ACC

ACC Limited

Registered Office: Cement House, 121, Maharshi Karve Road, Mumbai-400 020.
Tel.: +91 22 33024321 Fax: +91 22 66317458
CIN: L26940MH1936PLC002515
Website: www.acclimited.com Email-id: ACC-InvestorSupport@acclimited.com

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF ACC LIMITED will be held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020 on **Wednesday, September 10, 2014** at **11.00 a.m.** to transact the following business:

SPECIAL BUSINESS

Item No.1 – Appointment of Mr N S Sekhsaria as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Clause 49 of the Listing Agreement and in pursuance of General Circular No. 14/2014 dated June 9, 2014, Mr N S Sekhsaria, DIN: 00276351, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying his intention to propose the candidature of Mr Sekhsaria for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five years with effect from July 24, 2014."

Item No.2 – Appointment of Mr Shailesh Haribhakti as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Clause 49 of the Listing Agreement and in pursuance of General Circular No. 14/2014 dated June 9, 2014, Mr Shailesh Haribhakti, DIN: 00007347, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying his intention to propose the candidature of Mr Shailesh Haribhakti for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years with effect from July 24, 2014."

Item No.3 – Appointment of Mr Sushil Kumar Roongta as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Clause 49 of the Listing Agreement and in pursuance of General Circular No. 14/2014 dated June 9, 2014, Mr Sushil Kumar Roongta, DIN: 00309302, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment and

the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing the proxy must be lodged at the Registered Office of the Company not less than 48 hours before the Meeting i.e. by 11.00 a.m. on September 8, 2014.

A person can act as a Proxy for not more than 50 Members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. However, a single person may act as a proxy for a Member holding more than 10% of the total share capital of the Company carrying voting rights provided that such person shall not act as a proxy for any other person.

Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting along with the Proxy Form.

In case of joint holders attending the Meeting, the joint holder who is higher in the order of names under a given Folio / DP ID – Client ID (in respect of dematerialized shares) will be entitled to vote.

Members are requested to bring the attendance slip enclosed herewith, duly completed and signed mentioning therein their DP ID and Client ID details in case they hold shares in dematerialized form whilst those members who hold shares in physical form should mention their Folio No. The attendance slip should be presented at the venue of the meeting .

Notice of the meeting has been sent electronically to those members who have registered their Email ID with the Company under the Green Initiative launched by the Ministry of Corporate Affairs. In case any member who has received the Notice electronically desires to have a physical copy of the same, he/she may write to the Company or send an Email to ACC-InvestorSupport@acclimited.com in this regard. Members may kindly note that the Notice of the Meeting will also be available on the Company's website, www.acclimited.com and can be downloaded, if required, by the Member.

Pursuant to Clause 35B of the Listing Agreement with the Stock Exchanges, electronic voting (e-voting) facility has been provided. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the electronic platform for e-voting in respect of the Resolutions proposed in the Notice.

The Board of Directors has appointed Ms Shirin K Bharucha, Advocate as the Scrutinizer for this purpose.

The procedure for e-voting is explained on the reverse page of the Ballot Form enclosed hereto.

To offer an opportunity to those Members who do not have access to e-voting facility, a Ballot Form along with a pre-paid envelope is enclosed to enable such Members to vote.

A Member can opt for only one mode of voting i.e. either through e-voting or by ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.

The results declared along with the Scrutinzer's Report shall be placed on the Company's website www.acclimited.com and will be communicated to BSE Limited and National Stock Exchange of India Ltd. where the shares of the Company are listed.

By Order of the Board of Directors
For ACC Limited

Burjor D Nariman
Company Secretary & Head Compliance
(Membership No. FCS 1878)

Mumbai
July 24, 2014

Registered Office:
"Cement House"
121 Maharshi Karve Road
Mumbai 400 020

Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 relating to the business set out in the accompanying Notice.

1) **Items 1 to 7:** The Company has appointed Mr N S Sekhsaria, Mr Shailesh Haribhakti, Mr S K Roongta, Mr Ashwin Dani and Mr Farrokh Kavarana as Independent Directors pursuant to the requirements of the existing Clause 49 of the Listing Agreement with the Stock Exchanges. As per the provisions of Sections 149 and 152 of the Companies Act, 2013 ("the Act"), effective from April 1, 2014 all listed companies are required to have atleast one third of the total number of Directors as Independent Directors who shall not be liable to retirement by rotation. The Explanation to Section 149(11) of the Act states that any tenure of an Independent Director on the date of commencement of this Act (i.e. April 1, 2014) shall not be counted as a term for the purpose of holding office by an Independent Director under the Act. Further, the General Circular No. 14/2014 dated June 9, 2014 issued by Ministry of Corporate Affairs has clarified that if it is intended to appoint existing Independent Directors under the new Act, then such appointment shall be made within one year from April 1, 2014. It is accordingly proposed to appoint the existing Independent Directors under the provisions of the Companies Act, 2013. The Nomination and Remuneration Committee has considered the candidatures of Mr N S Sekhsaria, Mr Shailesh Haribhakti, Mr S K Roongta, Mr Ashwin Dani and Mr Farrokh Kavarana respectively for appointment as Independent Directors under the Act and has made its recommendations to the Board of Directors for its consideration. Accordingly, the Board of Directors at its Meeting held on July 24, 2014 has favourably considered the recommendations of the Nomination and Remuneration Committee and seeks the approval of the Members for the appointment of Mr N S Sekhsaria, Mr Shailesh Haribhakti, Mr S K Roongta, Mr Ashwin Dani and Mr Farrokh Kavarana respectively as Independent Directors under the Act, each for a term of five years with effect from July 24, 2014.

2) The Board of Directors has at its Meeting held on April 24, 2014 appointed Mr Arunkumar Gandhi and Ms Falguni Nayar respectively as Additional Directors of the Company. The Board has also appointed them as Independent Directors under the Act for a period of five years with effect from April 24, 2014

   As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have atleast one woman director on the Board of Directors of the Company. The said legal requirement is fulfilled by the appointment of Ms Falguni Nayar as a Director of the Company.

   Members are requested to approve the appointments of Mr Arunkumar Gandhi and Ms Falguni Nayar respectively as Directors of the Company and as Independent Directors for a period of five years with effect from April 24, 2014.

3) The profile of the Directors proposed to be appointed as Independent Directors under the Act is as under:

Mr N S Sekhsaria: Mr Sekhsaria is a doyen of the Indian Cement Industry and one of the most respected business personalities in India. In a career spanning over 30 years, he has introduced new standards in management, marketing, efficiency and corporate social responsibility to an industry he has helped transform.

Mr Sekhsaria is the Founder-Promoter and current Chairman of Ambuja Cements Limited. He has built Ambuja Cements Limited into a benchmark for Indian Industry. His acumen as an entrepreneur and technocrat turned that Company into the most efficient and profitable cement company in India and redefined industry practices by changing the perception of cement from a commodity to a branded product. Mr Sekhsaria championed community development by establishing the Ambuja Cement Foundation and guiding it into a model of excellence in social responsibility.

Mr Sekhsaria was invited to join the ACC Board in 1999 and was appointed Deputy Chairman in January 2000. In 2006, Mr Sekhsaria took over as Chairman of the Board. With his considerable wealth of experience, Mr Sekhsaria brings immense value to the Board of ACC. Under his leadership, ACC has achieved significant improvements in the areas of project management, logistics and overall

cost-competitiveness. The impact of his guidance shows in the high growth trajectory ACC has experienced since 1999. Mr Sekhsaria is on the Nomination and Remuneration Committee of the Board.

Mr Shailesh Haribhakti: Mr Haribhakti is a Chartered and Cost Accountant and a Certified Internal Auditor, Financial Planner & Fraud Examiner. During a career span of four decades, he has successfully established and led many innovative services. His current passion involves outsourcing of knowledge processes, engaged investing and efficiency and effectiveness enhancement in social, commercial and governmental organizations. He strongly believes in 'shared value' creation, good public and corporate governance and promoting a green environment. He actively promotes these causes and contributes towards their evolution by participating in the process of framing regulations and standards. He is the current President of Rotary Club of Bombay for the year 2014-2015.

Mr Haribhakti joined the ACC Board on February 17, 2006 and his contribution to the Board of Directors has been immense. He is a Member of the Compliance Committee, CSR Committee, Nomination & Remuneration Committee, Risk Management Committee and Stakeholders Relationship Committee. Mr Haribhakti has brought to bear upon these Committees, his vast and varied experience gained from his profession and as Director on the numerous companies on whose Boards he serves.

Mr S K Roongta: Mr Roongta holds a degree in Bachelor of Engineering from Birla Institute of Technology & Science (BITS), Pilani and a Post Graduate Diploma in Business Management – International Trade from the Indian Institute of Foreign Trade (IIFT), New Delhi. He is a Fellow of All India Management Association (AIMA).

Mr Roongta is Vice Chairman of Bharat Aluminium Company Limited (BALCO) and heads Aluminium & Power Business of the Vedanta Group. Earlier, during his tenure as Chairman of SAIL from August 2006 to May 2010, the ranking of SAIL among 'World Class Steel Makers' moved up to the second position from the seventeenth position, as per World Steel Dynamics, USA.

Mr Roongta headed a "Panel of Experts on the Reforms in the Central PSEs", constituted by the Planning Commission. He has also been a Member of the Committee formed by the Ministry of Corporate Affairs, to formulate Policy Document on Corporate Governance.

Mr Roongta is also associated with several academic institutions and is the Chairman, Board of Governors, IIT Bhubaneswar.

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

Mr Roongta is a recipient of several awards and accolades including SCOPE Award for excellence and outstanding contribution to the Public Sector Management – Individual Category.

Mr Roongta's wide and varied experience in public sector undertakings has greatly enriched the deliberations of the Board particularly from the point of view of external factors that may have a bearing on the business. Mr Roongta is a Member on the Audit Committee of the Board.

Mr Ashwin Dani: Mr Dani is a BSc (Hons) from the Institute of Science, University of Mumbai, completed B.Sc. (Tech) – Paints, Pigments and Varnishes from U.D.C.T. {(presently known as Institute of Chemical Technology (ICT)} University of Mumbai and has a Masters Degree in Polymer Science (USA) and a Diploma in Colour Science (USA).

Mr Dani started his career in 1967, as a Development Chemist with Inmont Corp., (now known as BASF) Detroit, USA, a major supplier of automotive OEM and refinishes. He joined Asian Paints in 1968 as a Senior Executive and moved through successive senior positions like Director – R&D, Works Director, Whole-time Director, Vice Chairman and Managing Director from December 1998 to March 2009 and currently is the Non-Executive Vice Chairman.

Mr Dani is the past President of the Indian Paint Association (IPA) and has received a number of awards for his contributions to the Paint Industry. He was the Vice President of Federation of Indian Chambers of Commerce and Industry (FICCI). He was a member of the Central Board of Trustees

– Employees Provident Fund of the Government of India and was also the President of the Board of Governors of the UDCT Alumni Association, Mumbai. Currently, he is a member on the Board of Management of ICT Mumbai.

Mr Dani was former managing trustee of "Light on Yoga", a trust created by the world famous Yogacharya, Shri B.K.S. Iyengar and his disciples.

Mr Dani has a very deep knowledge of supply chain management and his contribution to the Board's discussion in this area has been very valuable. Sustainable Development is a field close to his heart and he shares his experiences with the Board in these matters. Mr Dani is a Member on the Audit Committee and the Chairman on the Nomination & Remuneration Committee of the Board.

Mr Farrokh K Kavarana: Mr Kavarana holds a B.Com. (Hons.) degree of the University of Bombay and an MBA from the Wharton School, University of Pennsylvania. He is a Fellow of the Institute of Chartered Accountants in England & Wales and a Member of the Institute of Chartered Accountants of India. Mr Kavarana is presently a Director with some foreign companies within the Tata Group. He recently retired as a Director of Tata Sons Limited and Tata Industries Limited, the apex holding companies of the Tata Group, after several decades. He was also Chairman of several Tata Companies in India and abroad - Tata AIG General Insurance Company, Tata AIA Life Insurance Company, Tata Projects Ltd., Trent Ltd. Mr. Kavarana has also held senior executive positions within the Tata Group such as Executive Chairman of Tata Asset Management Ltd from 2005 to 2009 and Tata Infotech Ltd. from 2000 to 2005; Executive Director of Tata Motors Limited from 1994 to 2000. Prior to that from 1975 to 1994, he was Vice Chairman & Managing Director of Tata International AG, Switzerland and Tata Ltd., U.K., responsible for the Tata Group's overseas operations and investments. From 1970 to 1974, he was with McKinsey & Co. Inc. in London and Washington D.C.

He is involved with several social and charitable institutions and is a trustee of Childline India Foundation, the Lady Tata Memorial Trust, the Nani Palkhivala Memorial Trust and the National Centre for the Performing Arts. He is a recipient of the Dadabhai Naoroji International Millennium Award 2005 and the Wharton India Alumni Award 2009.

Mr Kavarana brings with him rich and varied financial and industrial experience and good corporate governance practices, thereby enriching the deliberations of the Board. He is a Member on the Audit Committee, the Compliance Committee and the Nomination & Remuneration Committee of the Board.

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

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

He was the Executive Director of Tata Sons Ltd from 2003 till August 17, 2008 and was thereafter appointed Director of Tata Sons Ltd. on whose Board he served upto March 2013. Currently, he is an Advisor to the Tata Group.

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

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

Mr Gandhi is the Chairman of the Audit Committee and a Member on the Risk Management Committee of the Board.

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

Ms Nayar has a rich experience of over two and half decades. She started her career as a Manager and Consultant at AF Ferguson & Company. In 1993, she joined Kotak Mahindra

Group to lead the M&A and Project Advisory Initiatives. She has held senior positions in various capacities and was the Managing Director & Chief Executive Officer of Kotak Investment Bank from 2006 to 2012. Ms Nayar is the founder and Chief Executive Officer of Nykaa, which is an on-line shopping website.

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

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

4) Mr N S Sekhsaria, Mr Shailesh Haribhakti, Mr S K Roongta, Mr Ashwin Dani, Mr F K Kavarana, Mr Arunkumar Gandhi and Ms Falguni Nayar have given their consent to act as Independent Directors of the Company.

5) The aforesaid Independent Directors have given declarations that they are not disqualified under Section 164 of the Act and that they meet the criteria of independence as prescribed under the Act and the Listing Agreement. In the opinion of the Board, the said Directors possess the requisite qualities and fulfill the conditions under the Act and the Listing Agreement for appointment as Independent Directors.

6) Copies of the respective letters of appointment of the aforesaid Independent Directors are available for inspection by the Members at the Registered Office of the Company between 10 a.m. and 12 noon on any working day of the Company upto and including the date of the Extraordinary General Meeting and is also available on the Company's website.

7) The Company has received Notices in writing from Members along with deposit as required under Section 160 of the Act, proposing the candidatures of Mr N S Sekhsaria, Mr Shailesh Haribhakti, Mr S K Roongta, Mr Ashwin Dani, Mr Farrokh Kavarana, Mr Arunkumar Gandhi and Ms Falguni Nayar respectively for appointment as Independent Directors.

8) Mr N S Sekhsaria, Mr Shailesh Haribhakti, Mr S K Roongta, Mr Ashwin Dani, Mr Farrokh Kavarana, Mr Arunkumar Gandhi and Ms Falguni Nayar, Independent Directors are respectively concerned and interested in the Resolutions as set out in items 1 to 7 of the Notice, since they relate to their respective appointments. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the aforesaid Resolutions.

9) The Board commends the Resolutions at items 1 to 7 of the Notice for approval by the Members.

10) As required under Clause 49 of the Listing Agreement with the Stock Exchanges, additional information required to be furnished in respect of the aforesaid Independent Directors is set out as Annexure to this Notice.

11) **Items 8 & 9:** The Board of Directors at its Meeting held on June 11, 2014, appointed Mr Harish Badami as an Additional Director of the Company with effect from August 13, 2014, pursuant to the provisions of Section 161(1) of the Act, the Rules framed thereunder and the Articles of Association of the Company. At the said meeting, the Board has, on the recommendation of the Nomination and Remuneration Committee also appointed Mr Badami as the Chief Executive Officer & Managing Director of the Company for a period of five years with effect from August 13, 2014 under the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions if any of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 upon the terms and conditions and remuneration hereinafter indicated. The said appointment is subject to the approval of the Members of the Company in General Meeting

12) **Mr Harish Badami:** Mr Badami is a B.Tech from IIT Mumbai and an MBA from IIM Kolkata. He has over twenty-five years experience in the Chemical Industry with leading multinational companies, viz. ICI, Rohm & Haas/Dow Chemicals and Celanese Chemicals India Private Limited. He was the President and Managing Director of Dow Chemicals during the period 2009-2011 and was also the Managing Director of Celanese Chemicals India Private Limited.

Mr Badami was responsible for developing an integrated strategy for Celanese Chemicals India Private Limited, capitalizing on new business growth opportunities while building on the Company's existing Indian business organization. He was responsible for placing Celanese Chemicals India on an accelerated growth path, expand the organization and help evaluate and build local manufacturing footprint options.

13) The terms of appointment and remuneration of Mr Badami as Chief Executive Officer & Managing Director (CEO & MD) are as under:

I. Remuneration:

a. Fixed Gross Compensation

The fixed gross compensation is presently ₹ 3.40 crore per annum which shall include Basic Salary, HRA, statutory medical benefits, LTA and Special Allowance, as detailed hereunder:

i. Basic Salary

Basic Salary of ₹ 11,33,333/- per month in the grade ₹ 11,00,000 - ₹ 25,00,000.

Annual increment will be effective 1st April, each year and will be decided by the Board on the recommendation of the Nomination & Remuneration Committee each year which shall be merit based and will take into account the performance of Mr Badami against goals set by the Board as well as the performance of the Company.

ii. Allowances

i. House Rent Allowance (HRA)

Free furnished residential accommodation **OR** HRA at the rate of 40% of the basic salary.

ii. Leave Travel Allowance

Reimbursement of all expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during the leave / holiday travel periods, whenever undertaken, whether in India or overseas for an amount not exceeding 12.5% of the basic salary. The entitlement for any one year to the extent not availed of shall be allowed to be accumulated upto next two Company's Financial Years as per Income Tax Act.

iii. Medical Reimbursement

Such medical allowance as may be agreed to between the Company and the CEO & MD in addition to Group Mediclaim Policy as per rules of the Company.

iv. Special Allowance

As may be decided by the Board of Directors on the recommendation of the Nomination & Remuneration Committee.

b. Performance Bonus

i. In addition to the salary, allowances and perquisites, Mr Badami will receive remuneration by way of Annual Target Bonus not exceeding 30% of Annual Fixed Gross Compensation based on his performance against set goals and the Company meeting the target performance for the financial year, which amount will be determined by the Board of Directors of the Company on the recommendation of the Nomination & Remuneration Committee at the end of each financial year. The first performance bonus shall be payable in April 2015 and will be pro rated from his date of joining the Company. The performance bonus will be paid only if the CEO & MD is in the employment of the Company and not on his notice period as on March 31, of the financial year under consideration.

ii. In addition to the payment of performance bonus as aforesaid, Mr Badami will be eligible for shares of Holcim Limited, the ultimate holding Company of ACC. The Holcim shares so granted shall not exceed 7.5% of the Annual Fixed Gross Compensation as per the rules of Holcim Performance Compensation Share Plan.

The first grant will be made in April 2015 on a pro rated basis from the date of Mr Badami joining the Company. Tax, if any, payable on the Holcim shares so allotted shall be borne by the Company.

c. Perquisites

i. Club Membership

Membership of one club, the admission and annual membership fee whereof shall be borne by the Company.

ii. Personal Accident Insurance

Group Personal Accident Insurance Policy as applicable, as per the rules of the Company.

iii. Other Perquisites

As may be decided by the Board of Directors on the recommendation of the Nomination & Remuneration Committee, subject to the overall ceiling on managerial remuneration.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in absence of any such rule, perquisites shall be evaluated at actual cost.

d. Retirement Benefits

Provident Fund: The Company's contribution to Provident Fund not exceeding 12% of the basic salary, as per the rules of the Company.

Gratuity: Gratuity at the rate of half-month's basic salary for each completed year of service.

Superannuation Fund: Company may contribute or allow transfer to Superannuation Fund, as per the rules of the Company.

e. Leave

The CEO & MD shall be entitled for leave with full pay or encashment thereof, as per the rules of the Company.

f. Amenities

i. Conveyance facilities

The Company shall provide a suitable vehicle for the CEO & MD for both business and personal use. Fuel costs, repairs, maintenance and running expenses including driver's salary shall be borne / reimbursed by the Company.

ii. Telephone, internet connectivity and other communication facilities

The Company shall provide a mobile phone to the CEO & MD and shall also provide telephone, internet connectivity and other communication facilities at his residence. All the expenses incurred therefor shall be paid or reimbursed by the Company, as per the rules of the Company.

g. Deferred Bonus

Based on his performance and upon achieving the targeted goals, the CEO & MD shall be paid an additional bonus (deferred bonus) of ₹ 70.00 lakhs per annum which will become payable three years after each grant. The first grant will be made in April 2015 on a prorata basis from his date of joining the Company. This incentive component will be payable to the CEO & MD if employed in the Company (and not on notice period) as on March 31 of the financial year under consideration. This deferred bonus may be substituted by a stock plan once implemented by Holcim for senior leadership.

h. Sign-on amount:

The CEO & MD shall be paid a sign-on amount of ₹ 2.20 crore payable as under:

₹ 60 lakhs on joining the Company
₹ 40 lakhs on January 1, 2015
₹ 80 lakhs on January 1, 2016
₹ 40 lakhs on January 1, 2017

i. Overall Remuneration:

The aggregate of salary, allowances, perquisites and performance incentive in any one financial year shall

not exceed the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any modifications or re-enactment for the time being in force.

j. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of office of the CEO & MD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, allowances and perquisites as specified above, subject to requisite approvals being obtained in that behalf.

k. Income Tax

In respect of the above remuneration, tax will be deducted at source as per applicable laws / rules.

II. Other Terms and Conditions of Appointment

a. Mr Badami undertakes to the best of his skill and ability to use his endeavours to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and also such orders and directions as may from time to time be given to him by the Board of Directors of the Company.

b. The CEO & MD will (i) have the general control of the business of the Company and be vested with the Management and day-to-day affairs of the Company (ii) have the authority to enter into contracts on behalf of the Company in the ordinary course of business (iii) have the authority to perform all other acts and things which in the ordinary course of business the CEO & MD may consider necessary or proper in the best interests of the Company and (iv) the CEO & MD shall be considered as a Key Managerial Personnel pursuant to the provisions of Section 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

c. The CEO & MD will devote the whole of his time and attention to the business of the Company and shall not hold office in any other Company provided, however, he may with the prior approval of the Board hold Directorships in other companies and / or provide services to other group companies.

d. Mr Badami shall be entitled to be reimbursed by the Company all costs, charges and expenses including entertainment expenses as may be reasonably incurred by him for the purpose of or on behalf of the Company subject to such ceiling as may be decided by the Board on the recommendation of the Nomination & Remuneration Committee.

e. Mr Badami shall not during the continuance of his employment hereunder or at any time thereafter divulge, publish or disclose to any person whomsoever or make use whatsoever for his own purpose or for any other purpose other than that of the Company of any information, knowledge, methods, trade secrets or any confidential information relating to the business affairs or activities of the Company, obtained by him during his employment with the Company and shall, during the continuance of his employment, hereunder, use his best endeavour to prevent any other person from doing so.

f. The Company shall indemnify Mr Badami and keep him indemnified against all the costs, expenses, losses, damages, penalties that he may incur or suffer in the course of attending or performing the Company's work including the legal costs and expenses incurred by him in defending any dispute or proceedings in any Court of law, Arbitration etc.

g. Mr Badami shall disclose his interest in any company or companies or bodies corporate, firms or other associations of individuals and shall also disclose direct or indirect interest in any contract or arrangement entered into between the Company and such other company/ies, body corporate, firms or association of persons in the manner laid down in Section 184 of the Companies Act, 2013 and The Companies (Meetings of the Board and its Powers)

Rules, 2014. In the event of his failure to disclose his interest as aforesaid or acts in contravention of the provisions of Section 184, his office shall forthwith stand vacated.

h. The CEO & MD is being appointed a Director of the Company by virtue of his employment in the Company. So long as Mr Badami continues to be in the employment of the Company, he will be a Director not liable to retire by rotation.

i. If at any time Mr Badami ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Chief Executive Officer & Managing Director, in terms of this Agreement which shall forthwith stand terminated.

j. If at any time Mr Badami ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be a Director of the Company.

III. Severance Terms

i. Resignation from service: In the event the CEO & MD resigns from the Company, he will need to provide a six month notice period during which time the CEO & MD will be paid a fixed salary and benefits as stated in Clauses 1(a), 1(d), 1(c-i), (c-ii) and 1(f). The CEO & MD will be entitled to performance bonus Clause 1(b-i) up until the day he serves Notice subject to his performance against set goals and the Company meeting the target performance for the financial year. All unvested performance shares and deferred bonus Clauses 1(b-ii) & 1(g) and one time sign-on amount to the extent the same has not become due for payment, Clause 1(h) shall not be paid to the CEO & MD.

ii. Termination of services by the Company without cause: In the event of the Company terminating the services of the CEO & MD without cause, the Company shall give the CEO & MD a six month notice period during which time the CEO & MD will be paid a fixed salary and benefits as stated in Clauses 1(a), 1(d), 1(c-i), (c-ii), and 1(f). The CEO & MD will be eligible for the one-time sign-on amount as set out in Clause 1(h), as per Schedule. The CEO & MD will also be eligible to the performance bonus Clause 1(b-i) upto his last working day, subject to his performance against set goals and the Company meeting the target performance for the financial year. The Board may at its sole discretion and on the recommendation of the Nomination & Remuneration Committee pay deferred bonus as set out in Clause 1(g), and also recommend to Holcim to consider accelerating the vesting of some of the unvested performance shares as set out in Clause 1(b-ii) subject to the CEO & MD adhering to this clause. The Company may at its discretion pay the CEO & MD the remuneration as stated herein in lieu of serving the notice period.

iii. Termination of services with cause: In the event the CEO & MD is asked to leave the Company for any cause whatsoever, the Company will give the CEO & MD one month notice period during which time the CEO & MD will be paid his fixed salary and benefits as stated in Clauses 1(a), 1(d), 1(c-i), (c-ii) and 1(f). The CEO & MD will not be eligible for any performance bonus, performance shares and deferred bonus, during the financial year under consideration {Clauses 1(b-i), (b-ii) and 1(g)}. All unvested bonus and shares will lapse. The CEO & MD will also not be eligible for any unvested portion/s of the sign on amounts {Clause 1(h)} as on the date of termination.

iv. In the case of change of control or significant re-organization: If, during the first three years of employment, in the event there is a change of control or significant re-organization which results in the change in the CEO & MD's reporting relationship or he is asked to leave the Company or he chooses to leave the Organization because of this development, then the CEO & MD will be entitled to twelve months fixed salary and benefits as stated in Clauses 1(a), 1(d), 1(c-i), (c-ii) and 1(f). The aforesaid period of 12 months shall include the six months notice period mentioned in Clause 3(i). The CEO & MD will be eligible for the one

time sign-on amounts as set out in Clause 1(h), as per Schedule. The CEO & MD will also be eligible for performance bonus as set out in Clause 1(b-i) subject to his performance against set goals and the Company meeting the target performance for the financial year. The Board may at its sole discretion and on the recommendation of the Nomination & Remuneration Committee pay deferred bonus as set out in Clause 1(g) as per Schedule and also recommend to Holcim to consider accelerating the vesting of some of the unvested performance shares as set out in Clause 1(b-ii).

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

14) Mr Harish Badami has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given his consent to act as the CEO & MD of the Company.

15) The draft Agreement to be entered into between the Company and Mr Badami setting out the aforesaid terms of appointment and remuneration is available for inspection by the Members at the Registered Office of the Company between 10 a.m. and 12 noon on any working day of the Company upto and including the date of the Extraordinary General Meeting.

16) As required under Clause 49 of the Listing Agreement with the Stock Exchanges, additional information required to be furnished in respect of Mr Badami is set out in the Annexure to the Notice.

17) As per the provisions of Section 196, 203 read with Schedule V of the Act, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the terms of appointment and remuneration are required to be approved by the Members of the Company. The Board commends the Ordinary Resolutions set out at Items 8 & 9 of the Notice for approval by the Members.

18) Except Mr Harish Badami, none of the Directors and Key Managerial Personnel of the Company or their relatives are interested, in the Resolutions set out in Items 8 & 9 of the Notice.

By Order of the Board of Directors
For ACC Limited

Burjor D Nariman
Company Secretary & Head Compliance
(Membership No. FCS 1878)

Mumbai
July 24, 2014

Registered Office:
"Cement House"
121 Maharshi Karve Road
Mumbai 400 020

Annexure to Items 1 to 8 of the Notice
Details of Directors

Name of the Director	Mr N S Sekhsaria	Mr Shailesh Haribhakti	Mr Sushil Kumar Roongta	Mr Ashwin Dani
Date of Birth	21.09.1949	12.03.1956	09.05.1950	24.10.1942
Nationality	Indian	Indian	Indian	Indian
Date of Appointment on Board	27.12.1999	17.02.2006	03.02.2011	15.12.2011
Qualification	Bachelor of Chemical Engineering from Bombay University	FCA; FICWA; CFP; CFE; CIA	Bachelor of Engineering (Hons.) – Electrical from Birla Institute of Technology & Science (BITS), Pilani; Post Graduate Diploma in Business Management; International Trade Fellow- All India Management Association (AIMA).	B.Sc. (Honours); B.Sc. (Tech) (Pigments Paints & Varnishes); Masters Degree in Polymer Science (USA); Diploma in Colour Science (USA)
Expertise in Specific Functional Areas	Doyen of the Cement Industry – has been responsible for transforming the Cement Industry by setting benchmarks in the areas of Management, Marketing & Logistics and manufacturing efficiencies and sustainable development.	Has expertise in Auditing, Tax Services and Risk Advisory Services	Wide and varied experience in public sector undertakings which has greatly enriched the deliberations of the Board particularly from the point of view of external factors that may have a bearing on the business.	Has a vast experience in Supply Chain Management and Sustainable Development.
Shareholding in ACC	NIL	NIL	NIL	NIL
List of Directorships held in other Companies (excluding foreign companies)	Ambuja Cements Limited; Radha Madhav Investments Limited; Ambuja Cement Foundation (Section 8 Company); Ambuja Educational Institute (Section 8 Company); Narotam Sekhsaria Foundation (Section 8 Company); JM Financial Asset Reconstruction Company Pvt. Ltd.	Torrent Pharmaceuticals Limited; L&T Finance Holdings Limited; Raymond Limited; Future Lifestyle Fashions Limited; Blue Star Limited; Mahindra Life Space Developers Limited; NSDL E-Governance Infrastructure Limited (formerly known as National Securities Depositories Limited); Ambuja Cements Limited; J K Paper Limited;	Jubilant Industries Limited; Bharat Aluminium Company Limited (BALCO); Talwandi Sabo Power Limited; Jubilant Agri & Consumer Products Limited; Board of Governors of IIT, Bhubaneswar; Board of Management, JKL University, Jaipur; Vedanta Medical Research Foundation; Managing Committee PHD Chambers of Commerce & Industry, New Delhi.	Asian Paints Limited; Gujarat Organics Limited; Hitech Plast Limited; Resins & Plastics Limited; Sun Pharmaceutical Industries Limited; Rangudyan Insurance Broking Services Limited; Geetanjali Trading & Investments Private Limited; Smiti Holding & Trading Company Pvt. Ltd.; Rayirth Holding and Trading Company Private Limited; Isis Holding and Trading Company Private Limited;

		Milestone Capital Advisors Limited; Karam Chand Thapar & Bros. (Coal Sales) Ltd.; DH Consultants Pvt. Ltd.; Quadrum Solutions Pvt. Ltd.; JM Financial Asset Reconstruction Company Private Limited; AAA Infrastructure Consulting & Engineers Pvt. Ltd.; Reliance Enterprises & Ventures Pvt. Limited; ADA Enterprises & Ventures Pvt. Limited; AAA Industries Private Limited; MentorCap Management Pvt. Ltd.; Haribhakti Moti India Pvt. Ltd.; Planet People & Profit Consulting Pvt. Ltd.; HB Advisory Services Pvt. Ltd.; AAA International Capital Pvt. Ltd.		Hydra Trading Pvt. Ltd.; Canes Venatici Trading Pvt. Ltd.; Rituk Holding & Trading Company Pvt. Ltd.; Avinash Holding & Trading Company Pvt. Ltd.
Memberships/ Chairmanships of Committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)		**Audit Committee:** *Torrent Pharmaceuticals Limited; *L&T Finance Holdings Limited; *Raymond Limited; *Future Lifestyle Fashions Limited; *Blue Star Limited; Mahindra Lifespace Developers Limited; NSDL E-Governance Infrastructure Limited.	**Audit Committee:** Talwandi Sabo Power Ltd.; Bharat Aluminium Company Limited; *IIT Bhubaneswar Finance Committee.	**Audit Committee:** Sun Pharmaceuticals Industries Limited.

*Chairman

Annexure to Items 1 to 8 of the Notice (Contd.)

Details of Directors

Name of the Director	Mr Farrokh K Kavarana	Mr Arunkumar Gandhi	Ms Falguni Nayar	Mr Harish Badami
Date of Birth	17.03.1944	15.03.1943	19.02.1963	18.12.1962
Nationality	Indian	Indian	Indian	Indian
Date of Appointment on Board	03.05.2013	24.04.2014	24.04.2014	13.8.2014
Qualification	B.Com. (Hons.) from University of Bombay and an MBA from the Wharton School, University of Pennsylvania; Fellow of the Institute of Chartered Accountants in England & Wales and a Member of the Institute of Chartered Accountants of India.	Fellow Member of the Institute of Chartered Accountants, England & Wales; Fellow Member of the Institute of Chartered Accountants, India; Associate Member of the Chartered Institute of Taxation, London.	Graduate from Sydenham College of Commerce & Economics and Post Graduate from Indian Institute of Management, Ahmedabad.	B.Tech Chemical Engineering, IIT Mumbai; Post Graduate Diploma in Business Administration (MBA Equivalent) in Marketing & Finance from IIM Kolkata.
Expertise in Specific Functional Areas	Has expertise in Financial Management, good governance practices and rich exposure from his directorships in Tata Group Companies in India & abroad.	Expertise in Auditing, Tax Planning, Mergers and Acquisitions and in particular in the area of business valuation.	Rich experience in financial services and e-marketing	Rich experience as a Chemical Engineer and in particular in the areas of rubber chemicals, catalysts products for oil refineries naptha and natural gas, petro chemicals and fertilizers.
Shareholding in ACC	NIL	NIL	NIL	NIL
List of Directorships held in other Companies (excluding foreign companies)	–	Walchandnagar Industries Limited; Huhtamaki PPL Limited; United Spirits Limited.	Tata Motors Limited; Dabur India Limited; Heritage View Developers Private Limited; FSN E-Commerce Ventures Private Limited; Valleyview Probuild Private Limited; Seaview Probuild Pvt. Ltd.	–
Memberships/ Chairmanships of Committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	–	**Audit Committee:** *United Spirits Limited Huhtamaki PPL Limited; **Stakeholders Relationship Committee:** United Spirits Limited.	**Audit Committee:** Tata Motors Limited. **Stakeholders Relationship Committee:** Tata Motors Limited.	–

*Chairman