

## **SPECIMEN APPOINTMENT LETTER OF INDEPENDENT DIRECTORS**

To,

**Sub: Appointment as Non-Executive Independent Director under the Companies Act, 2013.**

Dear Sir,

We are pleased to inform you that the members of the Company, at the 50<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> September, 2014, have passed a resolution for your appointment as an independent director of the Company, pursuant to the provisions of the Companies Act, 2013.

As per the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreements with Stock Exchanges ("Listing Agreement"), your appointment is being formalized through this letter. Please note that this is a contract for service and is not a contract of employment.

### **1. Term of Appointment**

**1.1** Your appointment will be for a term of 5 (five) consecutive years commencing from 10<sup>th</sup> September, 2014 i.e., the conclusion of 50<sup>th</sup> annual general meeting till the conclusion of the 55<sup>th</sup> annual general meeting of the Company to be held in the calendar year 2019. This tenure is subject to your meeting the criteria for being independent director and not being disqualified to continue to be a director under the applicable laws, rules, regulations and the Listing Agreement.

**1.2** As an independent director, the provisions for retirement by rotation at the annual general meetings of the Company shall not apply to you.

### **2. Disqualifications**

**2.1** Section 164 of the Companies Act, 2013 provides that a person is not eligible for appointment as a director of a company if he suffers from any of the disqualifications specified in the said section.

**2.2** You would ensure that you do not attract any of the disqualifications as specified in section 164 of the Companies Act, 2013. In case you attract any disqualifications, you shall forthwith inform in writing to the Chairman about the same.

### **3. Independence**

**3.1** The Board of Directors of the Company inter alia has given due consideration to your declaration of being qualified as 'Independent' in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement. You are expected to continue to be qualified as 'Independent' during your tenure and provide periodic declaration to the effect as required by regulations. If circumstances change and you

believe that it may not be possible for you to retain your independence, you shall intimate the same to the Company forthwith.

**3.2** You will be identified as 'independent director' in the annual report and other documents and publications of the Company.

#### **4. Role on the Board**

**4.1** You are expected to provide your expertise and experience inter alia in the fields of strategy planning, business planning and development, risk management and other matters brought before the Board/its Committees. You are expected to invest your time for preparatory work and travel, and ensure that you are in a position to make the necessary overall time commitment and positive contribution for the deliberations at the meetings of the Board/its Committees.

**4.2** You are currently nominated on the following Committees of the Board whose terms of reference have been provided to you:

- a) Chairman/Member of the Audit Committee
- b) Chairman/Member of the Nomination and Remuneration Committee
- c) Chairman/Member of Stakeholders Relationship Committee
- d) Chairman/Member of Corporate Social Responsibility Committee

The Board of Directors has authority to make changes in the composition of the Committees of Directors and accordingly your membership is liable to change. You may be appointed on any other Committees of Directors.

#### **5. Duties and Liabilities**

**5.1** Your duties and liabilities as independent director shall be governed by the applicable laws, rules, regulations, the Listing Agreement, Company's policy and the Articles of Association of the Company.

**5.2** The laws that currently govern the duties and liabilities of an independent director are contained in the Companies Act, 2013 (including Rules thereunder) and the Listing Agreement, some of which are specifically outlined below:

- a) Section 166 of the Companies Act, 2013, which lays down the duties of the Directors, including independent director;
- b) Clause 49 of the Listing Agreement as applicable to independent directors;
- c) The Code for Independent Directors as contained in Schedule IV to the Companies Act, 2013;
- d) You are required to make disclosure of your interest as per the requirements of Section 184 of the Companies Act, 2013 and not

participate in the discussion in a meeting on business in which you are interested.

**5.3** You will be held liable only in respect of such acts of omission or commission by the Company which have occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.

**5.4** You shall not serve as independent director in more than seven listed companies. If you are a whole-time director in any listed company, you may serve as independent director in not more than three listed companies.

## **6. Code of Conduct and Ethics**

**6.1** You will follow the Company's Code of Conduct and Ethics and furnish an annual affirmation of the same.

**6.2** You will apply the highest standards of confidentiality, and not disclose to any person (whether during the course of the tenure as Independent Director or at any time after its cessation), any confidential information concerning the Company or any person which may come to your knowledge/into your possession by virtue of your position as a Director, except as required or permitted by law or with prior clearance from the Chairman.

## **7. Prohibition on Insider Trading/Forward Dealings**

**7.1** You will follow the Company's Code of Conduct for Prevention of Insider Trading and the requirements under the Companies Act, 2013 and SEBI Regulations, which inter-alia requires that price-sensitive information relating to the Company is not used or transmitted and is maintained securely.

**7.2** You should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman of the Company or the Secretary.

**7.3** You should not discuss the deliberations at meetings of the Board or any Committee thereof with any third parties or disseminate any of such deliberations or decisions made at any such meeting.

**7.4** Section 194 of the Companies Act, 2013 prohibits a director from making forward dealings in securities of the company or its holding, subsidiary or associate companies and Section 195 prohibits a director from entering into any insider trading in the Company's securities.

## **8. Evaluation Processes**

Your performance evaluation shall be carried out by the Board of Directors annually, without your participation. You will participate in

reviewing the performance of non-independent directors and the Board as a whole, performance of the Chairman and other independent directors.

**9. Technology**

**9.1** You may give your consent by advance notification to the Chairman or Company Secretary to participate in any meeting(s) of the Board or Committee of Directors, when necessary through video conferencing or other audio visual means, except for matters not to be so dealt under the Companies Act, 2013.

**9.2** When necessary, you can also participate through telephone, electronic mail or any other technology which permits you to communicate with every other Director, though such participation would not be reckoned as attending the meeting under the Companies Act, 2013.

**10. Availability of Directors and Officers Liability Insurance**

The Company has obtained Directors and Officers Liability Insurance Policy and it is intended to maintain such cover for the full term of your appointment. A photocopy of the current policy is enclosed for your information.

**11. Remuneration and Reimbursement of Expenses**

**11.1** You will be entitled to sitting fee for attending the meetings of the Board or Committees thereof either personally or through video conference or other visual means as may be decided by the Board of Directors. The fee payment shall be subject to applicable tax deduction at source. Currently, the sitting fees are as follows:

Sr. No.	Particulars	Sitting Fees per Meeting (Amount in `)
1.	Board of Directors Meeting	20,000
2.	Audit Committee of Directors Meeting	20,000
3.	Nomination and Remuneration Committee of Directors Meeting	20,000
4.	Stakeholders Relationship Committee of Directors Meeting	10,000
5.	Corporate Social Responsibility Committee of Directors Meeting	10,000

**11.2** In addition to sitting fees, you will also be entitled to remuneration, as approved by the Board of Directors, within the overall limits approved by the shareholders and subject to the applicable legal provisions. Payment of the said remuneration shall be subject to applicable tax deducton at source.

**11.3** You will be entitled to reimbursement of expenses incurred by you for participation in the Board, Committee and members' meetings.

**11.4** As provided in Section 149 (9) of the Companies Act, 2013, you will not be entitled to any stock option which may be offered by the Company.

## **12. General**

**12.1** All the terms as mentioned above including your appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder and Corporate Governance requirements under the Listing Agreement, as amended from time to time.

**12.2** This letter and any other non-contractual obligations arising out of or in connection with this letter and your directorship are governed by and shall be construed in accordance with the laws of India and the provision of Listing Agreement and subject to the exclusive jurisdiction of the Courts of India.

**12.3** In line with the provisions of Schedule IV to the Act, your individual letter of appointment will be open for inspection by any member and the Company will also post the generic copy of this letter on the Company's website [www.excelcropcare.com](http://www.excelcropcare.com)

We look forward to your continued valued participation in the Board/Committees deliberations and successful guidance to the Company.

Please confirm your acceptance of the letter by signing and returning the second copy of this letter.

Yours Faithfully,  
For **EXCEL CROP CARE LIMITED**

**(A. C. SHROFF)**  
**Chairman**

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I confirm, accept and agree to the terms of my appointment as an Independent Director as set out in this letter.

**[Independent Director]**