

## **LETTER OF APPOINTMENT ISSUED TO INDEPENDENT DIRECTORS**

(Name of the Independent Director)

(Address)

(Date)

Dear Mr./Ms ....

Sub: Appointment as an Independent Director

I am pleased to inform you that based on your confirmation that you meet the criteria of "Independence" as provided under the Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), and upon the recommendation of Nomination & Remuneration Committee and the Board of Directors ("the Board") and the approval of the Shareholders of Ambuja Cements Ltd. ("the Company "), you are hereby appointed as an " Independent Director" on the Board of the Company . This letter sets out the terms and conditions of your appointment.

### **1. Terms of Appointment**

As an Independent Director, you are eligible to serve for a period of two term of 5 years each.

In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will serve as an Independent Director of the Board for a period of 5 years from the date of your appointment i.e from April 1, 2019 to March 31, 2024 unless terminated earlier or extended as per the provision of this letter or applicable laws.

As an Independent Director, you will not be liable to retire by rotation.

Your appointment is subject to the following:

During your tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Act and Regulation 25 of SEBI LODR stating that you meet the criteria of Independence.

- a. You shall not hold office as a Director or act as a Chairman or committee member in excess of the limit stipulated under the Act and the SEBI LODR.
- b. You will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
- c. You will ensure compliance with other provisions of the Act including the Code of Independent Directors as stipulated under Schedule IV and SEBI LODR as applicable to you as an Independent Director. Schedule IV of the Companies Act, 2013 which provides for the Code for Independent Directors is enclosed as "**Annexure A**".

Your re-appointment at the end of the first term shall be based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Board and the Shareholders.

## **2. Board and Committees of the Board**

The Board may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable provisions of the Act and SEBI LODR.

The Board meets at least four times in a year. The Audit Committee and Compliance Committee also meets at least four times in a year. The other committees of the Board are Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management and CSR & Sustainability Committee. These committees meet as and when necessary. The Board meetings are generally held in Mumbai and the General Meeting are held at the Registered Office of the Company.

You will be expected to attend the meetings of the Board and its Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties in commensurate with your role to discharge your duties effectively.

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

### **3. Duties and Responsibilities**

As an Independent Director, it is expected that you shall bring independence of view to the Board's discussions and help the board to exercise their best judgement to all Business decisions. You shall also assist the Board with valuable guidance in relation to the Company's plan and policy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.

As a Non-Executive Independent Director, you have the same responsibilities to the Company and its stakeholders as any other Director. There are certain duties prescribed in Section 166 of the Act for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

You shall act in accordance with the Company's Articles of Association.

- a) You shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
- b) You shall discharge your duties with due and reasonable care, skill and diligence.
- c) You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- d) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- e) You shall not assign your office as Director and any assignments so made shall be void.

### **4. Conflict of Interest**

As an Independent Director, you shall not engage in any business relationship or activity which might conflict with the interest of the Company.

In case of any potential conflict of interest, the Independent Director must at the earliest opportunity make full disclosure of all facts and circumstances and shall ensure that Company's interests are protected.

## 5. Provision of Directors' & Officers' Insurance

The Company has Directors' and Officers' insurance and it is intended that the Company will assume and maintain such cover for the full term of your appointment subject to the terms of such policy in force from time to time.

## 6. Code of Business Conduct & Ethics

You shall abide by the Code of Business Conduct and ethics, which is applicable to all the members of the Board and employees of the Company. The Code of the Business Conduct and Ethics is enclosed as an **"Annexure B"**.

## 7. Dealing in Shares

You will also abide by the "Code of Conduct to Regulate, Monitor and Reporting of Trading in respect of Securities of the Company (Insider Trading Code) prohibiting disclosure or use of unpublished price sensitive information. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Secretary. The Code of Conduct is enclosed as an **"Annexure C"**.

## 8. Remuneration

- a) As an Independent Director, you shall be paid sitting fees for attending the meeting of the Board of Directors and/or Committees thereof. The present sitting fees as determined by the Board is as follows :-
  - i) Board and Audit Committee Meeting: Rs.50,000/-
  - ii) Other Committee Meetings  
(except CSR & Sustainability Committee) : Rs.30,000/-
- b) In addition to the remuneration described above, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.
- c) The Directors are also paid a commission on an annual basis as may be determined by the Board for your overall engagement and contribution for the Company's business.

## **9. Confidentiality**

As an Independent Director, you must apply the highest standard of confidentiality and not disclose to any person or company (whether during the course of appointment or following cessation) any confidential information concerning the Company, which you may have acquired in the course of your role as Independent Director.

You shall not disclose or release any confidential information, which you may acquire or come across during your appointment to any third parties, either during your appointment or following cessation (by whatever means) without prior clearance from the Chairman unless the same is required by law or by the rules of any stock exchange or regulatory authorities.

## **10. Training/Familiarization**

- a. The Directors are provided with relevant literature such as Annual Reports, CSR and Sustainability Reports, Code of Conduct, etc. at the time of their appointment to familiarize them with the Company.
- b. Presentation are made at the Board and Committee meetings on economy & industry scenario, operational & financial performance of the Company, market share, risks & mitigation plans, initiatives on health & safety, CSR & sustainability, compliances, major litigation, regulatory scenario etc.
- c. The Directors will be invited to attend ongoing training, Directors Forum and familiarization sessions including site visits and market place.
- d. The Directors are provided with regular update on relevant regulatory changes and important legal cases. You may undertake appropriate induction to the Board and regularly update and your skill and knowledge.

## **11. Performance Evaluation**

The Company has adopted a policy on Board Evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. Your appointment and re appointment on the Board shall subject to the outcome of the yearly evaluation process.

## **12. Independent Professional Advice**

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

## **13. Disclosure of Concern/Interest**

The Company is required to disclose in its Annual Report, a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

## **14. Termination**

- a) You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board.
- b) Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013, SEBI LODR and the Articles of Association of the Company , from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- c) Your appointment may also be terminated in accordance with the applicable provisions of the law.

## **15. General**

This appointment letter is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts.

It is our pleasure to have you on our Board. I am confident that your association, expertise and advice will immensely benefit the Board of Directors and the Company.

Best Regards,

Yours sincerely,

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N. S. Sekhsaria  
Chairman of the Board

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signed:

Dated: