

## LETTER OF APPOINTMENT AS NON EXECUTIVE INDEPENDENT DIRECTOR

To,  
**Mr. / Ms.**

Dear Mr. / Ms. \_\_\_\_\_,

We, on behalf of Shiva Cement Limited ("SCL") write to inform that you are appointed as a Non-Executive Independent Director on the Board of Directors of SCL with effect from ..... in terms of the approval of your appointment by the Board of Directors and subsequent approval of the shareholders obtained at the Annual General Meeting held on ..... as per the provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

### **I. Appointment:**

- A.** Your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of Section 165 of the Companies Act, 2013 and the Clause 49 of the Listing Agreement.
- B.** The term Independent Director should be construed as defined under Section 149 of the Companies Act, 2013 and SEBI(LODR) Regulation 2015.
- C.** The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. Accordingly, you shall hold office for five consecutive years for a term up ..... The Company is at liberty to disengage Non Executive Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.
- D.** Your performance shall be evaluated by the Board annually.

### **II. Committees:**

The Board shall look forward to your active participation in the Board and Committee Meetings and facilitate to bring independent judgment to the Board.

### **III. Time Commitment:**

- A.** As a Non-Executive Director you are expected to bring objectivity and independence of view to the Board's discussions and to facilitate the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board and Audit Committee meetings are held atleast four times in a year. You will be expected to attend Board Meetings, Committee Meetings of the Board to which you are a member/may be appointed as a member and Shareholders' Meetings. You shall devote such time to your duties, as may be appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Mumbai.
- B.** 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.

#### **IV. Role and Duties:**

Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the Listing agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- i. You shall act in accordance with the provisions of the Companies Act, 2013, the Listing Agreement and Company's Articles of Association.
- ii. 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.
- iii. You shall discharge your duties with due and reasonable care, skill and diligence.
- iv. 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.
- v. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- vi. You shall not assign your office as Director and any assignments so made shall be void.

#### **V. Remuneration:**

You will be paid such remuneration by way of sitting fees for attending the meetings of the Board and its Committees as may be decided by the Board. Further, you will also be paid remuneration by way of commission as may be approved by the Board within an overall ceiling approved by the Shareholders.

The payment of sitting fees will be within the limits mandated under the Companies Act, 2013 and Rules made thereunder (as amended from time to time).

#### **VI. Reimbursement of Expenses:**

In addition to the remuneration described in above paragraph VI, 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.

#### **VII. Confidentiality:**

- All information acquired during your appointment is confidential and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory authorities. On reasonable request, you shall surrender any documents and other materials made available to you by SCL.

- This restriction shall cease to apply to any confidential information which may (other than reason of your breach) become available to the public generally.
- You acknowledge the need to hold and retain company information (in whatever format you receive it) under appropriately secure conditions
- You will not, except with the prior written consent of the Company, be in any way connected with or interested in any business in competition with that of the Company. This does not prevent you from holding equity or other securities in other companies, however it is expected that you will not serve on the Boards of competing companies.
- Your attention is also drawn to the requirements under the applicable regulations and the Shiva Cement *Limited- Code of Conduct for Board Members and Senior Management Executives*, and also *Shiva Cement Limited - Code of Conduct for Prohibition of Insider Trading* which concern the disclosure of price sensitive information and dealing in the securities of SCL. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements.

**VIII. Disclosure of Interest:**

The Company must include in its Annual Accounts 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.

**IX. 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 to the Board.
- B. Continuation of your appointment shall be subject to the Nomination Policy of the Company in force from time to time and is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- C. Your directorship on the Board of the Company shall terminate or cease in accordance with the provisions of the Companies Act, 2013, the Equity Listing Agreement and the Articles of Association of the Company. Without prejudice to the generality of the foregoing, your directorship on the Board of the Company would terminate if:
  - (i) your performance is found to be unsatisfactory

- (ii) you fail to make substantive contributions in your capacity as a member of the Board of the Company;
- (iii) your professional integrity is compromised or seen to be comprised;
- (iv) your conduct is unbecoming of a director of the Company;
- (v) you fail to meet the legal requirements applicable to an independent director of the Company, including with respect to who constitutes an 'independent director'

**X. Contract:**

It is agreed that this is a contract for services and is not a contract of employment. This agreement 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.

If you are willing to accept these terms of appointment relating to your appointment as a Non-Executive Independent Director of SCL, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

**Yours sincerely,**

For and on behalf of Shiva Cement  
Limited

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Managing Director/Whole-Time Director

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

Signed .....

Dated .....