

## RCC CEMENTS LIMITED

### DRAFT LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTORS

Date: \_\_\_\_\_

To,  
[insert name of Independent Director]  
[insert Address],

Dear Sir,

**Re: Your Appointment as the Independent Director of RCC Cements Limited.**

On behalf of RCC Cements Limited ("the Company"), I wish to inform you about your appointment as an Independent Director of the Company for five consecutive years. The terms of appointment which are set out below:

#### **A. Preliminary**

Your appointment is subject to the following:

1. 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 Companies Act, 2013("Act") stating that you meet the criteria of Independence.
2. So long as you are an Independent Director of the Company, the number of companies in which you hold office as a Director or a Chairman or Committee member will not exceed the limit stipulated under the Act and the Listing Agreement.
3. So long as you are an Independent Director of the Company, you will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
4. You will ensure compliance with other provisions of the Act and the Listing Agreement as applicable to you as an Independent Director.

#### **B. Term**

1. Your Appointment is for a term of 5 Consecutive years from the date of your appointment as per the provisions of Companies Act, 2013.
2. You may be reappointed for another term of upto five years subject to the provisions of the Companies Act, 2013 and/or Listing Agreement and subject to the approval of the Board of Directors and the Shareholders of the Company by a special resolution.

## **C. Code of Conduct and Duties and Responsibilities**

### **Code of Conduct**

During the appointment you are required to comply with the Code of Conduct for Independent Directors as provided in Schedule IV to the Companies Act, 2013, which inter-alia includes:

- I. Guidelines of professional conduct
- II. Role and functions
- III. Duties
- IV. Manner of appointment
- V. Re-appointment
- VI. Resignation or removal
- VII. Separate meetings
- VIII. Evaluation mechanism

You are also required to abide by:

- (a) Company's Code of Conduct for Directors; and
- (b) Company's Code of Conduct for Prevention of Insider Trading.

### **Duties**

Your roles and duties would be those required of a Non-executive Independent Director under the Companies Act 2013, which inter-alia include:

1. To act in accordance with the Company's Articles of Association.
2. To 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 interests of the Company, its employees, the Shareholders, the community and for the protection of environment.
3. To discharge your duties with due and reasonable care and diligence, skill and diligence and shall exercise independent judgment.
4. Not to involve yourself in a situation in which you have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
5. Not to achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
6. Not to assign your office as Director and if any, such assignment shall be void.

### **Responsibilities**

1. You are expected to:

- (i) take decisions objectively and solely in the interests of the Company;
  - (ii) facilitate Company's adherence to high standards of ethics and corporate behavior;
  - (iii) guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;
  - (iv) guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions;
  - (v) guide the Board in ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
2. You will not hold office as a Director or any other office in a competing firm/entity.
  3. You are expected to stay updated on how best to discharge your roles, responsibilities, and duties and liabilities, as an Independent Director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.

**D. Time Commitment**

As a Non-executive Director, you are expected to devote such time as may be considered prudent and necessary to perform your duties as an Independent Director. You are expected to attend the meetings of the Board/ Committees of the Board and of the Shareholders and to devote such time to your duties, as appropriate to discharge your duties effectively.

**E. Performance Evaluation**

Your reappointment or extension of term and your remuneration will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance evaluation carried out by the Board.

**F. Status of Appointment & Remuneration**

1. You will not be an employee of the Company and this letter shall not constitute a contract of employment.

2. At present, no remuneration by way of sitting fees or otherwise will be paid to you. However, if in future, the Board considers it expedient and desirable, you may be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees as may be decided by the Board on the recommendations of Nomination & Remuneration Committee.

You will not be entitled to stock options under Company's Stock Option Plan. You will not be entitled to any compensation for loss of office.

3. You will be entitled for reimbursement of the travel, hotel and other incidental expenses incurred by you in the performance of your role and duties as an Independent Director of the Company.

**G. Conflict of Interest**

During the term, you are required to promptly notify the any change in your directorships, appointments and interest in any manner whatsoever. In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment on your independence, this should be promptly disclosed to both the Chairman and the Company Secretary of the Company.

**H. Disclosure of Interest**

Any material interest that a Director may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that your interest is appropriately recorded and our records are updated. A general notice that you are interested in any contact with a particular person, firm or company is acceptable.

**I. Confidentiality**

1. All information acquired during your appointment is confidential to the Company 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 Body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.
2. Your attention is also drawn to the requirements under the applicable Regulations and the Company's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the Securities of the Company. 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 Company Secretary.

**J. Termination**

Notwithstanding other provisions of this Letter, the appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) of the Companies Act, 2013 and /or Listing Agreement with the Stock Exchanges where the Company is Listed or on occurrence of any event for vacation of office of Director of the Company as provided under Section 167 of the Companies Act, 2013.

**K. General**

1. This Letter and any non-contractual obligations arising out of or in connection with this Letter are governed by, and shall be construed in accordance with, the Laws of India, and the parties agree to submit to the exclusive jurisdiction of the courts in India.
2. Please confirm your agreement to the above by signing and returning the enclosed duplicate of this Letter.

Yours sincerely,  
For RCC Cements Limited

Signature: \_\_\_\_\_  
Name:  
Designation:  
DIN:

I have read and agree to the above terms regarding my appointment as an Independent Director of RCC Cements Limited.

Signature: \_\_\_\_\_  
Name:  
Designation:  
DIN:

Date:  
Place: