Secretarial Division

ACC Limited
Registered Office
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Mumbai 400 020, India

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April 26, 2017

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra – Kurla Complex
Mumbai 400 051
Scrip Code: ACC

Dear Sir

Re.: Minutes of the 81st Annual General Meeting

We are pleased to enclose herewith copy of the Minutes of the proceedings of the 81st Annual General Meeting held on 29th March 2017.

We shall request you to kindly take the same on records.

Yours faithfully,
For ACC Limited

Surendra Mehta
Company Secretary & Head Compliance
ACS-10137

ACC Limited

Minutes of the Eighty First Annual General Meeting of the Members of ACC Limited held at Birla Matushri Sabhagar, 19 Sir Vithaldas Thackersey Marg, Mumbai 400 020 on Wednesday, 29th March 2017 at 3.00 p.m.

The following Directors were present:

Mr N S Sekhsaria (Chairman)
Mr Neeraj Akhoury (Managing Director & CEO)
Mr Shailesh Haribhakti
Mr Martin Kriegner
Mr S K Roongta
Mr V K Sharma
Mr Arunkumar Gandhi, (Chairman, Audit Committee)
Mrs Falguni Nayar

Also Present
Mr B D Nariman, Company Secretary & Head Compliance
Mr Sunil Nayak, Chief Financial Officer
Mr Vinayak Pujare, (Representative of S R B C & Co. LLP Present Auditors of the Company)
Mr Byram Shroff (Representative of Deloitte Haskins Sells LLP Auditors proposed to be appointed)
Mr Nirmal Patel, (Representative of Pramod S Shah & Associates, Company Secretaries in Practice)
Mr Khushroo K Driver, Scrutinizer

2. Besides the above Directors, 115 Members were present in person representing 44,620 shares and 4 Members were represented by proxy representing 3433 shares. The following Members were present through their representatives:

Name of the Institution	Name of the Representative	No of shares
Ambuja Cements Limited (Promoter)	Mr Martin Kriegner	9,39,84,120
Holderind Investments Limited (Promoter)	Mr Martin Kriegner	84,11,000
Life Insurance Corporation of India (29 folios)	Mr S K Rastogi	1,99,02,020

3. The Board's Report, Standalone and Consolidated Audited Financial Statements for the year ended 31st December 2016 and the Auditor's Reports thereon, Secretarial audit Report for the year ended 31st

December 2016, Register of Proxies and Representations, Register of Directors' and Key Managerial Personnel and their shareholdings and Register of Contracts in which Directors and Key Managerial Personnel were interested were made available for inspection to the Members.

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

   He then informed the Members that Mr Eric Olsen, Mr Christof Hassig, Mr Farrokh K Kavarana and Mr Ashwin Dani had asked that their apologies be conveyed to the Members for not being personally present at the Meeting due to unavoidable engagements/circumstances. Mr Nariman mentioned that since Mr Ashwin Dani, Chairman of the Nomination & Remuneration Committee and Mr Farrokh K Kavarana, Chairman of the Stakeholders' Relationship Committee were unable to attend the Meeting, they had individually requested Mr Shailesh Haribhakti to be their authorized representative to respond to the queries of the Members with respect to the functioning of the Nomination & Remuneration Committee and the Stakeholders' Relationship Committee.

   Mr Nariman mentioned that in compliance with the Companies Act, 2013 and the Rules framed thereunder, 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 which was set up with National Securities Depository Limited (NSDL) was kept open from Saturday, 25th March 2017 to Tuesday 28th March 2017. The Board has appointed Mr Khushroo K Driver, Director of K & K Corporate Solutions Private Limited, a qualified Company Secretary and an Advocate of the High Court, Bombay as the Scrutinizer to conduct the ballot in a fair and transparent manner. The sequence of the proceedings of the Meeting was informed to the Members.

   Mr Nariman thereafter requested the Chairman to address the Meeting.

5. Mr N S Sekhsaria, Chairman of the Board of Directors took the Chair. He welcomed the Members to the Eighty First Annual General Meeting (AGM) of the Company and after ascertaining from Mr B D Nariman, Company Secretary & Head Compliance that the quorum was present called the Meeting to order. The quorum was present throughout the Meeting.

6. The Chairman introduced the Directors present at the Meeting.

7. With the consent of the Members, the Notice convening the 81st Annual General Meeting was taken as read.

8. The Chairman informed the Members that the Auditors Report for the year 2016 was an unqualified Report. In terms of Section 145 of the

Companies Act, 2013, only the qualifications, observations or comments mentioned in the Auditors' Report which have an adverse effect on the functioning of the Company, were required to be read at the General Meeting. Notwithstanding the same, Mr B D Nariman, Company Secretary & Head Compliance read the Auditors' Report as and by way of good governance.

The Chairman, at the outset mentioned that it was a matter of pride to belong to a company like ACC which has contributed to building the nation for over eight decades.

The Chairman introduced Mr Neeraj Akhoury, Managing Director & Chief Executive Officer (MD&CEO) and mentioned that Mr Akhoury has over 24 years of rich experience in the steel and cement industries. Mr Akhoury has been with the LafargeHolcim Group since 1999 serving in various leadership positions within the Group both in India and in other countries. Mr Akhoury is a graduate in Economics and has completed a one year full time General Management Programme from XLRI, Jamshedpur and a General Management Programme from Harvard Business School, Harvard University. He has also attended many National and International Management Programmes including INSEAD. Mr Akhoury has taken charge as MD&CEO from Mr Harish Badami with effect from 4th February 2017.

Mr Harish Badami has decided to pursue opportunities outside the cement industry. The Board of Directors has placed on record its appreciation of Mr Harish Badami's rich contribution to the Company. During his tenure the Company maintained a strong focus on sustainable development and was able to complete the major project at Jamul. Mr Badami presently continues his association with the Company in an advisory role.

The Members whilst welcoming Mr Neeraj Akhoury as Managing Director & Chief Executive Officer, appreciated the leadership provided by Mr Badami during his tenure in office.

The Chairman informed the Members that during the year 2016, as a result of an amalgamation between Ambuja Cements Limited and Holcim (India) Private Limited, (one the Promoters of ACC), with effect from 12th August 2016, ACC has become a subsidiary of Ambuja Cements Limited while LafargeHolcim Ltd continues to remain the ultimate Holding Company. This restructuring will help derive more synergy for the mutual benefit of the two companies.

The Chairman then requested Mr Neeraj Akhoury to brief the Members on the performance of the Company.

9. Mr Akhoury greeted the Members and stated that it was a privilege to be a part of an Organization with a rich heritage and outstanding brand equity and which has been led in the past by stalwarts who have over

the years provided the Company with dynamism to poise itself for growth and profitability, to serve the customers more efficiently and to add greater value to the stakeholders. Acknowledging the support received from Mr Badami, the Management team and the employees of the Company, Mr Akhoury stated that "Leadership at ACC is essentially a social process where a group of people - be they employees, shareholders, customers, suppliers & social influencers - become part of a community and operate on a common set of values and business conduct systems."

Mr Akhoury thereafter apprised the Members of some of the highlights of 2016. He mentioned that -

India: Economic Scene

Economic Scenario in 2016 both at home and around the world was marked with several mega trends. Rapid urbanization, climate change and resource scarcity, technological breakthrough and demographic & social changes are happening at a speed that could perplex many. "At ACC, these mega trends allow us to plan and prepare our future with hope and courage, with commitment and determination and with dreams to use our heritage to create a best-in-class Company. We have taken and will take this journey with the support of thousands of our shareholders, who have relentlessly stood by our side on our approach to business. Thank you dear Shareholders and everyone else to keep your passion and support on an institution called ACC", Mr Akhoury stated.

The Indian economy grew at ~7.0% in 2016, registering itself again as one of the fastest growing large economies of the world. The rural economy benefited from a good monsoon after two successive rain-deficient years. Manufacturing growth was ~8.5%, at par with 2015. The wholesale and consumer price inflation rates rose to ~1.8 % and ~5.1% in 2016 from last year's (2.8)% and 4.9% following a rise in global fuel and commodity prices, near flat domestic demand conditions and an increase in food inflation.

In 2016, the country saw two landmark economic interventions viz. Legislative approval of the Goods and Services Tax (GST), which is expected to come into effect in 2017 and the Demonetization scheme. The impact of demonetization was significant in the last few months, especially on the construction industry. It is believed that the implementation of GST in combination with a more digitized economy and a more efficient tax system is expected to make the country stronger. It also supports India's resolve to improve transparency and integrate our economic practices with an objective to realize the development agenda of the country.

The Cement sector which grew at over 6% in the first three quarters tapered off in the last quarter due to the effect of demonetization to end the year with growth of ~5% in 2016.

Cement Industry
The demand growth for cement in 2016 was at ~4.5%. The cement plants in the northern, central and eastern regions of the country were able to produce at levels above 85% of capacity though the excess capacity in the south dragged down the industry's average capacity utilization to around 75%. Cement price trend remained subdued in most months but were also volatile in 2016.

Company's Performance in 2016
The demand growth for cement in 2016 was at ~4.5%. The Company continued to develop its business strategy with a long term vision to strengthen its performance. Amidst the inflationary drivers, commendable efforts were made through innovative interventions across the value chain which has resulted in overall cost reduction:

- Distribution cost by ~3.1% over 2015 in spite of Diesel Price increase impact of ~9% on road freight;
- Power & fuel cost reduced by ~10% over 2015 and Petcoke consumption increased to 62% from 18% in 2015;
- Raw material cost reduced by ~14.2% over 2015;
- Overall fixed cost was lower than in 2015 and has been maintained at similar levels for the last 5 years despite inflation.

In a hugely competitive environment, the Company will continue to focus in making significant cost savings.

Despite very strong measures, the adverse demand supply environment resulted in total sales in 2016 declining by 2.7% to 22.99 million tonnes from 23.62 million tonnes achieved in 2015. Cement prices, declined by ~3% in 2016 over 2015, though ACC's premium brands continue to perform well. Individual House Builders continued to be one of the largest segment in terms of overall sales volume and profitability. As a pioneer in cement and concrete technology, the Company also continued to demonstrate its techno-promotion capabilities in the major nation-building sectors of infrastructure, commercial and institutional projects.

The Brand "ACC" commands respect in the market on account of the superior product quality and the Company's customer centric approach which continuously focuses on improving service level to the customers.

Ready Mixed Concrete
Ready Mixed Concrete business performed well during the year keeping its spotlight on infrastructure, commercial and realty segments. A sharp focus on promoting value-added special products that are more customer service-oriented enabled consistent growth with an increase of 10.5% in sales by volume and 9.0% in sales by value.

RMX business expanded in the new markets of Lucknow, Nagpur and Raipur and a dedicated plant at a power project site in Aligarh.

Overall Performance Summary

- Consolidated income was 5.39% lower as compared to 2015;
- Consolidated profit before tax for the year rose by 5.2% from ₹765.53 crore in 2015 to ₹805.32 crore in 2016;
- Consolidated Profit after Tax for the year was ₹604.38 crore as compared to ₹587.60 crore in 2015, showing growth of 2.9%.

Dividend

The Board of Directors has recommended payment of final dividend at ₹6/- per Equity Share of ₹10 face value. The total dividend for the year, including interim dividend of ₹11/- per Equity Share paid in August 2016, adds up to ₹17/- per Equity Share, the same as in the previous year. The dividend payout ratio is 64%. The Dividend recommended is in line with the Dividend Distribution Policy of the Company.

Safety- Our overarching value

The Company has defined certain values which are the foundation for the Company culture and provide a framework for the manner in which the employees are expected to behave. The foremost value is absolute commitment to Health & Safety. The Company is committed to ensuring that its employees and contractors can work safely at its sites and in the community. This commitment is embedded in the personal objectives of every employee of the Company.

Jamul Project

The Jamul integrated project, comprising a clinkering line and grinding unit at Jamul in Chhattisgarh and a grinding unit in Sindri in Jharkhand, was successfully completed during the year. With excellent connectivity by rail and road, the new integrated plant will complement the Company's existing network in Eastern India, strengthening its presence in important markets with the supply of environment-friendly blended cements.

Sustainable Development

The Company was honored with the prestigious CII-ITC Sustainability Award 2016 for "Outstanding Accomplishment" in recognition of its continued effort and commitment to the cause of Sustainable Development. This award has been bestowed on the Company three times in the last four years which is an endorsement of the sustainable manner in which the Company conducts its business.

CSR Programmes

The Company's CSR programmes reached out to benefit more than 4.23 lakh people residing in 202 villages across the country with projects to address the developmental needs of communities around the Company's operations covering the broad thematic areas of Livelihood, Education, Health & Sanitation.

The Company was chosen from among several leading companies to receive the first ever "ICSI CSR Excellence Awards 2016" instituted by The Institute of Company Secretaries of India to recognize the best practices in CSR.

Outlook

The outlook for 2017 looks brighter as the economy advances with expectations for accelerated growth in overall consumption across several sectors including construction and building materials.

The Union Budget for 2017-2018 provides a thrust on the rural sector, infrastructure development, housing and is expected to boost to the overall investment climate. If 2017, also experiences a normal monsoon, GDP growth is likely to rebound in the second half of the year. Better liquidity and improved tax collections will enhance Government's ability to spend on infrastructure and other development projects, leading to faster growth.

With the Government moving ahead on its agenda for transformative economic growth, the cement industry and the Company are expected to perform well. Going forward, the Company's focus will be on leveraging its legacies and innate strengths to achieve the highest possible levels of operating performance and cost competitiveness.

People

People are the Company's greatest asset. With their commitment and talent, they remain central to the Company's success. Mr Akhoury mentioned that on behalf of the Board of Directors, he would like to thank all employees for their hard work and dedication to the Company in a challenging year arising out of the external environment.

With a rich heritage, commitment to values and ethics and unyielding support to the cause of building a better world, coupled with LafargeHolcim's leadership traits, dynamism in all areas of management, the passion for customer excellence and commitment to highest standards of sustainable development, ACC is well positioned to ride the crest in a growing economy.

In Closing

Observing that many of the Members have been associated with ACC for several years and have identified themselves as being an integral part of the Company, Mr Akhoury, on behalf of the Board of Directors, thanked the Members for their unstinted support to the Company over the years.

10. The Chairman thanked Mr Akhoury for his detailed report on the performance of the Company. He then invited the Members attention that the Resolutions as set out in the Notice of the Meeting were now being proposed and seconded. He mentioned that -

Resolution No.1 pertaining to the Adoption of (i) Audited Standalone Financial Statements for the year 2016, the Report of the Board of Directors and the Auditor's thereon and (ii) the Consolidated Financial Statements for the year 2016 and the Auditor's Report thereon was proposed as an **Ordinary Resolution.**

The Chairman requested Mr B D Nariman, Company Secretary & Head Compliance to read out the text of the Resolution which was read by Mr Nariman. The Resolution was thereafter -

Proposed by: Mr Martin Kriegner, Authorized Representative for Ambuja Cements Limited
Seconded by: Mr Tehmton Davar

"**RESOLVED THAT** the Standalone Audited Financial Statements for the Company's Financial Year ended December 31, 2016 together with all schedules and notes annexed thereto and the Reports of the Board of Directors and the Auditors thereon and the Consolidated audited Financial Statements for the Company's Financial Year ended December 31, 2016 together with all schedules and notes annexed thereto and the Report of the Auditors thereon be and are hereby approved and adopted."

With the consent of the Members Resolutions Nos. 2 to 8 of the Notice of the AGM dated February 3, 2017 were taken as read.

Resolution No.2 – Declaration of final dividend for the financial year ended 31st December 2016 was proposed as an **Ordinary Resolution**

Proposed by: Mr Gautam Tiwari
Seconded by: Mr Prakash Mapara

"**RESOLVED THAT** the final dividend for the financial year ended December 31, 2016 at the rate of ₹6/- (Rupees Six only) per equity share on 18,77,87,263 fully paid Equity Shares of ₹10/- each aggregating ₹1,12,67,23,578/- (Rupees One Hundred Twelve Crore, Sixty Seven Lakh Twenty Three Thousand Five Hundred Seventy Eight 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 March 24, 2017 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 March 17, 2017 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 ₹11/- per equity share on 18,77,87,263 fully paid equity shares of ₹10/- each aggregating ₹2,06,56,59,893/- (Rupees Two Hundred Six Crore Fifty Six Lakh Fifty Nine Thousand Eight Hundred Ninety Three only) declared by the Board at its Meeting held on July 26, 2016 be and is hereby approved, ratified and confirmed."

Resolution No.3 - Appointment of Mr N S Sekhsaria who retires by rotation and is eligible for re-appointment

Mr N S Sekhsaria being interested in the Resolution stepped down as Chairman of the Meeting for this Item and Mr Martin Kriegner took the Chair. He proposed the Resolution as an **Ordinary Resolution**:

Proposed by: Mr Martin Kriegner
Seconded by: Mrs Ashalata Maheshwari

"**RESOLVED THAT** Mr N S Sekhsaria, Non-Executive/Non-Independent Director of the Company having Director Identification Number 00276351 who retires by rotation but is eligible for re-appointment be and is hereby re-appointed a Director of the Company."

Resolution No 3 having been moved and proposed by Mr Martin Kriegner and seconded by Mrs Ashalata Maheshwari, the Chairman chaired the remainder of the Meeting.

Resolution No.4 – Appointment of Mr Martin Kriegner who retires by rotation and is eligible for re-appointment was proposed as an **Ordinary Resolution:**

Proposed by: Mr J P Maheshwari
Seconded by: Ms Lekha Shah

"**RESOLVED THAT** Mr Martin Kriegner, Non-Executive/Non-Independent Director of the Company having Director Identification Number 00077715 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 Dinesh Kotecha
Seconded by: Mr Michael Martins

"**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 Deloitte Haskins & Sells LLP, Chartered Accountants, (ICAI Firm Registration No.117366W/W-100018), be and are hereby re-appointed as Statutory Auditors of the Company (in place of Messrs S R B C &Co. LLP, Chartered Accountants the retiring Auditors) for a term of five years commencing from the Financial Year 2017, to hold office from the conclusion of the 81st Annual General Meeting of the Company till the conclusion of the 86th Annual General Meeting of the Company to be held in 2022 (subject to the ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General

Meeting) on such remuneration plus service tax, out of pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper and expedient to give effect to this Resolution."

Resolution No 6 – Appointment of Mr Neeraj Akhoury as an Executive/Non Independent Director was proposed as an **Ordinary Resolution:**

Proposed by: Mrs Ashalata Maheshwari
Seconded by: Mr Hiranand Kotwani

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (the Act) read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr Neeraj Akhoury having Director Identification Number 07419090 who was appointed by the Board of Directors, as an Additional Director of the Company with effect from December 16, 2016, pursuant to Section 161 of the Act and the Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Mr Akhoury for the office of Director, be and is hereby appointed as a Director of the Company."

Resolution No 7 - Appointment of Mr Neeraj Akhoury as the Managing Director & Chief Executive Officer (MD&CEO) was proposed as an **Ordinary Resolution**

Proposed by: Mr Adi Nalladaru
Seconded by: Mr Prakash Mapara

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act 2013 read with Schedule V and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the Company be and is hereby accorded to the appointment of Mr Neeraj Akhoury DIN 07419090 as the Managing Director and Chief Executive Officer of the Company for a period of five years with effect from February 4, 2017, upon the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the Explanatory Statements annexed to the Notice and in the draft Agreement placed before the Meeting duly signed by the Company Secretary for the purpose of identification, which

Agreement is hereby specifically sanctioned with authority to the Board of Directors (which term shall be deemed to include any duly authorized committee thereof for the time being exercising the power conferred on the board by this Resolution) to alter, vary increase, enhance or widen the terms and conditions of the said appointment and /or Agreement in such manner as it may deem fit and as may be agreed to between the Board of Directors and Mr Akhoury for this purpose and the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

Resolution No 8 – Ratification of Remuneration to Cost Auditor proposed as an **Ordinary Resolution:**

Proposed by: Ms Lekha Shah
Seconded by: Mr Sheshan Krishnamoorthy

"**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 modifications(s) or re-enactment(s) thereof for the time being in force, the Company hereby ratifies and confirms the remuneration of ₹ 11.00 lakhs (Rupees Eleven lakhs) plus applicable taxes and out-of-pocket expenses incurred in connection with the cost audit, payable to Messrs D. C. Dave & Co., Cost Accountants, Mumbai, having Firm Registration No. 000611, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the year 2017.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

11. After the above Resolutions were moved and seconded, the Chairman mentioned that e-voting facility was available at the venue of the Meeting to facilitate voting by those shareholders who had not cast their votes earlier. The e-voting facility would remain open during the Q&A session and till the conclusion of the Meeting. The volunteers from NSDL were available to assist those Members who required assistance in casting their votes.

12. 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 restrict themselves to the Agenda of the Meeting.

13. The following Members came forward to express their views on the performance of the Company and to seek clarification/answers to their queries in respect thereof:

Sr. No.	Name of the Member (Speaker)	Sr. No.	Name of the Member (Speaker)
1	Mr Prakash Mapara	2	Mrs Ashalata Maheshwari
3	Mr T M Davar	4	Mrs Lekha Shah
5	Mr Hemant Panchakshari	6	Mr Gautam Tiwari
7	Mr Michael Martins	8	Mr Sheshan Krishnamoorthy
9	Mr Vispi Khambatta	10	Mr Hiranand Kotwani
11	Mr Narendra V Jhaveri	12	Mr Adi K Nalladaru
13	Mr Dinesh Kotecha	14	Ms Hutokxi S Patel
15	Ms Homayun B Pouredehi	16	Mr Dinesh Bhatia
17	Mr Yusuf Rangwala		

The following Members who had registered their names as Speakers were not present when their names were called out:

Sr. No.	Name of the Member (Speaker)
1	Mr R Venkatachari
2	Mr H V Sanghavi
3	Mr Beruz F Pouredehi

14. Some of the observations made by the Member speakers were as under:

- **Annual Report**: The Members confirmed that the Annual Report was received on time. The Annual Report was very informative and there was transparency in financial reporting. The Members appreciated that the Annual Report for 2015 had received the highest award for excellence in Financial Reporting from the Institute of Chartered Accountants of India for the third consecutive year. The Annual Report was also adjudged "Second Joint Runner up" in the Manufacturing Sector category as the recipient of the "Best Presented Annual Report Award" by South Asian Federation of Accountants (SAFA).

  Referring to map of the AGM Venue, it was recommended that this needs to be simplified and landmarks such as Churchgate station, Cement House should be identified on the map.

  One shareholder suggested that while posting the Annual Report, care should be taken to ensure that except for the name and address of the shareholder other personal details specially the Folio or DPID/Client ID should not be visible through the cover.

- **Performance for the year 2016:** By and large Members had expressed that despite a challenging year, the Company had done well on all

parameters within its control and in particular was able to substantially reduce the cost of fuel, raw material and fixed cost. Further, there were no borrowings by the Company which showed robust and inherent strength of the Company.

Some shareholders were of the view that the performance of the Company has remained stagnant over the last few years while many of the competitors had performed far better. This in turn has resulted in erosion of shareholder value on the bourse. In particular there was a need to improve capacity utilization and increase the market share.

It was suggested that since a large amount was shown as "Contingent Liabilities in the Financial Statements, a status on the likelihood of the liabilities crystallizing could be provided in the Financial Statements. It was also suggested that write-off taken by the Company in the financial year should be explained in the Financial Statements.

A reference to the sale of shares held by the Company in Shiva Cements Limited should have been made by the Managing Director & CEO in his Opening Address to the Members.

- **Dividend for the year 2016**: Many Members felt that the total dividend for the year 2016 recommended by the Board of Directors was commensurate with the performance of the Company. Despite a challenging year, the Company had maintained the same dividend payout ratio as in the previous year.

  Some shareholders felt that the Company could have recommended a higher dividend considering the robust reserves and the projections for the next few years appearing to be bright.

  Referring to the tax on dividend in cases where the aggregate dividend received by an individual was above ₹10 lakhs, one Member suggested that Industries should unite and through the various Chambers of Commerce represent to the Government to exempt tax on dividends received in the hands of individual members since there was already a steep Dividend Distribution Tax levied on companies.

- **Marketing:** Many Members mentioned that the Company had a very strong Brand Equity which should be nurtured and leveraged to increase the market share. They felt that the production from the new Jamul Plant would enable the Company increase its market share in the high growth States of Jharkhand, Odhisa and Bihar.

  It was suggested that the Company with its core strength as pioneer in cement and concrete should sponsor seminars jointly with other companies in the business of steel and paints to educate and promote good construction practices to ensure durable construction.

- **CSR** The Members appreciated the laudable work done by the Company with respect to its Corporate Social Responsibilities.

- **Other general comments:** The services rendered by the Secretarial Division and the Share Department of the Company were commended as being excellent.

- Most Members requested the Management to arrange for a factory visit.

- Most of the members requested the Board of Directors to consider making an Issue of Bonus shares;

- Some members observed that a certain amount of continuity in the top management was required within the Organization

- Some Members observed that the interest of the minority shareholders should be protected in the event of a possible merger or restructuring within the LafargeHolcim Group Company.

15. The Chairman thanked the speakers for their participation and their constructive suggestion and comments. Mr Neeraj Akhoury MD&CEO was requested by the Chairman to respond to the queries which were of general interest to the Members. The Chairman requested the Members to contact the Company Secretary in case any specific information was required.

16. **Queries raised by the Members and response by MD&CEO**: Mr Neeraj Akhoury at the outset thanked the Members for their kind words and their support to the Company. He thereafter responded to the following queries of the Members.

- Capacity utilization of ACC vis-a-vis the Industry in 2016
  The capacity utilization of ACC during the year was 74% as compared to 75% for the Industry. Capacity utilization depends on the demand-supply situation.

- Industry's growth estimates for 2017
  The demand supply gap in 2017 was expected to continue with availability/ supply of cement being higher than the demand. Capacity utilization for the Industry was expected to be around 74%.

- Scope for leveraging regional imbalance in demand-supply
  Yes, this was being done. Wadi Plant in South caters to the demand of Western Region. However, because of logistics constraints it is not viable to send the cement over long lead distances to other regions particularly in the North.

- Growth in Value added products
  Sale of value added products increased by 27% - from 22.68 Lakh tones in 2015 to 28.95 lakh tonnes in 2016.

- Whether waste is used as alternative fuel in the production of cement
  Cement Industry is one of the few industries which can effectively use waste as it does not directly discharge effluents. The Company has pioneered the use of industrial, municipal and agricultural waste as Alternative Fuels and Raw Material. Further, ~85% of the cement manufactured by the company comprises of blended cement which is produced using slag and flyash which are waste from other industrial processes.

- Request for Bonus Issue
  Presently, there were no plans to make a Bonus Issue of share.

- Demonetization - its impact on the cement industry and the performance of the Company
  Initially, the economy and the consumption across all sectors was impacted and in particular the construction sector was badly affected on account of liquidity crunch. As a sequel, the cement industry which was growing @~6% in the first three quarters, ended the year with a growth of ~5% in 2016. Production grew by ~0.5% in November 2016 and declined by ~9% in December 2016.

  ACC's cement volumes in Q4, 2016 was 5.4 mio tonnes compared to 6.0 mio tonnes in Q4, 2015. The situation has since improved. In the long term demonetization is expected to usher in greater transparency in financial transactions and a transition towards a cashless economy.

  When the demonetization scheme was announced, the Company took some proactive measures to minimize its impact both on the Company and its channel partners. The Sales team tied up with Banks to facilitate the channel members to install swipe machines (POS) and open current account for smooth business transactions. The Channel partners were also made aware of the advantages of cashless transactions and were provided guidance on usage of cashless options such as internet banking, mobile wallet etc.

- Sale of Shares held by the Company in Shiva Cement Limited
  The Company has divested its entire holding in Shiva Cements Limited for a consideration of ₹38.67 crore.

- As regards the request for a Plant visit, the Members were informed that the Cement Plants of the Company are at remote locations and not easily accessible. The nearest Plants from Mumbai viz Wadi and Chanda were ~600 Km away.

- Status of Jamul Project - cost to completion and current status and proposal for organic and inorganic growth
  The Jamul Project was completed in 2016. The Plant has state-of-the-art features to enable high performance. The cement produced by the Plant was of a superior quality. With the commissioning of the said Plant, the

total cement capacity has risen to 33.41 mio tonnes. The cost to completion of the Jamul Project was ~₹2700 crore.

As regards further organic and inorganic expansion, the Company will evaluate various options including better asset utilization through de-bottlenecking of existing Plant capacities to retain the company's market share and leadership position.

- Capital Expenditure incurred in 2016
  The capital expenditure incurred in 2016 was ~₹498 crore, mainly for routine maintenance capex.

- Details of CSR expenditure and nature of activities carried out beyond the communities which the Company impacts.
  The Company has spent ₹ 22.27 crore on various CSR activities which constitutes ~ 2.07% of the average Profit After Tax. There are a range of social responsibility interventions undertaken by the Company which are beyond the communities which the company directly impacts such as truck drivers, contractors etc. These activities inter alia include regular health check up camps, HIV/ AIDS awareness programmes, Safety orientation programmes, health card distribution, support of availing medical insurance etc.

- Likelihood of a merger of ACC & Ambuja Cements Limited
  Both the companies are operating as separate companies with their respective Board of Directors. No such proposal has been discussed by the Board of Directors. If a view is taken in the matter, the Members will be informed of the same by way of appropriate disclosure to the Stock Exchanges. The Company will also seek requisite approval of the Members as may be required under the law.

- Explanation should be provided to the Members in respect of major Contingent liabilities and in particular the reasons for the Competition Commission of India to impose penalties on the Company
  Members attention was invited in this regard to the relevant pages of the annual Report where explanations with regard to the contingent liabilities have been provided in detail.

- Reasons for the resignation of Mr Harish Badami, former CEO& MD and payment of severance fees to him
  Members were informed that Mr Badami decided that he would like to pursue other career opportunities and had therefore submitted his resignation as CEO& MD. The Board of Directors whilst reluctantly accepting his resignation has placed on record its appreciation of his rich contribution and the leadership provided by him during his tenure as CEO&MD of the Company.

  The payment of severance fees to Mr Badami is as per his terms of appointment and remuneration which was approved by the Members of the Company at the Extraordianry General Meeting held on September 10,

2014. It inter alia includes the remuneration which he would have drawn otherwise for the duration he has been requested to continue as an Advisor to the Company.

Mr Akhoury mentioned that he had covered the questions which were of general interest to the Members.

17. Before concluding the Meeting, the Chairman reminded those Members who had not cast their vote earlier on the Resolutions to do so now. He mentioned that the Scrutinizer and the Company Secretary would oversee the voting process. The Meeting stands concluded after Members cast their votes. The results of the voting would be declared on or before Friday, March 31, 2017. The results would be communicated to the Stock Exchanges and NSDL. The results would also be posted on the Company's website and displayed at the Registered Office of the Company.

18. Thereafter, the Chairman concluded by thanking the Members for attending and wholeheartedly participating in the Meeting and for the excellent support provided by them to the Company as always. He conveyed his best wishes to all the Members and their families.

19. The Meeting was declared closed on completion of the electronic voting process which was available to the Members at the venue for those who had not cast their vote earlier. A vote of thanks was proposed to the Chair.

20. Mr B D Nariman, Company Secretary & Head Compliance and Mr Khushroo K Driver, Scrutinizer conducted the e-voting process at the venue. After the completion of the voting, the Meeting concluded at 5.45 p.m.

21. After the e-voting concluded at the venue of the Annual General Meeting, the votes cast electronically were unblocked by the Scrutinizer. The votes cast were subsequently reconciled by the Scrutinizer with the records maintained by the Company and the authorization / proxies lodged with the Company. The votes which were incomplete and /or which were otherwise found to be defective were treated as invalid by the Scrutinizer. A tally of the votes cast electronically both at the venue and through remote e-voting and by ballot forms was thereafter 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.

22. The Results of the voting are set out as under:

Ordinary Resolution No 1 – Adoption of Audited Standalone and Consolidated Financial Statements of the Company for the year ended December 31, 2016 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	146170271	99.98	10471	0.01	146180742	99.99	12724	0.01	146193466
Total No. of Ballots	835	94.89	13	1.48	848	96.36	32	3.64	100

Resolution No. 1 was declared as having been **passed with the requisite majority.**

Ordinary Resolution No 2 – Payment of Final Dividend

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	147272836	99.99	220	0	147273056	99.99	12724	0.01	147285780
Total No. of Ballots	849	95.18	11	1.23	860	96.41	32	3.59	100

Resolution No 2 was declared as having been **passed with the requisite majority.**

Ordinary Resolution No 3 – Re-appointment of Mr N S Sekhsaria having DIN 00276351 as a Non Executive / Non Independent Director of the Company

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	146982077	99.79	290482	0.2	147272559	99.99	12724	0.01	147285283
Total No. of Ballots	809	91.21	46	5.19	855	96.39	32	3.61	100

Resolution No 3 was declared as having been **passed with the requisite majority.**

Ordinary Resolution No 4 – Re-appointment of Mr Martin Kriegner having DIN 00077715 as a Non Executive / Non Independent Director of the Company

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	146758067	99.64	514504	0.35	147272571	99.99	12724	0.01	147285295
Total No. of Ballots	811	91.64	42	4.75	853	96.38	32	3.62	100

Resolution No 4 was declared as having been **passed with the requisite majority.**

Ordinary Resolution No 5 – Appointment of Messrs Deloitte Haskins and Sells LLP as Statutory Auditors of the Company for a term of five years commencing from the Company's financial year 2017 to hold office from the conclusion of this Annual General Meeting until the 86th Annual General Meeting of the Company to be held in 2022.

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	147271395	99.99	962	0	147272357	99.99	12724	0.01	147285081
Total No. of Ballots	824	93.11	29	3.28	853	96.38	32	3.62	100

Resolution No 5 was declared as having been **passed with the requisite majority.**

Ordinary Resolution No 6 – Appointment of Mr Neeraj Akhoury having DIN 07419090 as a Executive / Non Independent Director of the Company

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	147225872	99.96	46675	0.03	147272547	99.99	12724	0.01	147285271
Total No. of Ballots	821	92.77	32	3.62	853	96.38	32	3.62	100

Resolution No 6 was declared as having been **passed with the requisite majority.**

Ordinary Resolution No 7 – Appointment of Mr Neeraj Akhoury having DIN 07419090 as Managing Director & Chief Executive Officer of the Company for a term of five years w.e.f 4th February 2017.

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	146740489	99.63	532108	0.36	147272597	99.99	12724	0.01	147285321
Total No. of Ballots	812	91.54	43	4.85	855	96.39	32	3.61	100

Resolution No 7 was declared as having been **passed with the requisite majority.**

Ordinary Resolution No 8 – Ratification of Remuneration to M/s D C Dave & Co., Cost Auditor

	Assent	%	Dissent	%	Total	%	Invalid	%	Total Votes Cast
Total No. of Shares on voting	147261110	99.98	11477	0.01	147272587	99.99	12724	0.01	147285311
Total No. of Ballots	821	92.66	33	3.72	854	96.39	32	3.61	100

Resolution No 8 was declared as having been **passed with the requisite majority.**

23. The Scrutinizer's Report along with information required to be submitted pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was informed to the Stock Exchange on Thursday, March 30, 2017 and the Scrutinizer's Report was also uploaded on the Company's website.

CONFIRMED

sd/
CHAIRMAN
DIN:00276351

Place: Mumbai
Date: 25.04.2017