

June 25, 2021

Mr Jose Maria Alapont
Flat 10, St. Jame's Chambers
Ryder Street
London SW1Y 6QA

Dear Alapont,

Re-appointment as an Independent Director of Ashok Leyland Limited

On behalf of the Board of Directors ("Board") of Ashok Leyland Limited ("Company"), I take immense pleasure in informing you that based on the recommendation of the Nomination and Remuneration Committee, the Board at the meeting held on June 24, 2021 has approved your re-appointment as an Independent Director of the Company for the second term, subject to the approval of the shareholders at the ensuing Annual General Meeting and in terms of the applicable provisions of the Companies Act, 2013, ("the Act"), its relevant Rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Your re-appointment and other terms and conditions are subject to Company's policy, Articles of Association of the Company, the relevant and applicable provisions of the Act read with Schedule IV of the Act and Rules made thereunder and SEBI Listing Regulations, as amended from time to time and as in force.

TERMS AND CONDITIONS:

RE-APPOINTMENT:

- a) You have been re-appointed as an Independent Director on the Board to hold office for the second term of 5 years effective from January 25, 2022 to January 24, 2027 subject to the approval of the shareholders, unless otherwise terminated earlier by either side in terms of Section 168 or Section 169 of the Act, as applicable. As an Independent Director you will not be liable to retire by rotation.
- b) You will strictly abide by the Code for Independent Directors detailed in Schedule IV of the Act. The Schedule IV is enclosed to this letter - **Annexure A**.
- c) The Board, to derive benefit out of your rich and varied experience, may request and nominate you to serve on one or more Committees of the Board during your tenure, subject to your confirmation.

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d) The Board expects you to dedicate sufficient time and attention towards the business affairs of the Company and participate actively/ constructively in:

- All meetings of the Board;
- Committee(s) in which you are a member or Chairperson;
- General meetings of the Company; and
- Meetings of the Independent Directors.

ROLE:

- a) In addition to the role specified under Schedule IV of the Act, you are expected to bring an independent judgment to the Board's deliberations.
- b) You are further expected to provide an objective view in the evaluation of performance of Board and Management and further scrutinize the performance of Management in meeting agreed goals and objectives.

DUTIES:

- a) You will adhere to the below mentioned Duties as specified under Section 166 of the Act in addition to the duties mandated under Schedule IV of the Act:
 - (i) Subject to the provisions of this Act, you shall act in accordance with the Articles of Association of the Company.
 - (ii) You shall act in good faith 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.
 - (iii) You shall exercise your duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
 - (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 and if found guilty of making any undue gain, you shall be liable to pay an amount equal to that gain to the Company.

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ASHOK LEYLAND LIMITED

Registered & Corporate Office: No.1, Sardar Patel Road, Guindy, Chennai - 600 032, India | T : +91 44 2220 6000 | F : +91 44 2220 6001
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(vi) You shall not assign your office.

b) In addition to the above, you shall abide by the Code of Conduct devised by the Company for the Board.

LIABILITIES:

a) As an Independent Director of the Company you shall have the same responsibility like any other Director on the Board. However you shall be held liable, in respect of such acts of omission or commission of the Company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.

FEES/ COMMISSION/REIMBURSEMENT OF EXPENSES:

a) Subject to the provisions of the Act and Articles of Association of the Company, you will be paid a Sitting fee of Rs.1,00,000/- for attending every meeting of the Board as a Director. Further you will also be paid the applicable sitting fee for attending every meeting of the Committee(s) of the Board, in which you are nominated as a member. The Sitting fee payable shall be amended by the Board from time to time as it may deem appropriate, subject to the overall ceiling as prescribed in the Act/Rules as in force.

b) You shall be paid travelling and other out of pocket expenses incurred in attending and returning from meetings of the Board or of any Committee thereof or in connection with the business of the Company. You are required to submit details of expenses together with appropriate receipts so incurred to the Company Secretary.

c) In addition to the above, you shall be paid Commission, subject to your performance been reviewed and cleared by the Nomination and Remuneration Committee and the Board, subject to the approval of the shareholders as relevant and required, subject to overall limits as specified in Section 197 of the Act and its related and applicable rules as in force.

d) You shall not be entitled to Stock Options that may be issued by the Company in future. However if the law permits for issuance Stock Options to the Independent Directors then the same will be considered by the Nomination and Remuneration Committee and Board for issuance to the Independent Directors and as per eligibility.

e) During your tenure of re-appointment as an Independent Director, the Company may seek your professional advice/ service if required on certain issues whenever appropriate, at the Company's expense.

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- f) All payments that are made by the Company viz., Sitting Fees, Commission and any other professional service as agreed, will be subject to deduction of applicable tax as prevalent as per the Income Tax laws of India as in force at the time of payment.

INSURANCE:

The Company will use its best endeavors to maintain appropriate Directors' and Officers' (D&O) liability insurance during your tenure as an Independent Director of the Company.

OTHER COMPLIANCES:

- a) During your tenure as an Independent Director you will comply with all applicable and related provisions of the Act, SEBI Listing Regulations (including any statutory or other modifications or re-enactments thereof) and any other applicable law or regulation in force.
- b) You are requested to maintain the limits of Directorship/ Committee membership/and Chairmanship as required under Section 165 of the Act read with the applicable rules made thereunder and as per SEBI Listing Regulations. Further you shall inform the Company about appointment/cessation of Directorship / Committee membership or change in interest in the requisite format, as prescribed under the Act.
- c) At the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect your status as an Independent Director, you are required to give a declaration to that effect confirming that you meet the criteria of Independence (as required under Section 149(6)/149(7) of the Act). Further you are required to confirm that you are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact your ability to discharge your duties with an objective independent judgment and without any external influence (as required under Regulation 25(8) of the SEBI Listing Regulations).
- d) You are requested to furnish disclosure of interest to the Company as required under Section 184 and 164 (2) of the Act as well as avoid any conflicts.
- e) You shall be required to attend the meeting(s) of Independent Directors and discuss the agenda as provided in Schedule IV of the Act.
- f) During your tenure with the Company in case you get disqualified as provided in Section 164(1) of the Act, you are requested to intimate the Company.

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- g) You are requested to ensure that the conditions as prescribed under Section 167 of the Act are not attracted resulting in vacation of your office.
- h) You are also requested to enroll yourself to the data bank of Independent Directors and appear for such tests and other requirements, as may be required for the continuation as an Independent Director, from time to time, as required under the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable laws, as amended from time to time.

SKILL DEVELOPMENT:

On an ongoing basis, the Company/HR department will decide for you to develop and refresh your skills and knowledge in areas which we mutually identify as being likely to be required, or of benefit to you, in carrying out your duties effectively. You shall endeavor to make yourself available for any relevant training sessions which may be organised by the Company in this regard.

CONFIDENTIALITY:

- a) You acknowledge that all information acquired during your re-appointment is confidential to the Company and should not be released, communicated, nor disclosed either during your re-appointment or following termination (by whatever means), to third parties without prior clearance from the Board of the Company.
- b) Your attention is drawn to the requirements under the law, applicable regulations and the Company policy towards disclosure of unpublished price sensitive information. You shall abide by the 'Code of Conduct to regulate, monitor and report trading by insiders' adopted by the Company and strictly avoid making any statements that might risk a breach of these requirements without the prior clearance from the Company Secretary.
- c) Upon termination of your re-appointment with the Company (for whatever cause), you shall deliver to the Company all documents, records, papers or other Company property which may be in your possession or under your control, and which relate in any way to the business affairs of the Company, and you shall not retain any copies thereof.

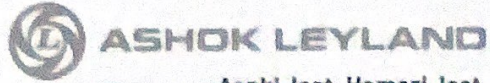
REVIEW PROCESS:

- a) Your performance as an Independent Director will be evaluated by the Board as per the evaluation criteria laid down by the Nomination and Remuneration Committee of the Company.

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PUBLICATION OF LETTER OF RE-APPOINTMENT:

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.

In terms of Schedule IV of the Act and subject to the approval of shareholders, your letter of re-appointment will be hosted on the Company's website www.ashokleyland.com and the same shall be open for inspection at the Registered Office of the Company by any member during normal business hours.

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

With regards,

Yours sincerely,

Dheeraj G Hinduja
Chairman

Encl: a/a.

I have read and agreed and accepted the above terms and conditions regarding my re-appointment as an Independent Director of Ashok Leyland Limited.

Jose Maria Alapont

DIN: 07712699

Place:

Date:

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