

SPECIMEN FOR LETTER OF APOINTMENT OF INDEPENDENT DIRECTORS

CIN : L26943RJ1976PLC001705

Date: [*]

To
Each Director Member

Sub: Appointment as an Independent Director of Mangalam Cement Limited.

Shri [Name of Director]

1. We are pleased to inform you that at 38th Annual General Meeting of Mangalam Cement Limited ('the Company') held on 13th September, 2014, the shareholders have approved your appointment as an Independent Director of the Company for a term of five consecutive years commencing from 13th September, 2014 upto the conclusion of the 43rd Annual General Meeting of the Company to be held in the year 2019, pursuant to and in compliance with Section 149 and other applicable provision(s) of The Companies Act, 2013 and Schedule IV thereto (the Act) and Listing Agreements with Stock Exchanges.
2. As an Independent Director, you are expected to devote such time as may be considered prudent and necessary to perform your duties as independent Director. You are expected to attend the meetings of the Board/Committees of the Board, to which you may be appointed and of the shareholders and to devote such time to your duties, as appropriate to discharge your duties effectively. As per the Schedule IV of the Companies Act, 2013 on Code for Independent Directors, the Independent Directors are required to hold at least one meeting in a year, without the attendance of non-independent director(s) and members of management. All Independent Directors shall strive to be present at the said meeting.
3. You as an Independent Director shall:
 - (i) help in bringing an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
 - (ii) bring an objective view in the evaluation of the performance of board and management;
 - (iii) scrutinise the performance of the management in meeting agreed goals and objectives and monitor the reporting of performance;
 - (iv) satisfy yourself on the integrity of financial information and that financial controls & the systems of risk management are robust and defensible;
 - (v) safeguard the interests of all stakeholders, particularly the minority shareholders;
 - (vi) balance the conflicting interest of the stakeholders;
 - (vii) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management; and
 - (viii) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholders interest.

4. You will devote such time to discharge your duties as an Independent Director as specified in the Code for Independent Director under Schedule IV as reproduced below:
- (i) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
 - (ii) seek appropriate clarification or amplification of information and where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
 - (iii) strive to attend all the meetings of the Board of Directors and of the Board Committees of which you are a member;
 - (iv) participate constructively and actively in the committees of the Board in which you are a member;
 - (v) strive to attend the general meetings of the Company;
 - (vi) where you have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
 - (vii) keep yourself informed about the Company and the external environment in which it operates;
 - (viii) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
 - (ix) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
 - (x) ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
 - (xi) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
 - (xii) acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and
 - (xiii) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
5. You may be nominated on one or more committees of the Board. You are currently nominated on the following committees:
- a) [*]
 - b) [*]
 - c) [*]
 - d) [*]

You are required to perform your duties as Chairman/members of the aforesaid committee(s) in accordance with the terms of reference and respective charters of the said committees. In the event that you are also asked to serve on one or more of the other Board Committees, this will be covered in a separate communication setting out the relevant committee's terms of reference and any specific responsibilities.

During the appointment you are required to comply with the Company's Code of Conduct, Mangalam Cement Limited Code of Conduct for Prohibition of Insider Trading for Prevention of Insider Trading and such other requirements as the Board of Directors from time to time specify. You shall continue to maintain your independence and make requisite disclosure of interest or concern in any company etc., including shareholding and changes therein as prescribed under the Act.

6. During your tenure as Independent Director on the Board of Company you shall not;
 - (i) Indulge in unethical practices.
 - (ii) Accept any extraneous considerations that will vitiate the exercise of objective of independent judgment.
 - (iii) Abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
 - (iv) Indulge in any action that would lead to loss of your independence.
7. You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid setting fees as per the provisions of Section 197 (5) of Companies Act, 2013 and rules thereof for meetings of the Board and its Committees as may be decided by the Board from time to time. Further, you will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time within the limits as provided in Section 197 of the Companies Act, 2013.
8. In addition to the remuneration described in paragraph 7, 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.
9. It is accepted and acknowledged that you have disclosed your business interests in writing in the prescribed form other than those of the Company and that there are no conflicts that are apparent at present.

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 that you are independent, this should be disclosed to both the Board and the Secretary.

10. You must apply the highest standards of confidentiality, and not disclose to any person or company (whether during the course of the Appointment or at any time after its termination), any confidential information concerning the Company which has come to your possession by virtue of your position as Independent Director. All information pertaining to the business and affairs of the Company acquired during your tenure as Independent Director is confidential to Mangalam Cement Limited and should not be disclosed to third party(ies) without prior consent from the executive director of the Company unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall return to the Company, any document and other materials containing information(s) confidential to Mangalam Cement Limited.
11. As a member of the Board, your performance shall be evaluated annually. Evaluation shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.
12. In line with provisions of Code for Independent Director under Schedule IV as specified in the Companies Act, 2013, the Company will make public specimen copy of the terms and conditions of your appointment on its website and also be open for inspection at the registered office of the Company by any member.
13. The Company has taken a Directors and Officers Liability Insurance Policy to indemnify you for bonafide actions taken in connections with discharge of your fiduciary duties and liabilities under the Act, as a Director of the Company.

14. (a) You may resign from your position at any time and should you wish to do so, you are requested to serve a notice to the Board.

(b) Notwithstanding other provisions of this Letter, the appointment may be terminated in accordance with the provisions of 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 or on occurrence of any event for vacation of office of Directors of the Company as provided under Section 167 of the Companies Act, 2013. You will not be entitled to any compensation if the shareholders do not re-elect you at any time.

15. The terms and conditions of your appointment are governed by and will be interpreted in accordance with Indian Laws and your engagement shall be subject to the jurisdiction of the courts at Calcutta. Please note that this is not a contract of employment.

Please confirm your agreement to the above by signing and returning to us the enclosed duplicate of this Letter.

Yours sincerely

For **Mangalam Cement Limited**

Executive Director

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

Date:

[Name of the Director]
Director