentioned that the Company's market cap had increased which was in the interest of the investors. She complemented the Chairman and mentioned that over the years he had successfully steered the Company even during the difficult and challenging period when there was a global meltdown in the economy.

Mrs Maheshwari mentioned that the Company's 79th Annual Report was very informative and transparent. Although the provisions under the Companies Act 2013 relating to the information required to be provided in the Board's Report, would become applicable to the Company with effect from the current financial year 2015, the Company being committed to good governance had provided in its Annual Report additional information as per the new Companies Act.

She congratulated Company for being awarded the "Gold Shield" for "Excellence in Financial Reporting" for the Annual Report 2013 and on being ranked as "India's most admired Company" in the cement sector by fortune India and Hay Group India in their survey for the years 2013 and 2014. She wished the Company may continue to receive many more awards in the years ahead.

She observed that the Company's consolidated income increased by 5%, Consolidated Net Sales increased by 5.4% and therefore the Board of Directors had recommended increased dividend of ₹ 34 per equity share. She mentioned that the Chairman and the Board of Directors were mindful of the interest of the minority shareholders but regretted that despite request from many Members no bonus issue of shares has been considered by the Board.

Mr Maheshwari appreciated the CSR activities undertaken by the Company. She mentioned that the Company held a bright future thanks to the dedication and outstanding contribution of the Board of Directors, the management and all the employees and in particular appreciated the attentive and efficient interface with the Members provided by the Secretarial Division and the Share Department.

Mrs Maheshwari desired to have the following information:

- projected growth in demand for cement and RMC in 2015;
- the expected exports/ foreign exchange earnings during the year 2015;
- Impact on the Company on account of cancellation of allotment of the coal blocks;
- Percentage sales of the premium products of the Company to the total sales;
- The effect of the proposed Lafarge Holcim Global merger on ACC;

She concluded by mentioning that she supported all the resolutions set out in the Notice of the Meeting.

18. **Ms Lekha Shah:** Mrs Lekha Shah thanked the Secretarial Division and the Share Department for timely receipt of the Annual Report and mentioned that the information provided in the Annual Report was very informative.

She appreciated that a higher dividend was recommended by the Board of Directors for the year 2014. Mrs Lekha Shah congratulated the Company for being ranked as "India's Most Admired Company" in cement sector by Fortune India and Hay Group India and for receiving the "Gold Shield" from the Institute of Chartered Accountants of India for "Excellence in Financial Reporting" for Annual Report 2013 as also for the other awards received by the Company during the year.

19. **Mr Tehmton M Davar:** Mr Tehmton Davar welcomed Mr Harish Badami on the Board. Mr Davar mentioned that he was impressed with the Company's 79th Annual Report for the year 2014 which was extremely informative. He was also pleased to note that the Company had received the "Gold Shield" for Excellence in Financial Reporting for the Annual Report 2013 He also congratulated the Chief Financial Officer for being conferred with the best CFO Award.

Mr Davar mentioned that it was indeed creditable for the Company to hold the Annual General Meeting within three months from the end of the financial year 2014 which reflected the dedication on the part of the management and further appreciated that all the Directors who had attended the Board Meeting at which the accounts were considered and approved had signed the Financial Statements which again showed a great commitment on the part of the Directors. He recommended that these good practices should continue.

Mr Davar requested the Board of Directors to consider accepting Fixed Deposits at lease from shareholdersas the Company being well managed; the monies of the shareholders would remain secured.

He suggested that as part of its CSR activities, the Company could sponsor Government aided programmes for the benefit of minority communities.

He requested the Board of Directors consider a bonus issue to celebrate the Company's 80th year of existence and stated it was an occasion to be proud of since many Companies would vie to achieve this record.

Mr Davar desired to have the following information:

- cost of printing the 79th Annual Report;
- growth expectation for the current financial year;
- percentage spent by the Company in the year 2014 on CSR;
- Status of Lafarge Holcim Global Merger and its impact, if any, on the Company;
- Whether the implementation of GST from 2016 would be beneficial for the Company and the Industry;

Mr Davar concluded his speech by mentioning that he supported all the Resolutions set out in the Notice of the Meetings.

20. **Mrs Homayun Pouredehi:** At the outset Mrs Pouredehi welcomed Mr Harish Badami as CEO & MD of the Company. She mentioned that in response to her letter to the Company sent prior to the Annual General Meeting, she has received from the Management the relevant information sought by her.

Referring to the Annual Report for 2014, Mrs Pouredehi observed that LIC had in 2014 increased its stake in the Company which according to her reflected the Financial Institution's confidence in ACC and in the growth of the cement industry. She appreciated the progress of Company's Jamul expansion project.

21. **Mr Beruz Pouredehi:** Mr Pouredehi appreciated that the Directors had recommended a higher dividend payout for the year 2014. However he observed that as compared to the competitors, the ACC scrip had not performed well on the bourse.

Mr Pouredehi congratulated Mr Sunil Nayak, CFO on being conferred with the "Best CFO" award and mentioned that the position of a CFO was an important pillar of the Company. He expressed confidence in the management team and hoped that the Company would perform well.
He wished the Company best in its future endeavors.

22. **Mr Prakash Mapara:** Mr Prakash Mapara spoke in Hindi. Referring to the proposed Lafarge Holcim Global merger, Mr Mapara desired to know whether the Company would be adversely impacted by the same.

He pointed out that the Company had a large balance in its Reserves and Surplus and as there were presently no new opportunities for acquisition or expansion, the Board of Directors should consider a bonus issue of shares which would benefit all the Members.

He mentioned that he has repeatedly been requesting the Management to arrange a Plant visit and hoped that this request would be considered favourably. Mr Mapara mentioned that he supported all resolutions as set out in the Notice and concluded by congratulating the Company for the various awards and accolades achieved in the year 2014.

23. **Mr Hiranand Kotwani:** Mr Kotwani mentioned tht he was not happy with the Company's performance for the year 2014. The Company had posted a marginal growth of 1.2% in sales volume and hoped that the Company would perform better in the coming years under the leadership of Mr Badami .

Mr Kotwani desired to have the following information:

- plans to increase growth and market share;
- the status of the coal blocks which were allocated to the Company;
- reasons for the losses made by most of the subsidiary companies;
- details of the Company's investment in Shiva Cement;

He concluded by wishing the Company the very best for its future.

24. **Mr Gautam Tiwari:** Mr Gautam Tiwari welcomed the Board of Directors. He expressed confidence in the future and sustainability of the Company under the leadership of an eminent distinguished Board of Directors. ACC's employee's contribution towards the Company's success story also could not be undermined.

Mr Tiwari appreciated the high dividend payout declared by the Board. He also requested the Board to consider a bonus issue. He appreciated the Company's Annual Report and mentioned that the same was well presented, very informative and was transparent.

He commended the Company's initiatives for sustainable growth and in particular appreciated the use of Alternative Fuels (AFR) as also the initiatives taken by the Company for nurturing inclusive growth and community development through its various programmes under its Corporate Social Responsibility.

25. Mr Rusi Khambata: Mr Rusi Khambatta at the outset mentioned that the Annual Report was received in time, well in advance of the Meeting and was very informative. He thanked Secretarial Division and the Share Department for the same. He also thanked the Board of Directors for recommending a higher dividend and appealed to the Board to consider making an issue of bonus shares.

He congratulated the Company for the laurels which it has consistently achieved over the years. Mr Khambatta requested the Board Members to consider 5 kg packaging of cement bags which would be beneficial for individual consumers for small repair jobs. Mr Khambatta requested the Management to consider arranging a plant visit which would be educative for the Members in understanding the cement manufacturing process.

He desired that the Company should maintain its market leadership position. He concluded by stating that he supported all the resolutions set out in the notice of the Meeting.

26. Mr Michael Martins : At the outset, Mr Martins was glad to note that the Board of Directors had an excellent business strategy of enhancing customer value by following a customer centric approach and enriching customer experience. He observed that the Company was motivating channel partners and cementing relationships with stakeholders and the result of all these efforts manifested in the Company being ranked as "India's Most Admired Company". in the cement sector

He thanked the Board of Directors for recommending a higher dividend for the year 2014 and requested the management to consider a plant visit for the Members. Finally, he wished the Company well in its endeavours.

27. Ms Rohini Parekh: Ms Rohini Parekh mentioned that she was the sister of the Late Mr Venitkumar Parekh who was a loyal Member of the Company since several years. She appreciated the Annual Report and found it to be informative and self explanatory. She congratulated the Company on being awarded the "Gold Shield" for Excellence in Financial Reporting by the Institute of Chartered Accountants of India. She also congratulated the Company for receiving several other awards during the year. She thanked the Board of Directors for recommending

a higher dividend and supported the request of many other Members for a bonus issue next year.

28. **Mr Abraham Shalom:** Referring to the packaging of the cement bags available in the market, Mr Abraham Shalom suggested that the Company could consider selling cement in smaller packaging as earlier recommended by Mr Rusi Khambatta.

He requested the Company to include in its CSR activities, programmes for minority communities such as restoration of places of religious worship etc. Such projects would serve as platform for Company's advertisement he opined. He also requested the Company to consider candidates from minority communities for employment.

Mr Shalom desired to have the particulars of cement dealers operating in Raigad district.

29. **Mr Adi Nalladaru:** At the outset, Mr Nalladaru appreciated the services provided by the Secretarial Division and the Share Department. He noted that the Company's products have a good visibility on TV and digital media and made some constructive suggestions for further strengthening the Company's brand image. Referring to the appointment of Auditors, he mentioned that whilst he supported the appointment of S R B C & Co LLP, Chartered Accountants as the statutory auditors of the Company, he recalled the valuable contribution made by the former firm of Chartered Accountants - A F Ferguson & Co, who were one of the auditors of the Company for many years.

Mr Nalladaru desired to have the following information:

- the meaning of the acronym "ACC"
- the amount of money spent on advertisement and on major litigation

30. Mr Shailesh Mahadevia: Mr Mahadevia appreciated the Annual Report of the Company which was informative and transparent. He observed that the Annual Report was received on time and being one of the first Annual Reports to be published in 2015, the Members had adequate time to read and analyze the same.

He congratulated the Company for receiving several awards and accolades during the year and appreciated the CSR initiatives undertaken by the Company. He suggested that the Company should consider collaborating with National Universities for sponsoring / financing their research and development programmes. He also recommended that the CSR programmes of the Company should aim at income generation and for making the beneficiaries under the programme employable.

He noted the many initiatives taken by the Company for a sustainable development and in particular for reducing the carbon footprint and desired to know whether carbon credits had any monetary benefits.

Mr Mahadevia desired to have the following information:

- whether coal availability had improved

- Reasons for under- utilization of the installed capacity and plans utilizing additional capacities coming up in the near future at Jamul and Sindri;.
- The attrition rate in the Company

He wished the Organization well.

32. Mr Ashok Devidas Vadelkar: Mr Vadelkar was happy that the Company had appointed a women director on the Board. Referring to the Scheme launched by the Company offering demat facilities for those shareholders who had not opted for the same, he mentioned that since he would not be selling the shares of the Company, he preferred to hold his ACC shares in physical form. He then mentioned that he was made a party in a litigation involving ACC scrip and requested if the Company could look into the matter.

33. Mr Narendra Jhaveri : Referring to the financial statements of the Company, Mr Jhaveri observed that the performance of the Company was not good. The Company has posted higher profits on account of certain write backs taken during the year in its books of accounts. He further observed that the Company was receiving technology and Knowhow from its promoters Holcim and accordingly the Company should have posted better results. It was his personal view that the Company was not benefitting form the technology provided by Holcim as even in the areas of conservation of energy no remarkable progress was noticed. Mr Jhaveri desired to know the reasons for paying Royalty when Technology Knowhow fees were being paid to Holcim for the technology and knowhow provided by them ,

Mr Jhaveri observed that despite the several request made by the Members of the Company for a Plant visit, the management had not considered the same favourably and urged the Board of Directors to consider the request of the Members favorably.

34. Mrs Hutokshi Sam Patel: Mrs Patel at the outset mentioned that she was happy that Mrs Falguni Nayar was appointed on the Board of Directors and extended a warm welcome to her. She also welcomed Mr Harish Badami and expressed confidence that under his leadership the Company would perform well. She thanked the Board of Directors for recommending a higher dividend.

Mrs Patel complimented the Secretarial team for a very impressive Annual Report. However she expressed concern at the performance of the Company and pointed out that the return on the capital employed and earning per share need to improve.

Mrs Patel desired to have the following information:

- Details of loans given by the Company to its subsidiary
- Reasons for the losses made most of the subsidiaries;
- Capex plans for the current year and the next year

Mrs Patel mentioned that she supported all the resolutions set out in the notice of the Meeting Finally, she wished the Company well in the years ahead.

35. Mr Dinesh Bhatia : Mr Dinesh Bhatia spoke in Hindi. At the outset he thanked the Members of the Board for recommending a higher dividend for the year 2014.

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Mr Bhatia desired to have the following information:

- Reason for reduction in current investment in the year 2014
- Impact of de allocation of the coal blocks on the Company

36. Mr Janak Mathuradas : Mr Mathuradas suggested to the Board that the Annual General Meeting of the Company should be scheduled either at end of February or in the beginning of March for reasons explained.

He desired to have information required to be furnished to the Members pursuant to Section 197 of the Companies Act 2013. Mr Mathurdas inquired about the status of the proposed Lafarge Holcim Global merger and its impact on the Company. He also inquired whether there were any plans for merger between the Company and Ambuja Cements Limited.

He desired to know the whether the cement industry would benefit from the policies announced by the new Government at the Center. He recommended that the Company should consider packaging cement in small quantities for individual consumption for small repair jobs.

Mr Mathurdas mentioned that he was not willing to take up the Company's offer to demat his shareholding in ACC.

36. Chairman's Response: The Chairman thanked the speakers for the interest evinced in the Company and for their constructive suggestions. He thereafter requested Mr Badami, CEO & MD to respond to the queries of the shareholders which were of general interest to the Members. In case any specific information was required, Members were requested to contact the Company Secretary in this regard.

37. Mr Harish at the outset thanked the Members for their kind words and for their support to the Company, the Board of Directors and the employees.

With regard to the common queries relating to the economy, Mr Badami mentioned that the GDP in 2014 grew by ~ 5.2% as against 4.7% in the previous year. The overall growth was subdued. Infrastructure projects were delayed either for want of Regulatory approvals or land acquisition issues. The Housing sector was also sluggish and interest rates were high. In spite of the above determinates Company's volume grew by 1%. Looking ahead the demand was projected to grow at ~ 6%. There will be excess cement capacity and the Company expects the capacity utilization to be in the range of ~ 75% over the next 2 years, which will continue to remain as a challenge in the cement industry. However, the new Government's emphasis on housing and infrastructure is expected to provide a boost to the cement industry and the overall long term outlook for the cement industry is good. The lower interest rates will further give an impetus to the housing sector which is one of the segment on which the Company focuses.

With regard to cement business the cement retail market grew by 1.2% and the RMC volume grew by 18%. In terms of value the cement industry outgrew by 4.8% and the RMC by 16%.

The sale of Company's premium products in 2014 was ~ 2.73 MT, The Company is focused on increasing the sale of its premium products as the products are well established, serves as a differentiator from the products of other competitors and also provides good margins.

With regard to the query raised by Members on bonus issue, Mr Harish Badami said that presently the Company had no plans for making a bonus issue.

With regard to coal, Mr Badami said that coal is a major input cost to the Company. A large percentage of the Company's requirement of coal depends on linkages which are allocated to the Company by Coal India or its subsidiaries. During the year 2014, the Company faced restrictions on the supply of linkage coal. This coupled with the shortage of availability of rakes, and steep increase in the railway freight was some of the reasons for importing coal. The coal prices are expected to remain constant during the year.

As regards the allotment of Coal blocks, the Company had through its wholly owned subsidiary company ACC Mineral Resources Limited (AMRL) entered into Joint Venture Agreements with Madhya Pradesh Mining Corporation Limited for development of four coal blocks Consequent upon the Supreme Court's order cancelling the allocation of the coal blocks by the Government of India to State and Private sectors, the coal blocks allotted to MPSMC stood cancelled.

The Bicharpur Coal Block which was one of the four coal block being developed pursuant to the Joint Venture with MPSMC was at an advance stage of development. Pursuant to an Ordinance passed by the Government paving a way for the re allocation of the coal block through an e-auction process, the bicharpur coal block was one of the coal block which came up for e-auction. The Company participated in the e-auction but unfortunately was not successful in the bidding for the Bicharpur coal block as commercially the going price during the e-auction was not considered viable. Also the Company expects that the coal prices will be subdued and the Company will be able to look out for opportunities in the future.

With regard to export of cement, it was informed that cement was a very localized business as it is not viable to move cement beyond a certain distance. Hence, export of cement was restricted to neighbouring countries.

The cost of Annual Report was ₹ 50 per copy. Mr Badami personally thanked the Members for their positive comments on the Company's Annual Report.

With regard to expenditure incurred by the Company on Corporate Social Responsibility, it was informed that the details were given in the Annual Report. Mr Badami thanked the Members for their constructive suggestions in this regard.

With regard to the investment of surplus funds of the Company, Members were informed that the Company invests surplus funds in mutual funds, bank fixed deposits / CDs. The investments during the year 2014 were lower than in the year 2013 because the funds were required for the ongoing Jamul project. This was a major project which was being financed entirely through internal accruals.

With regard to the performance of the subsidiary companies, Mr Badami explained that ACC Mineral Resources Limited (AMRL) was a vehicle through which ACC invested in the coal block. The Company has no other business. Bulk Cement Corporation (India) Limited which was mainly handling bulk cement business in and around Mumbai area was a profitable Company. The other three subsidiary companies are limestone deposit companies and are currently not operational.

The Company's investment in Shiva Cement Limited is ~12.65% with an investment value of ~ ₹ 23.65 crore. The Company had a cement purchase agreement with Shiva Cements Limited which was terminated in 2013.

The Technical Knowhow Fees payable to Holcim Technology Limited is 1% of the total net sales. The Royalty paid by the Company is to the Government for extraction of limestone. The two payments are different.

The current attrition rate in the Company was ~ 7% which was considered reasonably healthy given the growth in the industry and opportunities available.

During the year 2014, the Company had spent ₹ 107 crores on advertisement which included print media, promotion material, advertisement through television and digital media etc.

The Company's planned capital expenditure for 2015 was projected at ~ ₹ 1250 crore. This was mainly for the Jamul Project.

The raw materials imported by the Company were mainly gypsum and coal. The Company to the extent possible procures coal domestically from Coal India and through e-auction. Depending upon the domestic cost of coal, the raw material could also be imported from South Africa, Indonesia or Mozambia. Gypsum is mainly imported from Thailand and Oman.

Referring to the Lafarge Holcim Global merger, it was informed that as per the recent information available with the Company, the merger was on track and awaiting several permissions from various jurisdictions. Presently clearance have been obtained from 14 jurisdictions including the European Union. Clearances were awaited from USA, Canada and India. In India, Holcim and Lafarge were in discussion with the Competition Commission in the matter.

With regard to Holcim's India's restructuring and regrouping of its two Indian subsidiaries, the corporate restructuring between Holcim India Private limited and Ambuja Cements Limited was announced in July, 2013 which has received all the approvals from Regulators. Only the FIPB approval was awaited. After receipt of this approval, Holcim's holding in ACC which currently is 50.30% will stand transferred to Ambuja Cements Limited and ACC will become a subsidiary of Ambuja Cements

Limited. This will provide opportunities for ACC and ACL to extract synergies in areas of supply chain, logistics, procurement and other support services. However both ACC and Ambuja would continue to operate as separate listed Company, have their own Board of Directors. There are no plans to merge the two entities, presently.

37. The Chairman thereafter announced that the voting on the Resolutions had commenced and requested the Members to cast their votes on the Resolutions. He mentioned that the Scrutinizer and the Company Secretary would oversee the voting process. The results of the voting would be declared on or before 22nd March 2015. The results would be communicated to the Stock Exchanges and posted on the Company's website and also displayed at the Registered Office of the Company.

38. The Meeting was declared closed on completion of the voting process. The Chairman thanked the Members for attending the Meeting and for their wholehearted participation. A vote of thanks was proposed to the Chair.

39. After all the Members had cast their votes, the Scrutinizer took custody of the ballot box which was taken to the Registered office of the Company. There the ballot box was opened by the Scrutinizer in the presence of two independent witnesses. The ballot papers were thereafter scrutinized and entered in the Register maintained by the Scrutinizer for recording the physical ballots received.

40. A tally of the votes cast physically and votes cast electronically which were unblocked on 13th March, 2015 after the close of the e-voting process in the presence of two independent witnesses was taken. Based on the tally of all votes which were cast, the Scrutinizer prepared and submitted to the Chairman, his duly signed report on the results of the voting in Form No MGT 13. The Results of the voting are as under:

Ordinary Resolution No 1 – Adoption of audited financial statements of the Company for the year ended 31st December 2014 and the Reports of the Board of Directors and the Auditors thereon

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	13,98,94,680	99.23	20,110	0.01	13,99,14,790	99.24	10,72,596	0.76	14,09,87,386
Total No. of Ballots	987	92.24	15	1.4	1002	93.64	68	6.36	100.00

Ordinary Resolution No 2 – Payment of Final Dividend

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	14,01,91,959	99.23	344	0	14,01,92,303	99.23	10,83,277	0.77	14,12,75,580
Total No. of Ballots	988	91.91	11	1.02	999	92.93	76	7.07	100.00

Ordinary Resolution No 3 – Re-appointment of Mr Bernard Fontana as a Director of the Company									
	Assent	**%**	**Dissent**	**%**	**Total**	**%**	**Invalid**	**%**	**Total Votes Cast**
Total No. of Shares on voting	12,94,23,325	92.21	98,38,153	7.01	13,92,61,478	99.22	10,88,533	0.78	14,03,50,011
Total No. of Ballots	798	74.86	189	17.73	987	92.59	79	7.41	100.00

Ordinary Resolution No 4 – Re-appointment of Mr Aidan Lynam as a Director of the Company									
	Assent	**%**	**Dissent**	**%**	**Total**	**%**	**Invalid**	**%**	**Total Votes Cast**
Total No. of Shares on voting	13,12,58,709	93.41	81,73,633	5.82	13,94,32,342	99.23	10,88,244	0.77	14,05,20,586
Total No. of Ballots	833	77.85	158	14.77	991	92.62	79	7.38	100.00

Ordinary Resolution No 5 – Appointment of Messrs S R B C & Co. LLP as Statutory Auditors of the Company									
	Assent	**%**	**Dissent**	**%**	**Total**	**%**	**Invalid**	**%**	**Total Votes Cast**
Total No. of Shares on voting	13,85,22,713	98.23	14,06,181	1.00	13,99,28,894	99.23	10,83,825	0.77	14,10,12,719
Total No. of Ballots	949	89.44	33	3.11	982	92.55	79	7.45	100.00

Ordinary Resolution No 6 – Ratification of remuneration to Messrs N I Mehta & Company, Cost Auditors									
	Assent	**%**	**Dissent**	**%**	**Total**	**%**	**Invalid**	**%**	**Total Votes Cast**
Total No. of Shares on voting	14,01,70,173	99.22	20,463	0.01	14,01,90,636	99.23	10,83,866	0.77	14,12,74,502
Total No. of Ballots	962	89.91	29	2.71	991	92.62	79	7.38	100.00

Ordinary Resolution No 7 – Payment of Commission to Non Executive Directors of the Company									
	Assent	**%**	**Dissent**	**%**	**Total**	**%**	**Invalid**	**%**	**Total Votes Cast**
Total No. of Shares on voting	14,01,75,657	99.22	12,467	0.01	14,01,88,124	99.23	10,86,435	0.77	14,12,74,559
Total No. of Ballots	916	85.37	74	6.90	990	92.27	83	7.73	100.00

41. The aforesaid Resolutions were accordingly declared as having been **passed with the requisite majority.**

42. The Scrutinizer's Report along with information required to be submitted pursuant to Clause 35A of the Listing Agreement was informed to the Stock Exchange on Saturday, 21st March 2015 and the Scrutinizer's report was also uploaded on the Company's website.

CONFIRMED

Sd/

CHAIRMAN