

Notice

ACC Limited

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

CIN: L26940MH1936PLC002515 Phone No: +91 22 41593321

Email: ACC-InvestorSupport@acclimited.com Website: www.acclimited.com

NOTICE IS HEREBY GIVEN THAT THE 84th ANNUAL GENERAL MEETING OF ACC LIMITED ('the Company') will be held at **Pama Thadani Auditorium**, Jai Hind College, "A" Road, Churchgate, Mumbai 400 020 on **Monday, April 6, 2020 at 3.00 P.M.** to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:
 - a. the Audited Standalone Financial Statement of the Company for the Financial Year ended December 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statement of the Company for the Financial Year ended December 31, 2019, together with the Report of the Auditors thereon.
2. To declare Dividend on equity shares for the Financial Year ended December 31, 2019.
3. To appoint a Director in place of Mr. Martin Krieger, (DIN:00077715), a Non-Executive/Non Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vijay Kumar Sharma, (DIN:02449088), a Non-Executive/Non Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. **To approve the appointment of Mr. Neeraj Akhoury (DIN:07419090) as a Director**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and all other applicable provisions of the Companies Act, 2013 (the '**Act**') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, (including any statutory modification(s) or amendment(s) thereto, re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to the provisions of Articles of Association of the Company, and basis the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Neeraj Akhoury (DIN:07419090), who was appointed by the Board of Directors as an Additional Director w.e.f. February 21, 2020, pursuant to the provisions

of Section 161 of the Act and other applicable provisions of the Act, to hold Office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. **To approve the appointment of Mr. Sridhar Balakrishnan (DIN:08699523) as a Director**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160, and all other applicable provisions of the Companies Act, 2013 (the '**Act**') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, (including any statutory modification(s) or amendment(s) thereto, re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to the provisions of Articles of Association of the Company, and basis the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Sridhar Balakrishnan (DIN:08699523), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from February 20, 2020 pursuant to the provisions of Section 161 of the Act and other applicable provisions of the Act, to hold Office up to the date of this Annual General Meeting of the Company, who being eligible, offers himself for the appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, (*co-terminus with his tenure as Managing Director & Chief Executive Officer*), not liable to retire by rotation."

7. **To approve the appointment and remuneration of Mr. Sridhar Balakrishnan (DIN:08699523) as Managing Director & Chief Executive Officer**

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (the '**Act**') and rules made thereunder, (including any statutory modification(s) or amendment(s) thereto, or re-enactment(s) thereof for the time being in force), subject to the provisions of the Articles of Association ('**AoA**') of the Company, approval

of the Members of the Company, be and is hereby accorded for appointment of Mr. Sridhar Balakrishnan (DIN:08699523), as the Managing Director & Chief Executive Officer ('MD & CEO') and Key Managerial Personnel of the Company for a period of five (5) years commencing from February 21, 2020 up to February 20, 2025, not liable to retire by rotation, on such terms and conditions including remuneration and as specified in the Explanatory Statement pursuant to Section 102(1) of the Act to the resolution as per Item Nos. 6 & 7 annexed to this Notice.

RESOLVED FURTHER THAT subject to the provisions of Section 197, Schedule V of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable rules, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the AoA of the Company, the approval of the Members of the Company, be and is hereby accorded for payment of remuneration to Mr. Balakrishnan (DIN:08699523), MD & CEO, from February 21, 2020 (as detailed out in the Explanatory Statement) and with an annual increment as may be approved by the Nomination & Remuneration Committee of the Board/Board of Directors, subject to a maximum of 20% increase every year, during the currency of his term of five (5) years as MD & CEO of the Company.

RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to MD & CEO shall be governed by Section II of Part II of the Schedule V of the Act or any modifications thereof or if so permitted, by the Board or any Committee thereof.

RESOLVED FURTHER THAT Mr. Balakrishnan, MD & CEO, shall also be entitled to an annual performance bonus as may be determined by the Nomination & Remuneration Committee/Board of Directors in terms of the Remuneration Policy of the Company and as per the details specified in the Explanatory Statement pursuant to Section 102(1) of the Act to the resolution as per Item Nos. 6 & 7 annexed to this Notice.

RESOLVED FURTHER THAT in his capacity as MD & CEO, Mr. Balakrishnan is entitled to exercise all powers as are exercisable by the MD & CEO of the Company as permissible under the provisions of the Act, and any other statutes in order to manage the affairs of the Company.

RESOLVED FURTHER THAT the Board of Directors/ Nomination and Remuneration Committee of the Company be and is hereby authorized to alter and vary the terms and conditions of the said appointment (including authority, from time to time, to determine the amount of salary, the type and amount of perquisites, bonus and other benefits payable to Mr. Balakrishnan), in such manner as may be agreed to between the Company and Mr. Balakrishnan,

within the limits approved by the Members and to the extent the Board may consider appropriate.

RESOLVED FURTHER THAT the Board of Directors/ Nomination and Remuneration Committee of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any Director(s) and/or Officer(s) of the Company to give effect to this resolution."

8. To ratify the Remuneration of Cost Auditors

To consider, and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification or variation thereto, the Company hereby ratifies the remuneration of ₹8.00 Lakh (Rupees Eight Lakh) plus applicable taxes and re-imbursement of out-of-pocket expenses payable to Messrs D C Dave & Co., Cost Accountants (Firm Registration No. 000611), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the Financial Year ending December 31, 2020.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution."

9. To approve the payment of Commission based on net profits of the Company to the Non-Executive Directors

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereto for the time being in force] and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, consent of the Company be and is hereby accorded for payment of Commission based on net profits of the Company to the Non-Executive Directors, including Independent Directors (i.e. directors other than Managing Director & Chief Executive Officer) of the Company to be determined by

the Board of Directors (**'the Board'**) for each such Non-Executive Director for every financial year for a period of five (5) financial years commencing from the end of the Financial Year ending on December 31, 2020 and distributed between such Directors in such manner as the Board may from time to time determine within the overall maximum limit of 1% (*one percent*) of the net profits of the Company for each financial year computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard.

RESOLVED FURTHER THAT the payment of the above commission shall be in addition to sitting fees payable to the Director(s) for attending the Meetings of the Board or Committees thereof or for any other purpose whatsoever, as may be decided by the Board and re-imbursement of expenses actually incurred by them for participation in the Meetings of the Board, Committees of the Board and for other purposes as determined by the Board."

Notes:

1. An Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 (**'the Act'**), relating to special business set out under Item Nos. 5 to 9, of the accompanying Notice are annexed hereto. A statement providing additional details of the Directors along with their brief profile who are seeking appointment/re-appointment as set out at Item Nos. 3 to 7 of the Notice dated February 20, 2020 are annexed herewith as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**), as amended and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India as approved by the Central Government.
2. **A Member entitled to attend and vote at the Annual General Meeting ('AGM' or the 'Meeting') is entitled to appoint a proxy to attend and vote on a poll, instead of himself/herself and the proxy need not be a Member of the Company. A person can act as proxy on behalf of Members up to and not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company duly filled, stamped and signed not later than forty-eight (48) hours before the commencement of the Meeting, i.e. by 3.00 P.M. on April 4, 2020.**

Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act are requested

to send to the Company, a certified copy of the relevant Board Resolution together with the specimen signature(s) of their representative(s) who are authorized to attend and vote on their behalf at the Meeting.

3. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
4. Members, Proxies and Authorized Representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slips for attending the Meeting to facilitate identification of membership at the Meeting. The proxies will be open for inspection by the Members from 24 hours prior to the time fixed for the commencement of the Meeting until the conclusion of the Meeting. The Members may inspect the register by giving three (3) days advance notice of their intention to inspect the proxies.
5. The Company's Statutory Auditors, M/s Deloitte Haskins & Sells LLP, were appointed as Statutory Auditors of the Company for a period of five (5) consecutive years at the AGM of the Members held on March 29, 2017 on the remuneration to be determined by the Board of Directors. Pursuant to the amendment made by the Companies (Amendment) Act, 2017, effective from May 7, 2018, it is no longer necessary to seek the ratification of the shareholders for continuance of the above appointment. Hence, the Company is not seeking the ratification of the shareholders for the appointment of the Statutory Auditors.
6. The record date for the payment of dividend shall be Monday, March 30, 2020.
7. Dividend on Equity shares as recommended by the Board of Directors for the year ended December 31, 2019, if approved at the AGM, will be payable, to those Members of the Company who hold shares:
 - (i) In dematerialized (**'Demat'**) mode, based on the beneficial ownership details to be received from National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on Monday, March 30, 2020.
 - (ii) In physical mode, if their names appear in the Company's Register of Members or its Registrar and Share Transfer Agent on Monday, March 30, 2020.

The dividend will be payable on and from Thursday, April 9, 2020.

8. Under the Act, dividends that are unclaimed/unpaid for a period of seven (7) years from the date of their transfer are required to be transferred to the Investor Education and Protection Fund ('IEPF') administered by the Central Government. An amount of ₹2,48,26,290 being unclaimed/unpaid final dividend of the Company for the financial year ended December 31, 2011 and ₹1,57,46,225 being unclaimed/unpaid interim dividend of the Company for the financial year ended December 31, 2012 were transferred on May 28, 2019 and September 25, 2019 respectively to IEPF. The last date for claiming unclaimed and unpaid dividends declared by the Company for the financial year ended December 31, 2012 and thereafter is as under:

Financial year ended	Date of declaration of Dividend	Last date for claiming unpaid/unclaimed dividend
31.12.2012 (75 th Final)	05.04.2013	12.05.2020
31.12.2013 (76 th Interim)	25.07.2013	31.08.2020
31.12.2013 (76 th Final)	09.04.2014	16.05.2021
31.12.2014 (77 th Interim)	24.07.2014	30.08.2021
31.12.2014 (77 th Final)	20.03.2015	26.04.2022
31.12.2015 (78 th Interim)	17.07.2015	23.08.2022
31.12.2015 (78 th Final)	13.04.2016	19.05.2023
31.12.2016 (79 th Interim)	26.07.2016	01.09.2023
31.12.2016 (79 th Final)	29.03.2017	05.05.2024
31.12.2017 (80 th Interim)	17.07.2017	23.08.2024
31.12.2017 (80 th Final)	13.06.2018	20.07.2025
31.12.2018 (81 st Final)	22.03.2019	28.04.2026

Members who have not encashed their dividend warrants so far in respect of the aforesaid periods, are requested to make their claims to KFIN Technologies Private Limited, Registrar and Share Transfer Agent of the Company ('RTA'), (Formerly known as Karvy Fintech Private Limited) ('Kfintech') or the Chief Legal Officer & Company Secretary of the Company, at the Company's Registered Office, well in advance of the above due dates. Pursuant to the provisions of IEPF Authority (IEPF) (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 22, 2019 (date of the last AGM) on the website of the Company at www.acclimited.com and also on the website of the Ministry of Corporate Affairs at www.mca.gov.in.

Further, pursuant to the provisions of Section 124 of the Act, read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF Authority as notified by the Ministry of Corporate Affairs.

In accordance with the IEPF Rules, the Company has sent notices to all the Shareholders whose shares are

due for transfer to the IEPF Authority and has also published the details thereof in notices published in newspapers.

The shareholders whose dividend/shares is/will be transferred to the IEPF Authority may claim the shares or apply for refund by making an application to the IEPF Authority by following the procedure as detailed in the IEPF Rules and as enumerated on the website of IEPF Authority at <http://www.iepf.gov.in/IEPF/refund.html>.

9. As per the provision of Section 72 of the Act, facility for making nomination(s) is now available to Individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company's website at www.acclimited.com or Kfintech. Members holding shares in demat mode should file their nomination with their Depository Participants ('DPs') for availing this facility.
10. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can only be transferred in demat form with effect from April 1, 2019, except in case of request for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or Kfintech for assistance in this regard.
11. The Securities and Exchange Board of India ('SEBI') has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Members(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit etc.

In order to receive the dividend without loss of time, the Members holding shares in physical form are requested to submit particulars of their bank accounts along with the original cancelled cheque bearing the name of the Member to Kfintech/ Company to update their bank account details and all the eligible shareholders holding shares in demat mode are requested to update with their respective DPs before Monday, March 30, 2020, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, E- Mail ID and Mobile No(s).

Shareholders holding shares in physical form may communicate these details to the RTA viz. Kfintech having address at Kfintech Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda,

Hyderabad – 500 032, before Monday, March 30, 2020 by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their Permanent Account Number ('PAN') card.

This will facilitate the remittance of the dividend amount as directed by SEBI in the bank account electronically. Updation of E-mail IDs and Mobile No(s) will enable us sending communication relating to credit of dividend, un-encashed dividend, etc.

The Company or Kfintech cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode.

- 12.** The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which directors are interested under Section 189 of the Act, and relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days, during the office hours except on Saturdays, Sundays and all other public holidays upto the date of the Meeting.

- 13.** The Members, desiring any information relating to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready.

- 14.** Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, E-mail address etc. to the RTA at the following address:

KFIN Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Selenium Tower B. Plot No.31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad, Telangana 500 032.

If the shares are held in electronic form, then change of address and change in the bank accounts etc. should be furnished to their respective DPs.

- 15.** Pursuant to Sections 101 and 136 of the Act read with the Rules framed thereunder, the Notice calling the AGM along with the Annual Report for financial year 2019, *inter alia*, indicating the process and manner of Remote E-voting along with attendance slip and proxy form are being sent by electronic mode to those Members whose E-mail addresses are registered with the DPs or the Company/Kfintech, unless the Members have requested for a physical copy of the

same. For Members who have not registered their E-mail addresses, physical copies of the Annual Report for financial year 2019 and this Notice *inter alia* indicating the process and manner of Remote E-voting along with attendance slip and proxy form, will be sent to them by the permitted mode.

- 16.** Members are requested to:

- i. Intimate to Kfintech, changes, if any, in their registered addresses, in case of shares held in physical form;
- ii. Intimate to the respective DP, changes, if any, in their registered addresses, in case of shares held in dematerialized form;
- iii. Quote their folio numbers/Client ID/DP ID in all correspondence;
- iv. Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names; and
- v. Register their PAN with their DPs, in case of shares held in demat form and Kfintech/ Company, in case of shares held in physical form, as directed by SEBI.

- 17.** Members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

- 18.** Members are requested to bring their copy of Annual Report to the AGM and also their admission slips. Queries, if any should be sent at least ten (10) days before the AGM to the Chief Legal Officer & Company Secretary at the Registered Office of the Company.

- 19.** The Board of Directors has appointed Mr. Pramod S. Shah, Managing Partner, failing him, Mr. Saurabh Shah, Corporate Advisor of M/s Pramod S. Shah & Associates, Practicing Company Secretaries as a Scrutinizer to scrutinize the voting process in a fair and transparent manner.

20. Webcast facility

The Company is pleased to provide the facility of live webcast of the proceedings of AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM by logging on to E-voting website of Kfintech at <https://evoting.karvy.com/> using their secure login credentials. Members are encouraged to use this facility of webcast where Members cannot attend personally. During the live webcast of AGM, Members may post their queries in the message box provided on the screen.

21. Results

The results shall be declared not later than forty-eight (48) hours from conclusion of the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the Resolutions. The results declared along with the Scrutinizer's Report will be placed on the website of the Company at www.acclimited.com and the website of Kfintech at <https://evoting.karvy.com> within forty-eight (48) hours from the conclusion of the AGM and the same shall also be simultaneously communicated to BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed and shall be displayed at the Registered Office of the Company.

22. Remote E-voting

- i. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations, the Company is providing the E-voting facility to its Members holding shares in physical or demat form, as on the cut-off date, being Monday, March 30, 2020 to exercise their right to vote through electronic means from a place other than the venue of the Meeting on any or all of the businesses specified in the accompanying Notice. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purpose only. The Remote E-voting will commence on Wednesday, April 1, 2020 at 10:00 A.M. and will end on Sunday, April 5, 2020 at 5:00 P.M. Details of the process and manner of Remote E-voting along with the User ID and Password is being sent to all the Members along with the Notice.
- ii. It is clarified that it is not mandatory for a Member to vote using Remote E-voting facility. A Member may avail of the facility at his discretion, as per the instructions provided in this Notice. In order to facilitate those Members, who do not wish to use the Remote E-voting facility, the Company is enclosing a Ballot Form. Resolutions passed by Members through Remote E-voting or ballot forms are deemed to have been passed as if they have been passed at the AGM of the Company.
- iii. In terms of the Companies (Management and Administration) Rules, 2014 with respect to the Voting through electronic means, the facility for voting through Electronic Voting System ('Insta Poll') shall be made available at the venue of AGM. The Members attending the Meeting should note that those who are entitled to vote but have not exercised their right to vote through Remote E-voting or ballot form(s), may vote at the AGM through

'Insta Poll' for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote through Remote E-voting may attend the AGM but shall not vote at the AGM. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date being Monday, March 30, 2020 (Members may note that, in case of any technical failure or eventuality resulting into non-functionality of Insta Poll facility at AGM, the Members would be provided the ballot paper for casting their votes at the AGM).

- iv. The Company has engaged the services of Kfintech as the Agency to provide E-voting facility.
- v. A Member can opt for only single mode of voting, i.e. through Remote E-voting, physical ballot or voting at the venue of the AGM. If a member casts votes by all the three modes, then the vote cast through E-voting shall prevail and the vote cast through other means shall be treated as invalid.

23. The route map of the venue of the Meeting is given in the Notice.

24. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing companies to send documents to their shareholders in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, members who have not registered their E-mail addresses and are holding shares in physical form are requested to contact the RTA of the Company and register their Email-id. Members holding shares in demat form are requested to contact their DPs. Members may please note that notices, annual reports, etc. will be available on the Company's website at www.acclimited.com and the same shall also be available for inspection, from 11.00 A.M. to 1.00 P.M., at the Registered Office of the Company on all working days (Monday to Friday). Members will be entitled to receive the said documents in physical form free of cost at any time upon request.

By Order of the Board of Directors,
For ACC Limited

Rajiv Choubey
Chief Legal Officer & Company Secretary
ACS No.: 13063

Mumbai
February 20, 2020

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

Explanatory Statement in respect of Items of Special Business

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013 (**'the Act'**), set out all the material facts relating to the business proposed to be transacted under Item Nos. 5 to 9 of the accompanying Notice dated February 20, 2020.

Item No 5

Mr. Neeraj Akhoury (DIN:07419090), Managing Director & Chief Executive Officer (**'MD & CEO'**) of the Company has tendered his resignation from the post of MD & CEO with effect from close of business hours of February 20, 2020 to pursue other career opportunities.

The detailed profile of Mr. Akhoury is provided under the head 'Additional Information of Directors being appointed/re-appointed as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in order of the items mentioned in the Notice' which forms part of this Notice.

Mr. Akhoury has a degree in Economics and an MBA from the University of Liverpool. He has also studied for one-year General Management at XLRI, Jamshedpur. He is an alumnus of the Harvard Business School (GMP).

Mr. Akhoury, basis the recommendation of Nomination & Remuneration Committee, was appointed as an Additional Director of the Company w.e.f. February 21, 2020 pursuant to the provisions of Section 161 and other applicable provisions of the Act, by the Board of Directors of the Company at its Meeting held on February 20, 2020.

Mr. Akhoury holds office up to the date of this AGM of the Company or the last date on which the AGM should have been held, whichever is earlier and is eligible for appointment as Director of the Company. In terms of Section 160 of the Act, the Company has received a notice in writing from a Member signifying his intention to propose the candidature of Mr. Akhoury for the office of Director.

Mr. Akhoury has furnished consent/declaration for his appointment as required under the Act and the Rules made thereunder.

Mr. Akhoury does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any person.

The Board of Directors, recommend the appointment of Mr. Akhoury (DIN:07419090), as Director as set forth in Item No. 5 of this Notice, for approval by the Members of the Company.

Save and except Mr. Akhoury and his relatives, none of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set forth in Item No. 5 of this Notice.

Item No 6 & 7

Mr. Sridhar Balakrishnan (DIN:08699523), who was appointed as an Additional Director of the Company w.e.f. February 20, 2020 pursuant to the provisions of Section 161 and other applicable provisions of the Act, holds office up to the date of this AGM of the Company or the last date on which the AGM should have been held, whichever is earlier and is eligible for appointment as Director of the Company. In terms of Section 160 of the Act, the Company has received a notice in writing from a Member signifying his intention to propose the candidature of Mr. Balakrishnan for the office of Director.

Mr. Balakrishnan has furnished consent/declaration for his appointment as required under the Act and the Rules made thereunder.

The Board of Directors of the Company (**'Board'**), at its Meeting held on February 20, 2020 basis the recommendation of the Nomination & Remuneration Committee (**'N&RC'**) of the Company and subject to the approval of Members, approved the appointment of Mr. Balakrishnan (DIN:08699523) as the Managing Director and Chief Executive Officer (**'MD & CEO'**) of the Company for a period of five (5) years commencing from February 21, 2020 up to February 20, 2025, on the terms & conditions including remuneration as may be decided by the Board/N&RC of the Board from time to time subject to such necessary sanctions and approvals as may be applicable. It is proposed to seek Members' approval for appointment and payment of remuneration to Mr. Balakrishnan as MD & CEO of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the remuneration payable to Mr. Balakrishnan, MD & CEO with an annual increment, as may be approved by Board/N&RC of the Board from time to time and in accordance with the Remuneration Policy of the Company, subject to an increase of maximum 20% every year during the currency of his term of five (5) years as MD & CEO of the Company:

1. Tenure

Mr. Balakrishnan is appointed as the MD & CEO of the Company for a period of 5 (five) years commencing from February 21, 2020 on the remuneration and upon and subject to the terms and conditions herein contained.

2. Remuneration

(a) Basic Salary

₹1,01,19,561 per annum in grade of ₹1,00,00,000 - ₹2,12,00,000.

Annual increment will be effective April 1 each year and will be decided by the Board each year on the recommendation of Nomination & Remuneration Committee of the Board.

The increment as and when approved by the Board shall be merit based and will take into account the performance as MD & CEO as well as that of the Company. The first such annual increment will be granted on April 1, 2021 on the Remuneration i.e.; Basic salary and Allowances as mentioned.

Allowances & Perquisites

Allowances & Perquisite of ₹1,51,79,341 per annum in range of ₹1,50,00,000 - ₹3,77,00,000.

The Company follows the flexible allowance structure for all its employees that enable its employees to decide on the salary components other than the basic salary within the remuneration of the employee concerned.

In line with this structure, Mr. Balakrishnan will be entitled to ₹1,51,79,341 of allowance per annum which can be distributed in House Rent Allowance (HRA), Leave Travel Allowance (LTA), Medical, Special allowance etc. at his discretion as per the flexi pay policy of the company. Mr. Balakrishnan can opt for contribution to Superannuation or NPS scheme up to the limit as prescribed by such contribution, if any shall be deducted by the company from the Allowances stated above.

In addition to the above, Mr. Balakrishnan would be paid/entitled for the following 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 per the rules of the Company.
- (iii) **Leave**
The MD & CEO shall be entitled for leave with full pay or encashment thereof, as per the rules of the Company.
- (iv) **Provident Fund**
Company's contribution to provident fund not exceeding twelve percent (12%) of the basic salary as per the rules of the Company.
- (v) **Gratuity**
Gratuity at the rate of half month's basic salary for each year of completed service as per the rules of the Company. The service tenure of Mr. Balakrishnan with the Company as Chief Commercial Officer shall be recognized and

considered for the purpose of gratuity as payable under the Payment of Gratuity Act, 1972.

(vi) 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.

(b) Performance Incentive

Such remuneration by way of performance incentive, payment up to an amount equivalent to a maximum of one hundred percent (100%) of the basic salary and allowances stated above, in a particular financial year based on the performance of the MD & CEO against set goals and the Company meeting the target performance for the financial year. The performance incentive will be determined by the Board of Directors of the Company at the end of each financial year on the recommendation of the Nomination & Remuneration Committee, subject to the overall ceiling stipulated under Section 197, 198 and other applicable provisions of the Companies Act, 2013 read with rules thereunder and Schedule V to the said Act or any modifications or re-enactment thereto for the time being in force.

(c) Long Term Incentive Plan

The MD & CEO is eligible to participate in the Long Term incentive Plan of LafargeHolcim Limited (LH), the ultimate Holding Company of ACC pursuant to which the MD & CEO will be granted such number of shares of LH (Performance Shares) from time to time as per the said incentive plan. The cost of such shares shall be borne by LH.

(d) Amenities

(i) Conveyance facilities

The Company shall provide a suitable car for the MD & CEO for official and personal use. Repairs, maintenance and running expenses including driver's salary shall be borne/reimbursed by the Company.

(ii) Telephone and other communication facilities

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

3. Overall remuneration

The aggregate of salary, allowances, perquisites and performance incentive in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Companies Act, 2013 read with rules thereunder and Schedule V to the said Act or any modifications or re-enactment for the time being in force.

4. Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the currency of the tenure of service of the MD & CEO, the payment of salary, performance incentives, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being in force.

5. Income Tax

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

6. Sitting Fees/Commission

MD & CEO shall not be paid any sitting fees and/or commission for attending the meetings of the Board or Committees thereof.

7. Out of Pocket Expenses in connection with Company's work

MD & CEO shall be entitled to be paid/reimbursed by the Company all costs, charges and expenses including entertainment expenses as may be reasonably incurred by him on behalf of the Company subject to such ceiling as may be decided by the Board on the recommendation of the Nomination & Remuneration Committee.

8. Other Terms & Conditions

(a) As the MD & CEO, Mr. Balakrishnan will carry out such functions, exercise such powers and perform such duties as the Board of Directors of the Company ('hereinafter called **'the Board'**') shall from time to time in its absolute discretion determine and entrust to him, subject, nevertheless to the provisions of the Companies Act, 2013 or any statutory modifications or re-enactment thereof for the time being in force.

(b) MD & CEO will, to the best of his skill and ability endeavor 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.

(c) MD & CEO shall at all times act in the best interests of the Company and all its shareholders (including its minority shareholders) and keep the Board informed of any developments or matters that have materially impaired or are reasonably likely to materially impair the interests of the Company and/or any of its stakeholders.

(d) Subject to the superintendence, direction and control of the Board, the MD & CEO shall (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 and (iii) have the authority to do and perform all other acts, deeds, matters and things which in the ordinary course of such business be considered necessary or proper in the best interests of the Company.

(e) The MD & CEO shall devote the whole of his time and attention to the business of the company and shall not engage directly or indirectly in any other business, occupation or employment, provided, however, he may with the prior approval of the Board hold Directorship in other companies and/or provide services to other group companies.

(f) The MD & CEO will not be entitled to supplement his earning under this agreement with any buying or selling commission. He will give an undertaking to the company that so long as he functions as the MD & CEO, of the company he will not become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the company. He will cease to be the MD & CEO immediately upon any contravention of this undertaking.

(g) MD & CEO 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, use his best endeavor to prevent any other person from doing so.

- (h) The terms and conditions of the appointment of the MD & CEO 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 or any amendments made hereafter in this regard and within the overall approval given by the Shareholders.
- (i) The MD & CEO shall disclose his interest in any company or companies or body corporate, firms or other association of individuals and shall also disclose direct or indirect interest in any contract or arrangement entered into between the Company and such other companies, 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, as amended from time to time. 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.
- (j) Mr. Balakrishnan's appointment as MD & CEO of the Company is by virtue of his employment in the Company and his appointment will be subject to the provisions of Sections 197, 198, 203, 167(1) and other applicable provisions of the Companies Act, 2013, read with Rules thereunder and Schedule V to the said Act or any modifications or reenactment for the time being in force. So long as the MD & CEO continues to be in the employment of the Company, he will be a Director not liable to retire by rotation.
- (k) If at any time the MD & CEO ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the MD & CEO. Similarly, if at any time the MD & CEO ceases to be in the employment of the Company for any cause/reason whatsoever, he shall cease to be a Director of the Company.

9. Notice Period

- (a) Either the Company or the MD & CEO may give the other six (6) months' notice in writing of termination of the Agreement, or the Company would pay salary in lieu of notice.
- (b) Either the Company or the MD & CEO may also terminate the Agreement upon notice in writing to the other party:
 - (i) in the event that the other party materially breaches this Agreement and

has not remedied such breach (if capable of remedy) within 14 days of having been notified of the breach or;

- (ii) in accordance with applicable law.
- (c) Both the Company and MD & CEO reserve the right to terminate this Agreement without notice for 'Due Cause'.

Due Cause means: an event such as grave and repeated violations of any relevant contractual obligations, guidelines or instructions, intentionally or negligently causing damage or injury to the other party, the acceptance of commission or bribes in any form, any behavior that seriously damages LafargeHolcim, the Company or the employees' reputation, the commission of serious offences against applicable law, or repeated failure to perform basic responsibilities despite having fair opportunity to rectify such failure to perform.

In the event of absence or inadequacy of net profits in any financial year, the remuneration payable to MD & CEO shall be governed by Section II of Part II of the Schedule V of the Act or any modifications thereof or if so permitted, by the Board or any Committee thereof.

Mr. Balakrishnan shall not be subject to retirement by rotation during his tenure as MD & CEO of the Company.

Mr. Balakrishnan took charge as MD & CEO of the Company w.e.f. February 21, 2020.

The detailed profile of Mr. Balakrishnan is provided under the head 'Additional Information of Directors being appointed/re-appointed as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in order of the items mentioned in the Notice' which forms part of this Notice.

Mr. Balakrishnan is an Engineering Graduate with B. Tech (Electronics) degree from the Institute of Technology (Banaras Hindu University), Varanasi, and has a post Graduate Diploma in Business Management from XLRI, Jamshedpur.

Mr. Balakrishnan does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any person.

The Board of Directors, recommend the appointment of Mr. Balakrishnan (DIN:08699523), as Director (co-terminus with his tenure as Managing Director & Chief Executive Officer) and MD & CEO of the Company and payment of remuneration, as set forth in Item Nos. 6 & 7 of this Notice, for approval by the Members of the Company.

Save and except Mr. Balakrishnan and his relatives, none of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set forth in Item Nos. 6 & 7 of this Notice.