



**HIMADRI CHEMICALS  
& INDUSTRIES LIMITED**  
MFGR. OF: COAL TAR BY - PRODUCTS

Date: September 25, 2014

To

Mr. SANTIMOY DEY  
VILL+ PO-KAIKALA,  
PS-HARIPAL,  
DIST. -HOOGHLY.  
PIN-712405

Dear Sir

Re: Letter of Appointment as Independent Director

On behalf of the Company I write to inform you that you have been appointed as a Non-Executive Independent Director of the Company in terms of Section 149 (6) of the Companies Act, 2013 with effect from 24-09-2014 for a period of five consecutive years. The terms and conditions of the Appointment, which shall be subject to the Articles of Association of the Company, are set out below:

**A. Term of Appointment**

The Appointment has been made for a term of 5 consecutive years from 24-09-2014, but shall be eligible for reappointment for another one term of 5 consecutive years on passing of a special resolution by the Company.

Notwithstanding the other provisions of this Letter, the Appointment may be terminated at any time in accordance with the provisions of the Articles of Association of the Company or the provisions for the removal of directors under the Companies Act, 2013.

Upon termination or upon your resignation for any reason, you will not be entitled to any damages for loss of office and no fee will be payable to you in respect of any unexpired portion of the term of the Appointment.

**B. Expectations of the Board from you:**

You will devote such time to the affairs of the Company as is required by you to perform your duties as Independent Director. By accepting the Appointment, you confirm that you will be in a position to allocate sufficient time to meet the expectations of your role.





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### C. Role, functions 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:

- a. You will act in accordance with the Articles of the company.
- b. You will 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.
- c. You will exercise your duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- d. You will not involve 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.
- e. You will not achieve or attempt to achieve any undue gain or advantage either to yourself or any of your relatives, partners, or associates.
- f. You will not assign the office of director of the company except where specifically permitted under the Companies Act, 2013 or rules made thereunder.
- g. You will comply with duties as specified under Schedule IV of the Companies Act, 2013 and other applicable provisions of the Companies Act or under any other statutory enactments, as may be applicable.
- h. You would also comply with the following internal policies of the Company:
  - a. Code of Conduct
  - b. Code of Conduct on Prohibition of Insider Trading
  - c. Whistle Blower Policy

### D. Liabilities

You as an Independent Director shall be held liable, in respect of such acts of omission or commission by Company, which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently.





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**E. Other terms and Conditions:**

- (i) You will submit a declaration in the beginning of every financial year under section 149 (7) of the Companies Act, 2013 ("the Act") during your tenure confirming whether you meet the criteria of Independence.
- (ii) You will promptly inform the Board about any change in the status of your independence.
- (iii) Being 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
- (iv) You will strive to attend all the meetings of the Board as well as the committees in which you have been inducted as member/chairman.
- (v) You will ensure compliances with other provisions of the Act and the listing agreement as applicable to you as an Independent director.

**F. Remuneration**

- (i) **Sitting Fees:** You will be entitled for sitting fees for attending each meeting of the Board and its committees, if any, as may be determined by the Board from time to time.
- (ii) **Reimbursement of Expenses:** You will be entitled for reimbursement of expenses incurred by you in connection with attending the Board meetings, Committee meetings, general meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses.
- (iii) **Other Remuneration:** You may be paid such other remuneration, commission or sharing of profit as may be decided by the Board upon recommendation of the Nomination and Remuneration Committee subject to the approval of the shareholders.
- (iv) **Directors and Officers Liability Insurance:** You may be covered under the Directors and Officers Liability Insurance as may be obtained by the Company from time to time.
- (v) Pursuant to applicable law, you will not be eligible for any stock options granted to the employees of the Company;





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**G. Confidentiality:**

You will have access to confidential information whether or not the information is marked or designated as "confidential" or "proprietary", relating to the Company and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc. client information, intellectual property rights (including trade secrets), ("Confidential Information").

You shall use reasonable efforts to keep confidential and to not disclose to any third party, such confidential Information.

If any Confidential Information is required to be disclosed by you in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.

**H. Performance Evaluation**

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

You are requested to kindly convey your acceptance by signing this letter and return a copy to the Company.

Yours faithfully

**For Himadri Chemicals & Industries Limited**

*B. L. Choudhary*



**Agreed and Accepted**

Signature: 