

- Insert Date
- Insert name of the Director
- Insert Address

Dear Sir/ Madam,

We are pleased to inform you that pursuant to the provisions of Section 149 and Schedule IV of the Companies Act, 2013, the Board of Directors of Amol Dicalite Limited has appointed yourself as an Independent Director of the Company.

The purpose of this letter is to inform you about the new provisions related to the Independent Director (ID) introduced under the new Companies Act, 2013. The Companies Act, 2013 specifically defines the roles, duties, liabilities and the manner of appointment of IDs on the Board and various committees of the Company. The newly enacted Companies Act, 2013 and the recent amendment by SEBI to the Listing Agreement require that a Company should issue appointment letter to all its Independent Directors.

**1. Term of Office:**

Your appointment has been made for a term of 5 years i.e. for a term up to the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019. Your appointment is subject to confirmation by the shareholders in the ensuing annual general meeting of the Company. You shall not be liable to retire by rotation as per the relevant provisions of the Companies Act, 2013 and Listing Agreement.

**2. Committees**

The Board of Directors may, if it deems fit, invite you for being appointed on one or more existing Board Committee or any such Committee that will be set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

**3. Commitments :**

As an Independent Director, you will be expected to devote such time as is necessary for the proper performance of duties and as an Independent Director you will be involved in the Board and Committee meetings each year. You should strive to attend all the schedule quarterly board meetings, general meetings and committee meetings.

As an Independent Director you should strive to hold and present in at least one meeting in a year without the presence of non-independent directors and members of management with the sole objective of:

1. Review performance of non independent directors in the Board as whole.
2. Review the performance of the Chairperson of the Company, taking in to account the views of executive directors and non executive directors.
3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform the duties.

The Company shall provide you with adequate notice of the dates of proposed

board meetings, general meetings and meetings of the board committees as per the provisions of the Companies Act, 2013.

#### **4. 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:

1. You shall act in accordance with the Company's Article of Association
2. You shall acting good faith in order to promoter the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
3. You shall discharge your duties with due and reasonable care, skill and diligence.
4. You shall not involve yourself in a situation in which you may have a director in direct interest that conflicts, or possibly may conflict, with the interest of the Company.
5. You shall not achieve or attempt to achieve any un due gain or advantage either to yourself or to your relatives, partners or associates.

You are required to abide by the “Code for Independent Directors” as provided in Schedule IV of the Companies Act, 2013 and Code of Conduct of the Company.

#### **5. Disclosures:**

You shall be required to submit certain information in the prescribed forms on a defined periodicity. Company Secretary shall be the coordinating officer for this.

You are required to disclose to the Company your interest and any matters (excluding those matters which may be subject to legal professional privilege) which affect your independence.

During your tenure as independent director, you are required to give a declaration that you meet the criteria of independent every financial year as provided under Section 149 of the Companies Act, 2013.

#### **6. Directors' Fees:**

You shall be paid sitting fee as decided by the Board from time to time for attending the each meeting of Board as well as Committee meeting attended by you, as per the provision of Section 197 of the Companies Act, 2013 and the Articles of Association of the Company.

The Company shall reimburse you all travelling, hotel and other incidental expenses properly and reasonably incurred by you in performance of duties as per provisions of the Companies Act, 2013 in conjunction with the Company rules and policies.

As an Independent Director, you shall not be entitled to any stock option and shall not be covered by any pension scheme.

7. **Confidentiality:**

All information acquired during your appointment is confidential to Company 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 exchanges or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

Your attention is also drawn to the requirements under the applicable regulations and the Company Share Dealing 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 Secretary.

Thanking you,

Yours faithfully,  
For Amol Dicalite Limited

Chairman & Managing Director