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# TECHNOLOGY AND KNOW-HOW AGREEMENT

BETWEEN

Holcim Technology Ltd

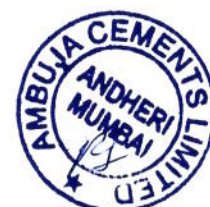
and

Ambuja Cements Limited



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## PARTIES

### On one side

**Holcim Technology Ltd**, a corporation duly incorporated and existing under the laws of Switzerland with registered office at Zürcherstrasse 156, 8645 Jona, Switzerland (**hereinafter referred to as "Holcim"**)

### and on the other side

**Ambuja Cements Limited**, a company duly incorporated and existing under the laws of India with registered office at P.O. Ambujanagar, Tal Kodinar, Dist Gir-Somnath, Gujarat, India and having its Corporate Office at Elegant Business Park, MIDC Cross Road B, Off Andheri - Kurla Road, Andheri (East), Mumbai 400 059, India, (**hereinafter referred to as the "Company"**)

(Holcim and the Company hereinafter jointly referred to as "Parties" and individually as "Party")

## RECITALS

- I. **WHEREAS**, both Parties belong to the LafargeHolcim Group, which is operative in the business of manufacturing and sale of cementitious materials and rendering allied services to all Group Companies.
- II. **WHEREAS**, Holcim has, or has access to, valuable experience and expertise and possesses secret and valuable methods, systems and processes in relation to the research, development, testing, production, conditioning and marketing of the Products. Moreover, Holcim is either the owner or has otherwise a contractual entitlement to use and license various intellectual property rights and other materials that are valuable for the Company in connection with the manufacture of the Products and such intellectual property rights, other materials and related services, which are to be provided by the Holcim, are inextricably linked to each other.
- III. **WHEREAS**, in order to capture the best practices and technology available within the LafargeHolcim Group, both Parties intend to set up a uniform structure and within the framework of this new contractual structure, Holcim agrees to implement this Agreement.
- IV. **WHEREAS**, the Company is already engaged in the business of manufacturing and distributing the Products in the Territory and has successfully run and developed the business in the Territory but it feels that the business of the Company can be further advanced with new technology and know-how which can be available from Holcim. For these reasons, the Company is interested in obtaining a licence to use the Business Concept and IP-Rights from Holcim, which shall enable the Company to increase its production base & to achieve higher standards of proficiency similar to those achieved by Holcim Group.
- V. **WHEREAS**, Holcim has agreed to provide on a non-exclusive basis the Business Concept (involving valuable technical know-how, services & expertise) and the Company is interested in being provided the Business Concept, so that both Parties hereto wish and intend to enter into this Technology and Know-How agreement according to which Holcim shall make the Business Concept available to the Company which shall also help the Company in sustaining and enhancing its business model and the Company shall pay an appropriate consideration for it.





**NOW THEREFORE** in consideration of the mutual covenants and agreements hereinafter contained and for other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the Parties hereto) the Parties covenant and agree each with the other as follows:

## 1. DEFINITIONS

Agreement	means this technology and know-how agreement including all exhibits
Applicable Laws	means any statute, treaty, law, code, regulation, ordinance, rule, judgment, order, decree, bye-law, approval of any governmental authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law, by any governmental authority having jurisdiction over the matter in question, whether in effect as of the execution date of this Agreement or at any time thereafter and applicable to the Party concerned.
Business Concept	means a bundle of inseparably linked intangible rights and intangible property which, when used all together in the manner in which it has been done directly or indirectly by LafargeHolcim Group in the past, results in a precise and defined business operation model. The components of the Business Concept are Technology and Know-How and other rights as further specified in section 5.0 read with Exhibit 2
Effective Date	means 1 January 2018
Fee Rate	means the percentage as specified in Exhibit 1
Group Company	means any company belonging to the LafargeHolcim Group
LafargeHolcim Group	means LafargeHolcim Ltd, in Switzerland, and all companies controlled by it. Control of a company means (a) the power, direct or indirect, to direct or cause the direction of the management and policies of such company whether by contract or otherwise; or (b) the ownership, directly or indirectly, of more than 50% of the voting securities or similar right of ownership of such company.
Ind AS	Indian Accounting Standards as applicable in the case of the Company & used for reporting financials statements & related information in India
IP-Rights	means Technology and Know-How and other rights as specified in section 5.0 read with Exhibit 2
Know-How	a package of non-patented practical information resulting from research, study, experience and testing, which is (i) secret, that is to say, not generally known or easily accessible, (ii)

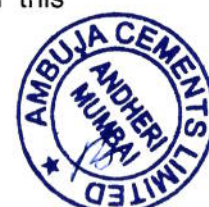


	substantial, that is to say, significant and useful for the development, manufacturing and commercialization of Products and (iii) identified and benefit of further research and knowledge which may be available with Holcim on the Effective Date or any other later date
Net Sales	<p>means the net sales of the Products of the Company as per Ind AS financials as reduced by all discounts, whether or not netted off or debited to sales, and shall not include -</p> <p>(i) sale of scrap and discarded inventory;</p> <p>(ii) Inter-company sales within the Holcim Group.</p> <p>It is clarified that sales to Holcim Group entities meant for and to the extent of corresponding actual sales to the third parties will form part of 'Net Sales'.</p> <p>The 'Net Sales' computation shall be certified by a Practicing Chartered Accountant.</p>
Practicing Chartered Accountant	means a person who is a member of the Institute of Chartered Accountants of India, holding a certificate of practice granted under the provisions of the Chartered Accountants Act, 1949 and is in practice either individually or in partnership with chartered accountants in practice
Products	means cementitious materials, launch new businesses in India including aggregates and manufactured sand, water proofing chemical, digitally enabled processes for operations and customer acquisition and retention and affiliated retail inter-alia as well as related services
Subsidiary	means any subsidiary of the Company within the meaning of section 2 (87) of the Companies Act, 2013
Technology	means technology and other technology-related intellectual property rights and includes all valuable patented and unpatented expertise, secret and valuable methods, systems processes which would, directly or indirectly, result in expansion of production base and which may be available with Holcim on the Effective Date or any other later date.
Territory	means Republic of India

## 2. SCOPE OF THIS AGREEMENT

Holcim grants to the Company and its Subsidiaries during the term of this Agreement the non-exclusive licence to use the Business Concept and IP Rights (involving valuable technical know-how, services & expertise) within the Territory for the operation of the Company's and Subsidiaries's business including necessary support & help in sustaining and enhancing its business model.

This Agreement outlines the terms and conditions under which the Company shall remunerate Holcim for granting the licence to use the Business Concept and IP-Rights as well as for the respective rights and obligations of both Parties under the terms of this Business Model.





### 3. TERRITORY

The licence to use the Business Concept and IP-Rights is granted for the Territory.

### 4. VALIDITY

This Agreement shall be valid as from the Effective Date and shall remain in force for a period of three years unless terminated earlier in accordance with section 19 hereunder, whichever is earlier.

### 5. BUSINESS CONCEPT

#### General Provisions

The object of this Agreement is to grant to the Company the licence to use the Business Concept and IP-Rights, which is a bundle of intangible rights and property which, when used all together in the manner in which it has been done by Holcim Group in the past, results in a precise and defined business operation model.

Without limiting the generality of the foregoing statement and just for the sake of clarity, the Business Concept shall include *inter alia* the following elements:

- (i) Technology,
- (ii) Know-How.

Holcim shall provide the Company with a detailed description of technology and know-how, services etc. to be provided by Holcim to the Company under this Agreement which may be updated from time to time as may be found necessary and the same are summarized in 'Exhibit 2' to this Agreement.

#### General Limited License

Holcim hereby grants to the Company during the term of this Agreement a limited license on the IP-Rights and Business Concept to the extent, and only to the extent, which is necessary to enable Holcim to exercise its rights effectively and fulfil its obligations under this Agreement.

### 6. REMUNERATION

As a consideration for the licence to use the IP-Rights and Business Concept, granted hereby, the Company commits to remunerate Holcim with a fee (hereinafter referred to as "the Technology and Know-How Fee") to be calculated in accordance with the following formula:

<b>Technology and Know-How Fee = Net Sales * Fee Rate</b>
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The Fee Rate has been agreed upon in accordance with the applicable circumstances in effect at the time of execution of this Agreement, which circumstances might change in the future.

The Company shall pay fees only with respect to its own 'Net Sales'.

### 7. PAYMENTS

The payment of the Technology and Know-How Fee shall be made by the Company to Holcim on a quarterly basis, namely in accordance with the following rules:



- (i) Term: Within 15 (FIFTEEN) days as from the last day of a calendar quarter the Company will submit to Holcim a quarterly statement (hereinafter "the Quarterly Statement") for the foregoing calendar quarter containing the amount of its Net Sales accompanied by a calculation of the corresponding Technology and Know-How Fee.
- (ii) Transfer Instructions: Not later than 15 (FIFTEEN) days as from the date of the Quarterly Statement, the Company shall pay to Holcim the amount due corresponding to the Quarterly Statement. All payments shall be made in *Swiss francs* by wire transfer to a bank account to be specified by Holcim and duly communicated to the Company.
- (iii) Exchange Control Clearance: All payments to be made under this Agreement shall be subject to Applicable Laws including any foreign exchange laws. The Company shall be responsible to obtain all required governmental clearances in the territory in order to make any and all payments to Holcim under this Agreement.
- (iv) Taxes: All amounts payable by the Company to Holcim under this Agreement may be reduced with withholding (or representative) tax (and related obligations), levy or similar governmental charge that may be leviable or assessed by the Indian tax authorities. The Company shall promptly furnish Holcim with the official receipt of payment of this withholding income tax. Subject to this exception, the Company will pay all other local taxes, levies or similar governmental charges.

## 8. COMPANY'S RIGHTS AND OBLIGATIONS

### Exercise of Rights

The Company has the licence to use the Business Concept and IP-Rights during the term of validity of this Agreement. Furthermore, the Company acknowledges and agrees that the rights granted in this Agreement applies only in connection with Products and any related activities which the Company carries out as inherent to such sales of Products. The Company shall take all necessary actions to ensure that its exercise of rights is compatible with the internal processes and procedures of the Holcim Group which enable Holcim to track and document the value of the IP-Rights granted as well as the value of the Business Concept as a whole.

The Company hereby undertakes to exercise its licence to use the Business Concept and the IP-Rights in a manner which is not detrimental for the business and/or the reputation of Holcim and the Holcim Group. The Company shall act in line with all Applicable Laws and regulations as well as Holcim Group's corporate policies and directives, such as (but not limited to) Code of Conduct, Fair Competition Directive and Anti – Bribery & Corruption Directive.

### Use of IP-Rights

The Company commits to use all intellectual property which is inherent to the Business Concept (a minimum to the extent required by law for the maintenance of the valid registration (if applicable) and the survival of the IP-Rights. The Company acknowledges and agrees that the rights granted in this Agreement for the use of the IP-Rights apply only to their use in connection with the Products or manufacturing or other business processes.

All use of the IP-Rights shall conform fully with all written policies, standards and instructions of Holcim supplied to the Company from time to time. The Company may not use the IP-Rights in a manner, which would injure the reputation or goodwill of Holcim or the Holcim Group. The Company further agrees that it will not use the IP-Rights for activities, products and services, other than those related to the Products.





The Company hereby agrees that any use of the IP-Rights by the Company outside the terms and conditions of this Agreement is and shall be deemed as infringement of Holcim's rights.

## **9. HOLCIM'S RIGHTS AND OBLIGATIONS**

### Provision of Information

Holcim undertakes to provide the Company with all rights and information which are necessary or convenient in order to enable the Company the exercise of its rights in accordance with this Agreement.

### Coaching and Business Support

Holcim undertakes hereby to provide the Company, upon the Company's request, with the necessary training and coaching of personnel, which might be required for the Company being in a position to properly exercise the licence to use the Business Concept and IP-Rights as set out in this Agreement. Moreover Holcim will render to the Company appropriate business support to ensure the Company's ability to conduct its business in accordance with the Business Concept, and for these purposes, Holcim shall make available to the Company the appropriate resources.

## **10. OWNERSHIP OF BUSINESS CONCEPT**

Holcim hereby represents and warrants to the Company that it is the owner or has otherwise the right to use and license the Business Concept and in particular the IP-Rights and all goodwill associated therewith. The Parties expressly agree that except as provided in this Agreement, the Company acquires no right, title or interest in the Business Concept or the IP-Rights. The Company shall not in any manner represent that it has any ownership interest in the Business Concept or the IP-Rights or applications thereof. The Company may not at any time dispute or contest, directly or indirectly, the validity, ownership or enforceability of the Business Concept or any of the IP-Rights, nor directly or indirectly attempt to dilute the value of the goodwill attached to the Business Concept or any of the IP-Rights.

## **11. REGISTRATION OF THE COMPANY AS REGISTERED USER**

Should the registration of the Company as registered user of all or some of the IP-Rights be possible, necessary or convenient in any public or private register, the Company agrees, upon request by Holcim made at any time after the execution of this Agreement, to join Holcim or any Group Company appointed by Holcim in applying such registration as registered user or any analogue registration in respect to the IP-Rights or a part of them. The Company agrees to execute all documents and do all acts necessary or convenient to obtain such registration, as well as any documents, which might be necessary for the variation, completion or cancellation of such registration.

The Company shall not at any time during the term of this Agreement or at any time after its termination use its capacity as registered user of the IP-Rights to do any act or assist any person in doing any act which may in any way invalidate, impair or prejudice the rights or title of Holcim, whichever nature these rights might have, in the IP-Rights.

## **12. OTHER MARKETING INTANGIBLES**

As far as registered or registrable, the Company undertakes hereby not to register any portion of the Business Concept, including but not limited to the IP-Rights, confusingly similar thereto. Any application or registration in breach of this section shall endure to the benefit of and be beneficially owned by Holcim. The Company shall assign to Holcim at its own expense all rights, title and interest in any such application or registration.





### **13. QUALITY CONTROL, INSPECTION & REPORTING**

#### Quality Control

The Company applies in the conduct of its business high quality standards prevailing in the sector and consistent with that quality standard maintained by Holcim in connection with comparable businesses. It shall use in the future appropriate quality control systems and procedures adequate to ensure that it fulfils its obligations under this Agreement.

#### Inspection

In case of founded doubts by Holcim about the Company's effective compliance with the quality standards prevailing in the Holcim Group, Holcim or its authorized agents shall have the right at any time to inspect the Company's activities under this Agreement, the performance thereof and any relevant documents, materials and records related to the Products in order to determine whether the Company has complied with its obligations under this Agreement.

### **14. INFRINGEMENT BY UNAUTHORIZED PERSONS**

The Company agrees to promptly notify Holcim of any conflicting use or any act of infringement or passing off which comes to its attention involving the Business Concept or the IP-Rights or any variation or imitation thereof by unauthorized persons. This obligation to notify, together with a general obligation to support Holcim in any effort made in connection hereto, shall constitute the Company's main obligation in connection with third parties' infringement of Holcim's proprietary rights on the Business Concept or the IP-Rights.

Holcim shall, at its own expense, have the right to engage in proceeding involving the IP Rights or to take such steps as may be necessary in order to terminate such improper use by unauthorised persons.

### **15. COMPANY'S INFRINGEMENT OF THIRD PARTIES' RIGHTS**

The Company agrees to immediately give notice to Holcim of any action involving the Business Concept or the IP-Rights that is threatened or is instituted by any person against the Company and to allow Holcim to undertake the defence of any such action. This obligation to notify, together with a general obligation to support Holcim in any effort made in connection hereto, shall constitute the Company's only obligation in connection with third parties' actions related to the Company's infringements.

Further, Holcim shall indemnify the Company, its subsidiaries & the directors, employees and agents of the Company & its Subsidiaries, from and against any claims, losses, damages, costs or expenses incurred by any of them, that may arise due to infringement of any third parties' intellectual property rights, during the use of the Business Concept or IP-Rights provided by the Holcim under this Agreement.

### **16. CONFIDENTIALITY**

Both Parties acknowledge that by virtue of this Agreement they may have direct or indirect access and acquire knowledge of the other Party's confidential information. Both Parties undertake hereby to hold in confidence all and any information and not to use, disclose, reproduce or dispose of any information to third parties without the prior approval of the other Party except when required to be disclosed under Applicable Law.

For the avoidance of doubt Group Companies are not third parties.



The confidentiality obligation shall be valid for a period of 5 years beyond the termination date of this Agreement.

## 17. TRANSFERABILITY

This Agreement and all rights and obligations arising here from shall not be transferred by either Party to a third party without the express previous consent from the other Party, which shall be in writing.

## 18. LIMITATION OF LIABILITY

Each Party shall fulfill its obligations under this Agreement with due care and state of the art diligence.

Each Party assumes liability for personal damages and damages to property according to the mandatory Applicable Laws.

Each Party agrees to defend, indemnify and hold harmless, without any limitation, the other Party from and against any damages, liabilities, claims, costs and expenses (including reasonable attorneys' fees) related to the gross negligence or wilful misconduct in the performance or non-performance of this Agreement.

Except as set forth above, neither Party shall be liable, whether in contract, tort (including negligence or strict liability) or any other legal or equitable theory, for consequential damages such as but not limited to business interruption or lost revenue, profits or sales, loss of information and data, or for any special, incidental or punitive damages.

## 19. TERMINATION

### Ordinary Termination

Notwithstanding the fixed duration of this Agreement either Party may at any time and in its sole discretion terminate this Agreement by serving a prior written termination notice of 6 (SIX) months to the other Party.

### Extraordinary Termination

This Agreement may be terminated with immediate effect by either Party for cause. Without limiting the generality of the foregoing statement, and just with explanatory effect, this Agreement may be terminated by either Party with immediate effect in the following cases:

- (i) if the other Party is in an insolvency, bankruptcy, winding-up or similar situation or in any other legal situation which might lead thereto;
- (ii) if the other Party is no longer a Group Company.

## 20. CONSEQUENCES OF TERMINATION

Upon the proper termination of this Agreement for any reason whatsoever, the Company shall immediately cease to have a licence to use the Business Concept and the IP-Rights and shall, forthwith upon request by Holcim, sign all documents and take such actions as may be necessary to cancel any registration in whatsoever register of the Company as a user of the IP-Rights. Further, the Company shall return to Holcim, at the sole discretion of Holcim, all materials which have been provided by Holcim.

Any terms in this Agreement which by their nature extend beyond the termination of this Agreement will remain in effect until fulfilled.





## 21. ENTIRE AGREEMENT

This Agreement and its Exhibits constitute the entire agreement between the Parties in connection to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions with respect to the subject matter hereof whether written or oral. Except as provided in this Agreement and its Exhibits, there are no conditions, representations, warranties, undertakings, promises, inducements or agreements whether direct or indirect, collateral, expressed or implied made by Holcim to the Company.

No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by authorized signatories of Holcim and the Company.

## 22. OTHER CONTRACTUAL RELATIONSHIPS BETWEEN THE PARTIES

The Parties hereto acknowledge that they have or may have in the future other contractual relationships between them. It is both Parties' interest and intention that the different contractual relationships between the Parties are kept separated from each other and that the matters regulated in this Agreement shall in no way be affected by any term or condition other than those set forth in this Agreement.

## 23. SEVERABILITY

The invalidity or unenforceability of any provision or any covenant of this Agreement in any jurisdiction shall not affect the validity or enforceability of such provision or covenant in any other jurisdiction or of any other provision or covenant hereof or herein contained and any invalid provision or covenant shall be deemed to be severable. The Parties shall negotiate in good faith in order to replace the provision declared invalid or unenforceable with a new provision, valid and enforceable, which preserves the original intention of the Parties.

## 24. SUCCESSORS AND ASSIGNEES

This Agreement shall endure to the benefit of and be binding upon Holcim and the Company and their respective legal representatives, successors and permitted assignees.

## 25. INDEPENDENT PARTIES

The Company is and will at all times remain an independent party of Holcim and is not and shall not represent itself to be the agent, joint venturer or partner of Holcim. No representations will be made or acts taken by the Company which could establish any apparent relationship of agency, joint venture or partnership and Holcim shall not be bound in any manner whatsoever by any agreements, warranties or representations made by the Company to any other person or with respect to any other action of the Company. No acts of assistance given by Holcim to the Company shall be construed to alter this relationship.

## 26. COSTS AND TAXES

### Costs

All costs related to the implementation of this Agreements and the execution of any actions therefore, such as but not limited to the Company's registration in any relevant register, renewal procedures thereof or whatsoever governmental fees, shall be borne by the Company.



## Taxes

Without prejudice of section 7 (iv) above, Holcim shall be completely responsible for any taxes now or hereafter imposed on Holcim with respect to the transactions contemplated hereunder, and the Company shall be completely responsible for any taxes now or hereafter imposed on the Company (except withholding tax, tax as representative assessee of Holcim, and related obligations) with respect to the transactions contemplated hereunder. Both Parties hereto commit to closely collaborate with each other in connection with any formality that might be required by any tax authority to ensure the recovery of any withholding tax which might apply to any of the Parties on the payments foreseen under this Agreement.

## 27. FORCE MAJEURE

Neither Holcim nor the Company shall be liable in damages, or shall be subject to termination of this Agreement by the other Party, for any delay or default in performing any obligation hereunder if that delay or default is due to any cause beyond the reasonable control and without fault or negligence of that Party, provided that, in order to excuse its delay or default hereunder, a Party shall notify the other of the occurrence or the cause, specifying the nature and particulars thereof and the expected duration thereof, and provided, further, that within 15 (FIFTEEN) calendar days after the termination of such occurrence or cause, that Party shall give notice to the other Party specifying the date of termination thereof. All obligations of both Parties shall return to being in full force and effect upon termination of such occurrence. or cause.

For the purposes of this Agreement, a "cause beyond the reasonable control" of a Party shall include, without limiting the generality of the phrase, any act of God, act of any government, industrial dispute, fire, explosion, flood, riot, or war (declared or undeclared).

## 28. NON-WAIVER AND CUMULATIVE RIGHTS

The failure of either Party to exercise any right, power or option given hereunder or to insist upon the compliance with the terms and conditions hereof by the other Party shall not constitute a waiver of the terms and conditions of this Agreement with respect to that or any other or subsequent breach thereof nor a waiver by the non-exercising Party of its rights at any time thereafter to require strict compliance with all terms and conditions hereof including the terms or conditions with respect to which non-complying Party has failed to exercise such right or option. The rights of each Party hereunder are cumulative.

## 29. NOTICES

All notices, consents and approvals permitted or required to be given hereunder shall be deemed to be sufficiently and duly given if written and delivered personally or sent by courier or transmitted by facsimile transmission or other form of recorded communication tested prior to transmission, to the addresses set at the beginning of this Agreement.

Any notice so given shall be deemed to have been received on the date of delivery if sent by courier, facsimile transmission or other form of recorded communication, as the case may be. Either Party from time to time by notice may change its address for the purposes of this Agreement.

## 30. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the substantive laws of Switzerland excluding principles as to conflict of laws.





### 31. ARBITRATION

All disputes arising in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by a majority of three arbitrators appointed in accordance with said rules. Arbitration shall take place in Zurich, Switzerland and language of arbitration shall be English. Any arbitration award rendered pursuant to this section shall be final and binding on the Parties and shall not be subject to appeal, and shall be enforceable at any court of competent jurisdiction.

### 32. FURTHER ASSURANCES

The Parties hereto agree to do or cause to be done all acts or things necessary to implement and carry into effect this Agreement to its full extent, including company internal approvals, any kind of public deed or official document which could be required according to the laws of Switzerland or to the laws applying to the Company.

This Agreement is subject to approval by the shareholders of the Company in general meeting.

Both Parties take note that the payment of the Technology and Know-How Fee may be subject to governmental approvals or registrations in the Territory. The Company shall with best efforts undertake to have this Agreement duly approved/registered by the Effective Date.

If this Agreement is not executed by the Effective Date, the Company shall accrue the Technology and Know-How Fee and effect the payment upon approval/registration of this Agreement.



**IN WITNESS THEREOF** the Parties hereto have entered into this Technology and Know-How Agreement on the date and at the place set hereunder and have executed it in two originals, both of them together constituting one and the same document.

***For Holcim:***

DATED, \_\_\_\_\_ 2018.

**HOLCIM TECHNOLOGY LTD**

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**Géraldine Picaud**  
Vice Chairman of the Board of Directors

**Urs Bleisch**  
Member of the Board of Directors

***For the Company:***

DATED, \_\_\_\_\_ 2018

**AMBUJA CEMENTS LIMITED**

Signed by: Ajay Kapur  
Title: **Managing Director & CEO**





## EXHIBIT 1: FEE RATE

The Fee Rate payable by the Company to Holcim shall be set at the lower of:

**a) 1% (ONE PERCENT) of Net sales of the Company in each financial year as determined in terms of Paragraph 6 of these presents**

or

**b) Such rate as may be determined by the Bilateral Advance Pricing Authorities of India and Switzerland under which applications have been filed by Company and Holcim to confirm the arm's length rate for the Fee (application still pending with the authorities)**



## EXHIBIT 2 – TECHNOLOGY, KNOWHOW & SERVICES

Holcim shall provide to the Company and its subsidiaries, the technology and know-how, services & expertise which shall include the following non-exhaustive list. This includes Technology and Know-How acquired by Holcim from the legacy Lafarge Group such as Plant Operating Model (POM), Industrial Fixed Cost Initiative (IFC) or the introduction of high-sulfur petcoke in the clinker production process. It is clarified that the scope of this Agreement shall not cover (a) services in relation to Large CAPEX Projects (Projects with total capital expenditure of more than Swiss Franc 200 millions) and (b) senior executive training by 3<sup>rd</sup> parties, which shall be invoiced separately by Holcim or the relevant Group Company.

### Cement & Project Management and Engineering

Holcim shall provide the Company with the additional and unique value as Holcim (Cement & PM&E) has operational data of cement plants worldwide captured within the databases representing 30 years of experience on these plants. This will help the Company with a clear advantage when they need to optimize production output, increase the quality or reduce costly downtime of the cement plants. The key functions under CMS would be:

- 1) General and on demand support to the Company like standard tools and procedures, process innovation and performance analysis.
- 2) Building Cost Effective Plants by reducing energy intensity, optimising fuel mix and use of Alternate Fuels and Raw Materials (AFR)
- 3) Operating Plants Efficiently
- 4) Leading Technological Development
- 5) Knowledge Management
  - All solutions and IP developed by Holcim will be stored in the global database as well as libraries, communities of practices (“COPs”) and database platforms.
  - Holcim Asset Code (“HAC”) or similar asset code is of significant value to the Company as every asset is monitored and can be replaced quickly if needed

### Commercial and Marketing

Holcim’s mission of Commercial and Marketing is to ensure commercial excellence throughout the Group by providing and sharing best-in-class expertise combined with customized, on-demand support to the Company in the following areas:

- 1) Product and Solution Management
- 2) Price and Sales Force Management
- 3) Customer Excellence

To build and strengthen knowledge and skills in the commercial field, commercial trainings are organized for the Company in all relevant key areas:-

- Segmenting – Targeting – Positioning;
- Service Management;
- Product Management;
- Pricing;
- Customer Management; and
- Channel Management.





## Sustainable Development

- 1) Performance Measurement:
  - AFR, Climate Change, Environment and Social Responsibility Indicators as published in the annual Sustainable Development Performance Data;
  - AFR Certification;
  - Use of 'Geocycle' brand & methodology to provide for environmentally sound waste management solutions to the waste market, best practices of re-use, recycling & co-process to provide AFR to cement production, continuous emission monitoring system & ISO certification, quality control, adequate safety standards Co-processing as Technology;
  - Internal Corporate Social Responsibility ("CSR") Questionnaires per OpCo to be completed and submitted by all Companies yearly;
  - Benchmarking Tool (Environmental Index); and
  - CSR Benchmark Report.
- 2) Knowledge Management:
- 3) Fostering a safe working environment

Health and Safety (H&S) remains a top priority for LafargeHolcim. The health and safety of employees, contractors, third parties and visitors is fundamental to business success.

The overall goal of H&S at Holcim is "Zero Harm to People". Holcim applies H&S standards and directives, define organizational accountabilities, provide necessary resources and training, manage performance and minimize risk to employees, contractors, visitors and the community.

## Information and Knowledge Management

Knowledge Management comprises access to the following elements as:

- Libraries/ databases;
- Committees, conferences (e.g. ITCG, VESTA or similar conferences);
- Networks and CoPs;
- Training and development; and
- Best practices (including business process recommendations).

## Innovation

Innovation focuses mainly on:

- Innovate in collaboration across LafargeHolcim and with external partners;
- Support innovation in Group Companies and functions;
- Facilitate multiplication of innovative solutions; and
- Support Group Companies in capturing added value from optimized Products.

- 1) Innovation for cost efficiency

- In developing innovation for cost efficiency, Holcim helps the Company to reduce their operating costs, leading to sustained increased profit.



## 2) Innovation Fields

In order to substantiate the Innovation Strategy, Holcim focuses its resources on following Innovation Fields, where potential opportunities for Holcim are expected:-

- Integrated market solutions;
- Low carbon solutions;
- Low energy solutions;
- Lean/clean efficient operations;
- Waste/recycle opportunities;
- New/material functionalities
- Digital.

### **Procurement**

Procurement aims to build a knowledge hub, sharing knowledge and expertise to provide a competitive advantage to the Company. It also ensures a professional approach in planning and target setting, raising the standards and credibility of procurement by the Company and providing added value to the Company.

Procurement shall assist the Company throughout the entire process of supplier selection by the following;

- Transfers market know-how and experience to the OpCos;
- Extensive KPI (Key Performance Indicator) reporting activity with the Company to track benefits and efficiencies delivered, which provides a benchmark group-wide to steer further improvement initiatives;

Provision of AFR & Geocycle Consulting & Advisory Support, Development & Qualification Support on Suppliers from Emerging Markets to the Holcim local group companies in the Asia-Pacific Region.

