

AMBUJA CEMENTS LIMITED

Registered Office: P. O. Ambujanagar, Taluka: Kodinar, District: Gir Somnath, Gujarat - 362 715
Corp. Office: Elegant Business Park, MIDC Cross Road "B", Off Andheri Kurla Road, Andheri (East), Mumbai 400 059,
CIN: L26942GJ1981PLC004717 Email: shares@ambujacement.com
Website: www.ambujacement.com

Notice

NOTICE is hereby given that the THIRTY SEVENTH ANNUAL GENERAL MEETING of the Members of the Company will be held on Thursday, 9th April, 2020 at 10.30 a.m. at the Registered Office of the Company at P.O. Ambujanagar, Taluka: Kodinar, District: Gir Somnath, Gujarat - 362 715, to transact the following business:-

Ordinary Business

1. To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st December, 2019, together with the Reports of the Directors and the Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st December, 2019 and the Report of the Auditors thereon.
2. To declare Dividend on equity shares for the financial year ended 31st December, 2019.
3. To appoint a Director in place of Mr. Jan Jenisch (DIN: 07957196), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Martin Kriegner (DIN: 00077715), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Christof Hassig (DIN: 01680305), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

6. Payment of Commission to Non-Executive Directors

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 section 197 and all other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, as amended from time to time, the Non-Executive Directors of the Company (i.e. directors other than Managing Director and/or the Whole-time Director(s)) be paid, remuneration in such amounts or proportions and in such manner, in addition to the sitting fee for attending the meeting of the Board or Committees thereof, and in all respects as the Board of Directors (which includes any committee thereof) may from

time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year, for a period of five years, commencing from 1st January, 2020 as computed in the manner laid down in Section 198 of the Companies Act, 2013 or such other percentage as may be specified by the Act from time to time in this regard."

7. Appointment of Mr. Neeraj Akhoury (DIN: 07419090) as a Director

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

"RESOLVED THAT Mr. Neeraj Akhoury (DIN: 07419090) who was appointed as an Additional Director of the Company w.e.f. 21st February, 2020 by the Board of Directors and who holds office upto the date of this Annual General Meeting in terms of Section 161 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 122 of the Article of Association of the Company and pursuant to the recommendation of Nomination & Remuneration Committee and the Board of Directors and being eligible, offers himself for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Akhoury's candidature for the office of the Director, be and is hereby appointed as a Director of the Company, with effect from the date of this Meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

8. Appointment of Mr. Neeraj Akhoury (DIN: 07419090) as the Managing Director & CEO

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, consent of the Company be and is hereby accorded for the appointment of Mr. Neeraj Akhoury (DIN: 07419090) as

the Managing Director and Chief Executive Officer (CEO) of the Company, for a period of 5 (five) years with effect from 21st February, 2020 upto 20th February, 2025 upon the terms & conditions of appointment including the payment of remuneration, perquisites & other benefits and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (including its Committee thereof) to alter and vary the terms & conditions of the said Appointment in such manner as may be agreed to between the Board of Directors and Mr. Neeraj Akhoury."

"RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) be and is hereby authorized to revise the remuneration of Mr. Akhoury from time to time to the extent the Board of Directors may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

9. Ratification of remuneration to the Cost Auditors

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 Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. P.M. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000012), appointed as the Cost Auditors of the Company by the Board of Director for the conduct of the audit of the cost records of the Company for the financial year 2020 at a remuneration of ₹ 10,00,000 (Rupees Ten Lacs) per annum plus reimbursement of the travelling and other out-of-pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

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

Rajiv Gandhi

Place: Mumbai

Company Secretary

Date: 20th February, 2020

(Membership No. A11263)

Notes:-

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the Special Business under Item nos. 6 to 9 set above and the details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') entered with the Stock Exchanges and Secretarial Standard on General meeting (SS-2) in respect of the Directors seeking appointment/ re-appointment at this Annual General Meeting is annexed hereto.
2. The requirement to place the matter relating to the appointment of Auditors for ratification by members at every Annual General Meeting has been done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed from the conclusion of the 34th Annual General Meeting held on 31st March, 2017.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 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 MEMBER.
Corporate Members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be made available at the AGM venue.
6. The Record Date for payment of dividend has been fixed as Tuesday, 7th April 2020.
7. **Dividend** : The dividend, as recommended by the Board, if approved at the AGM, in respect of equity shares held in electronic form will be payable to the beneficial owners of shares as on Tuesday, 7th April, 2020 as per the downloads furnished to the Company by Depositories for this purpose, In physical mode, if their names appear in the Company's register of members as on Tuesday, 7th April, 2020.
8. Pursuant to Section 101 and 136 of the Act read with the relevant Rules made thereunder, Regulation 36 of Listing

Regulations and SS-2, the copy of the Annual Report including Financial statements, Board's report and Annexures thereto etc. and this Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the share transfer agents of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to shares@ambujacement.com mentioning your Folio/DP ID & Client ID.

Members may also note that the Notice of this Annual General Meeting and the Annual Report for the year 2019 will also be available on the Company's website www.ambujacement.com for their download.

All the documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 10.00 a.m and 1.00 p.m. up to the date of Annual General Meeting.

9. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
10. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
11. **Green Initiative** : To support the Green Initiative, members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
12. **Nomination**: Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.
13. **Submission of PAN**: Shareholders are requested to note that furnishing of Permanent Account Number (PAN) is now mandatory in the following cases:-
 - a) Transferees and Transferors PAN Cards for transfer of shares,
 - b) Legal Heirs'/Nominees' PAN Card for transmission of shares,
 - c) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and
 - d) Joint Holders' PAN Cards for transposition of shares.
14. **Bank Account Details**: Regulation 12 and Schedule I of SEBI Listing Regulation requires all companies to use the facilities of electronic clearing services for payment of dividend. In compliance with these regulations, payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars.

15. **Share Transfer permitted only in Demat** : As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019. In view of the above and to avail the benefits of dematerialisation and ease portfolio management, Members are requested to consider dematerialize shares held by them in physical form.

16. **Shareholders' Communication**: Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, email address etc. to the Registrar and Share Transfer Agents at the following address:

LINK INTIME INDIA PVT. LTD. (Unit: Ambuja Cements Ltd.)
C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083. Tel. No. (022) 4918 6000 Fax No. (022) 4918 6060.

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 Depository Participants (DPs).

17. **Unclaimed/Unpaid Dividend** : Pursuant to Section 124 of the Companies Act, 2013, the unpaid dividends that are due to transfer to the Investor Education and Protection Fund (IEPF) are as follows:

| Financial Year | Date of Declaration | Tentative Date for transfer to IEPF |
|--------------------------|---------------------|-------------------------------------|
| Financial 2012 (Final) | 07.02.2013 | 06.05.2020 |
| Financial 2013 (Interim) | 24.07.2013 | 26.08.2020 |
| Financial 2013 (Final) | 06.02.2014 | 11.05.2021 |
| Financial 2014 (Interim) | 24.07.2014 | 22.08.2021 |
| Financial 2014 (Final) | 18.02.2015 | 06.05.2022 |
| Financial 2015 (Interim) | 27.07.2015 | 30.08.2022 |
| Financial 2015 (Final) | 10.02.2016 | 12.04.2023 |
| Financial 2016 (Interim) | 26.07.2016 | 29.08.2023 |
| Financial 2016 (Final) | 20.02.2017 | 29.04.2024 |
| Financial 2017 (Interim) | 24.07.2017 | 29.08.2024 |
| Financial 2017 (Final) | 20.02.2018 | 15.07.2025 |

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company/ its Registrar, for obtaining payments thereof atleast 30 days before they are due for transfer to the said fund.

Any member, who has not claimed final dividend in respect of the financial year ended 31st December, 2012 onwards is requested to approach the Company/ the Registrar and Share Transfer Agents of the Company for claiming the same as early as possible but not later than 31st March, 2020 for final dividend of F.Y. 2012 and 30th June, 2020 for interim dividend of F.Y. 2013.

The Company has already sent reminders to all such members at their registered addresses for claiming the unpaid/unclaimed dividend, which will be transferred to IEPF in the due course.

18. **Compulsory transfer of Equity Shares to IEPF Account:** Pursuant to Section 124 of the Companies Act 2013 read with the Investor Education and Protection Fund Authority(Accounting, Audit, Transfer and Refund) Rules, 2016, shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF.

During the Financial year 2019, unclaimed final dividend for the Financial year 2011 aggregating to ₹ 1,10,77,326/- and interim dividend for Financial year 2012 aggregating to ₹ 81,67,049/- and the 332545 Equity shares in respect of which dividend entitlements remained unclaimed for 7 consecutive years or more, have been transferred by the Company to Investor Education and Protection Fund established by Central Government (IEPF).

Members may note that the dividend and shares transferred to the IEPF can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Information on the procedure to be followed for claiming the dividend /shares is available on the website of the company <http://www.ambujacement.com/investors/transfer-of-unpaid-and-unclaimed-dividends-and-shares-to-iepf>.

19. Route Map showing directions to reach to the venue of the 37th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings."

20. **Webcast:** Pursuant to Regulation 44(6) of the SEBI Listing Regulations, the Company is pleased to provide the facility of live webcast of proceedings of the 37th AGM of the Company from 10.30 a.m. onwards on Thursday, 9th April, 2020. Members can view the proceedings of AGM by logging on the evoting website of CDSL www.evotingindia.com using their secure login credentials. Members are encouraged to used this facility of webcast.

21. **Voting:-**

All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date namely 2nd April, 2020 only shall be entitled to vote at the General Meeting by availing the facility of remote e-voting or by voting at the General Meeting.

I. **Voting Through Electronic Means**

1. Pursuant to Section 108 of the Companies Act 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014, Secretarial Standard 2 on General Meeting and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided e-voting facility to the members using the Central Depository Services (India) Ltd. (CDSL) platform. All business to be transacted at the Annual General Meeting can be transacted through the electronic voting system. The members may cast their votes using an electronic

voting system from a place other than the venue of the Meeting ("remote e-voting).

2. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
3. The Company has appointed Mr. Surendra Kanstiya Associates, Practicing Company Secretary, to act as the Scrutiniser to scrutinise the poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.
4. The Results shall be declared within 48 hours after the Annual General Meeting of the Company. The results declared along with the Scrutiniser's Report shall be placed on the company's website www.ambujacement.com and on the website of CDSL www.evotingindia.com and the same shall also be communicated to BSE Limited and NSE, where the shares of the Company are listed.
5. Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 2nd April, 2020 may obtain the login details in the manner as mentioned below.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Monday, 6th April, 2020 at 10:00 a.m. and ends on Wednesday, 8th April, 2020 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd April, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/Member.
- (iv) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) |
| | <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/ mm/ yyy format) as recorded in your demat account or in the company records in order to login. |
| | <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked

Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

II. Voting Through Ballot:-

The Company is providing the facility of ballot form in terms of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, 2015 to those shareholders, who do not have access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice. The Ballot form and the instruction are enclosed along with the Annual Report.

III. Voting at AGM:-

The members who have not casted their votes either electronically or through Ballot Form, can exercise their voting rights at the AGM.

A member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting or by ballot. If a member casts votes by all the three modes, then the vote casted through e-voting shall prevail and the vote casted through other means shall be treated as invalid.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

The following Explanatory Statement sets out all the material facts relating to the Item Nos. 6 to 9 of the accompanying Notice dated 20th February, 2020.

In respect of item No. 6

At the Annual General Meeting of the Company held on 8th April, 2015, the Members had approved of the payment of commission to the Directors of the Company (other than the Managing Director and Whole-time Director(s)) not exceeding one percent per annum of the net profits of the Company for a period of five years commencing from 1st January, 2015.

According to Section 197 of the Companies Act, 2013 the approval of the Members is required for the payment of commission to the non-executive directors (director other than MD/WTM) upto 1% of the Net profits of the Company.

Further, as per the provisions of Regulation 17(6)(a) of the Listing Regulation (as in force for the time being), all fees/compensation payable to non-executive directors, including Independent Directors shall require approval of the shareholders at General Meeting.

Accordingly, it is proposed to seek fresh approval of the Members of the Company by way of an Ordinary Resolution as required under Section 197 of the Companies Act, 2013 and also under the Listing Regulations for payment of commission for a period of 5 years commencing from 1st January, 2020, at the rate not exceeding 1% (one percent) of the net profits of the Company for each Financial year computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board (which includes any committee thereof). The above remuneration shall be over and above the sitting fees paid to the Directors for attending the meeting of the Board and/or Committees thereof.

The Board recommends passing of enabling resolution for the payment of commission as aforesaid, for your approval.

All the Directors of the Company except the Managing Director & CEO and the Key Managerial Personnel and Mr. Martin Kriegner (who has waived his right to receive Commission and sitting fees) and their relatives are concerned or interested in the Resolution at Item No. 6 of the Notice to the extent of the remuneration that may be received by each of them.

In respect of item No. 7 & 8

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Mr. Neeraj Akhoury

(DIN: 07419090) as an Additional Director of the Company under Section 161(1) of the Act and Article 122 of the Articles of Association, with effect from 21st February, 2020. In terms of Section 161(1) of the Act, Mr. Neeraj Akhoury holds office only upto the date of the forthcoming AGM and is eligible for appointment as a Director. The Company has received a Notice under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Akhoury's appointment as a Director.

The Board has also appointed Mr. Akhoury as the Managing Director & CEO of the Company for a period of five years from 21st February, 2020 upto 20th February, 2025, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

Mr. Neeraj Akhoury, aged 52 years, is a graduate in Economics from Allahabad University and MBA from the University of Liverpool. He has also studied one-year General Management Program at XLRI Jamshedpur. He is also an alumnus of Harvard Business School. He began his career in 1993 at Tata Steel, working in sales, marketing and logistics in both cement and steel division and also as Executive Assistant to Head of Sales. He joined Lafarge India in 1999 and worked as member of the Executive Committee responsible for corporate affairs followed by sales. Mr. Akhoury was also the Chief Executive Officer of LafargeHolcim Bangladesh and was also based in Paris as Director for Strategy and Business Development, HR and acquisition of raw material sources for Middle East and African region. He has also served as Managing Director of Lafarge Nigeria.

Prior to joining the Company Mr. Neeraj Akhoury was the MD and CEO of ACC Limited and a member of LafargeHolcim's global Senior Leadership Group. He is known for breadth and depth of leadership experience and has delivered results across continents. He is a strategic thinker, switching between long term vision and short-term orientation, delivering performance with accountability, courage, energy and integrity. Mr. Akhoury is also recognized in the Group for his approach of building effective and diverse teams through empowerment and motivation, acting as a role model and demonstrating strong communication skills.

Brief resume of Mr. Akhoury, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure to this notice.

The principal terms and conditions of appointment of Mr. Neeraj Akhoury as the Managing Director & CEO (hereinafter referred to as the 'MD & CEO') is as follows:

1. Period of Appointment

Five years commencing from 21st February, 2020, the date of appointment.

2. Remuneration:

In consideration of the performance of his duties, the Company shall pay to Mr. Neeraj Akhoury the fixed gross remuneration (other than the PF, Superannuation and Gratuity) of ₹ 5,42,48,292/- (Rupees Five Crore Forty Two Lacs Forty Eight Thousand Two Hundred Ninety Two only) per annum with such increments as may be approved by the Board of Directors (which includes any Committee thereof) from time to time. The gross remuneration shall be categorized as follows:

(a) Basic Salary:

₹ 2,31,33,600/- (Rupees Two Crore Thirty One Lacs Thirty Three Thousand Six Hundred only) per annum, ₹19,27,800/- (Rupees Nineteen Lacs Twenty Seven Thousand Eight Hundred only) per month.

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 increment will be effective from 1st April, 2021, on the Remuneration i.e. Basic salary and Allowances as mentioned.

(b) Allowances & Perquisites:

The Company follows the Flexible Allowances Structure for all its employees that enables its employees to decide the salary components other than the basic salary within the gross remuneration of the employee concerned.

In line with the above structure, Mr. Neeraj Akhoury will be paid ₹ 3,11,14,692/- (Rupees Three Crore Eleven Lacs Fourteen Thousand Six Hundred Ninety Two only) per annum on account of other allowances like House Rent Allowance (HRA), Soft Furnishing Allowance, Leave Travel Concession (LTC), Medical Reimbursement, Special Allowance etc. as may be decided by him following the flexible allowance structure of the Company.

In addition to the above, Mr. Neeraj Akhoury would be paid/entitled for the following perquisites / benefits:

(i) Club Membership

Reimbursement of membership fee for one club in India including admission and annual membership fee.

(ii) Mediclaim and Personal Accident Insurance

Mediclaim and Personal Accident Insurance Policy for such amount as per the rules of the Company.

(iii) Contribution to Provident Fund

The Company's contribution to Provident Fund as per the applicable laws, which presently is 12% of Basic Salary.

(iv) Gratuity

Gratuity at the rate of 15 days Basic Salary earned for each completed year of service as per the rules of the Company. The service tenure of Mr Akhoury with ACC Limited (subsidiary of the Company) shall be recognized and considered in continuity with his tenure with the Company for the purpose of Gratuity as payable under the Payment of Gratuity Act 1972.

(v) Superannuation Fund

The Company's contribution to the Superannuation Fund will be 15% of basic salary with an option to encash superannuation benefit as monthly cash allowance.

(vi) Leave

Entitled for leave with full pay or encashment thereof as per the rules of the Company.

(vii) Other perquisites

Subject to overall ceiling on remuneration mentioned herein below, Mr. Neeraj Akhoury may be given any other allowances, benefits and perquisites as the Board of Directors (which includes any Committee thereof) may from time to time decide.

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.

(c) Performance Incentive:

Performance Incentive of such amount, not exceeding 100% of the earned Basic Salary and Allowances stated above, subject to performance conditions for each Corporate Financial year or part thereof as may be decided by the Board of Directors (which includes any Committee thereof).

In addition to the above, Mr Akhoury will continue to be entitled to additional Performance Incentive as was approved by the Board of Directors of ACC Limited (being a subsidiary of the Company), subject to his continued and consistent good performance during his tenure with the Company, which shall be payable as follows:

| Payment Date | Amount (in Indian National Rupees) |
|--|------------------------------------|
| Pro-rated for the period 21st February, 2020 till 31st March, 2020 | 16,25,000 |
| End of September, 2020 | 75,00,000 |
| End of March, 2021 | 75,00,000 |
| End of September, 2021 | 75,00,000 |
| End of January, 2022 | 75,00,000 |

(d) LafargeHolcim Performance Shares:

Mr. Neeraj Akhoury shall be eligible to participate in the Long Term incentive Plan of LafargeHolcim Limited (LH), pursuant to which he will be granted such number of Shares of LH (Performance Shares) from time to time as per the said incentive plan and shall continue to hold such shares as have been granted during his tenure at ACC Limited. The cost of such shares shall be borne by LafargeHolcim Ltd.

(e) Amenities:

(i) Conveyance facilities

The Company shall provide suitable vehicle to the Managing Director & CEO. All the repairs, maintenance and running expenses including driver's salary shall be borne / reimbursed by the Company.

(ii) Telephone internet and other communication facilities

The Company shall provide telephone, mobile, internet and other communication facilities at the Managing Director & CEO's residence. All the expenses incurred shall be paid or reimbursed as per the rules of the Company.

C. Overall remuneration:

The aggregate of salary, allowances, perquisites and performance bonus 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 Schedule V to the said Act or any modifications or re-enactment for the time being in force.

D. Minimum remuneration:

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director & 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 be in force.

3. Income-Tax in respect of the above remuneration will be deducted at source as per the applicable Income Tax Laws / Rules.

4. Continuity of Service

Mr Neeraj Akhoury's tenure with ACC Limited (being a subsidiary of the Company) shall be taken into consideration for the purposes of seniority and any other benefits that accrue out of his service tenure.

5. Accumulated Leaves

Mr Akhoury's earned leaves that have been accumulated during his tenure with ACC Limited (being a subsidiary of the Company) as of 20th February, 2020 shall stand credited as part of leave accumulation during his tenure with the Company.

6. MD & CEO shall be entitled to be paid / reimbursed by the Company all costs, charges & 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.

7. Mr. Akhoury'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 167(1), 197, 198, 203 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. So long as Mr. Akhoury continues to occupy the position of MD & CEO, he will not be a Director liable to retire by rotation.

8. Powers & Responsibilities as the Managing Director and CEO

(a) As the Managing Director and CEO (MD & CEO), Mr Neeraj Akhoury 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) Subject to the superintendence, control and direction of the Board, 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.

(c) 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.

(d) MD & CEO shall at all times act in the best interests of the Company and all its stakeholders (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.

(e) The MD & CEO shall devote the whole of his time, attention and abilities to manage the business of the Company and shall use his best endeavour to promote its interest and welfare. He 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.

9. During the currency of this Agreement, MD & CEO shall not directly or indirectly engage himself in any other employment, business or occupation of whatsoever nature. However, he may with the prior approval of the Board of Directors, hold Directorship in other companies and/or provide services to other group companies.
10. MD & CEO will not be entitled to supplement his earnings 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.
11. The terms & conditions of appointment and the payment of remuneration to 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 and 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.
12. (i) The appointment Agreement may be terminated either by the Company or by Mr Neeraj Akhoury by giving 6 (six) months' notice in writing at the end of a calendar month to the other party or the payment of salary in lieu thereof.
- (ii) Either party may also terminate the appointment Agreement upon notice in writing to the other party:
 - (a) in the event that the other party materially breaches this Agreement and has not remedied such breach (if capable or remedy) within 14 days of having been notified of the breach or;
 - (b) in accordance with applicable law.
- (iii) Both parties reserves the right to terminate the Agreement without notice for "Due Cause".
 For the purpose of the appointment Agreement, Due Cause means: an event such as grave or repeated violations of any relevant contractual obligations, guidelines or instructions; intentionally or negligently causing damage or injury to the other party; the acceptance of commissions or bribes in any form; any behavior that seriously damages LafargeHolcim, the Company or the Employee's 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.
13. 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 and his Employment Agreement with the Company

shall stand terminated forthwith. 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.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Mr. Neeraj Akhoury under Section 190 of the Act.

The Nomination & Remuneration Committee and the Board of Directors is of the opinion that Mr. Neeraj Akhoury's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolutions at Item No. 7 and 8 of this Notice relating to his appointment as a Director and as the MD & CEO of the Company for a period of five years w.e.f. 21st February, 2020 upto 20th February, 2025 as an Ordinary Resolutions for your approval.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval.

Except, Mr. Neeraj Akhoury, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the Resolution at Item No. 7 and 8 of the Notice. Mr. Akhoury is not related to any other Director or KMP of the Company.

In respect of item No. 9

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of the Company.

On the recommendation of the Audit Committee, the Board of Directors of the Company has approved the appointment of M/s. P.M. Nanabhoy & Co., Cost Accountants as the Cost Auditor of the Company for the financial year 2020 at a remuneration of ₹ 10,00,000/- (Rupees Ten Lacs) per annum plus reimbursement of all out of pocket expenses incurred, if any, in connection with the cost audit. The remuneration of the cost auditor is required to be ratified subsequently by the Members, in accordance with the provisions of the Act and Rule 14 of the Rules.

Accordingly, the Board recommends the Ordinary Resolution at item no. 9 of this Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No. 9 of the Notice.

By Order of the Board of Directors

Place: Mumbai
Date: 20th February, 2020

Rajiv Gandhi
Company Secretary
(Membership No. A11263)

ANNEXURE TO ITEMS. 3 to 5, 7 & 8 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

| Name of the Director | Mr. Jan Jenisch | Mr. Martin Kriegner | Mr. Christof Hassig | Mr Neeraj Akhoury |
|---|--|--|--|--|
| Date of Birth | 2nd September, 1966 | 6th September, 1961 | 25th April, 1958 | 17th September 1968 |
| Nationality | German | Austrian | Swiss | Indian |
| Date of Appointment on the Board | 24th October, 2017 | 11th February, 2016 | 9th December, 2015 | 21st February 2020 |
| Qualifications | MBA from University of Fribourg, Switzerland | Doctorate of Law and MBA from Austrian University | Masters in Banking, Advanced Management Program from Harvard Business school | Graduate in Economics, Management program from XLRI, General Management Program from Harvard Business school |
| Expertise in specific functional area | Operations and Management | Operations, Finance and General Management | M & A, Corporate Finance & Treasury | Strategy and Business Development, Sales and Marketing, logistics, CSR. |
| Number of shares held in the Company | Nil | Nil | Nil | Nil |
| List of the directorships held in other companies* | ACC Ltd. | ACC Ltd. | ACC Ltd. | ACC Ltd Bulk Cement Corporation (India) Ltd. Holcim Services (South Asia) Ltd |
| Number of Board Meetings attended during the year 2019 | 4 of 5 | 5 of 5 | 4 of 5 | Not applicable |
| Chairman/ Member in the Committees of the Boards of companies in which he is Director* | Chairman : Nil Member : Nil | Chairman : Nil Member : 1. ACC Limited - Audit Committee | Chairman : Nil Member : 1. ACC Limited -Stakeholders Committee | Nil |
| Relationships between Directors inter-se | None | None | None | None |
| Remuneration details (Including Sitting Fees & Commission) | Refer Corporate Governance Report | Refer Corporate Governance Report | Refer Corporate Governance Report | Not applicable |

* Directorship includes Directorship of Public Companies & Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether Listed or not).