

(On the letterhead of the Company)

**LETTER OF APPOINTMENT**

**To**  
**Mr.**

\_\_\_\_\_

Dear Sir,

We are pleased to inform you that the Board of Directors of the Company in its meeting held on \_\_\_\_\_ has appointed you as a Non-executive **Independent Director** of the Company w.e.f. \_\_\_\_\_.

The terms and conditions of your appointment are as follows:

**1. Appointment**

You have been appointed for a consecutive period of 5 (five years) till 31<sup>st</sup> March, 2019. Your appointment as a Non-Executive Independent Director on the Board of Directors of the Company is subject to shareholders' approval in the general meeting. You will not be liable to retire by rotation.

**2. Committees**

2.1 You have been appointed as the Chairman / Member in the following Committees of the Board of the Company as mentioned below:

<b><u>Name of Committees</u></b>		<b><u>Designation</u></b>
Audit Committee	-	Member
Nomination and Remuneration Committee-		Member
Stakeholder's Relationship Committee	-	Chairman
Share Transfer Committee	-	Member
Share Allotment Committee	-	Member

2.2 Further, the Board, as and when required, may invite you for being appointed on one or more existing Board Committees or any such Committee as may be constituted during the tenure of your appointment. Your appointment on such Committee(s) would be subject to the applicable provisions & regulations.

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### **3. Expectations**

- 3.1 As a Non-Executive Director you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial integrity and corporate governance.
- 3.2 You are expected to attend the Board and its Committees meetings in which you are appointed and Shareholders meetings, as may be required to devote your time to such duties, as appropriate for you to discharge the same effectively.
- 3.3 You should strive to be present at the separate meeting of the Independent Directors to be held atleast once in every financial year, without the presence of Non-Independent Directors and members of the Management, to carry out the agendas as prescribed under Schedule IV of the Companies Act, 2013 and the listing agreement.

### **4. Roles, Functions and Duties**

Your roles and duties will be those as prescribed for Non-Executive Independent Director under Schedule IV of the Companies Act, 2013 and the listing agreement. Certain duties which are fiduciary in nature shall include but not limited to the following:

- I. You should act in accordance with the Company's Articles of Association.
- II. You should 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 interest of the Company.
- III. You should undertake appropriate induction and regularly update and keep yourself well informed with the Company and the external environment in which it operates.
- IV. You should discharge your duties with due and reasonable care, skill and diligence.
- V. You should neither be engaged in, nor do any act in which you may have a direct or indirect interest that may possibly conflict with the interest of the Company and/or which is in contrary with the status of being an Independent Director of the Company. (Please refer to clause 7 for full explanation on conflict of interest).
- VI. You should not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VII. You should not assign your office as Director and if any such assignments if so made shall be considered as void.
- VIII. You should ascertain and ensure that the Company has an adequate and functional Vigil Mechanism (Whistle Blower Policy).
- IX. You should pay attention in safeguarding the interests of all the stakeholders, particularly the minority shareholders and balance the conflicting interest of the Stakeholders.
- X. You should assist the Company in implementing the best Corporate Governance practices.

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In addition to the above requirements applicable to all Independent Directors, your role should involve the following key elements:

**Independent Judgement:** You should help in bringing an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct.

**Performance:** You should help in evaluating and scrutinizing the performance of the Board and the management in the meetings, as per agreed goals and objectives;

**Risk:** You should satisfy yourself on the integrity of the financial information and controls and systems of risk management be robust and defensible;

**People:** You, along with other Non-Executive Independent Directors are responsible for determining appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and other Senior Management personnel and should have a prime role in appointing and wherever necessary should recommend the removal of the Executive Directors, Key Managerial Personnel and other Senior Management personnel and also in succession planning;

**Reporting:** You should take the responsibility for the processes for accurately reporting on performance and the financial position of the Company.

**Compliance:** You should keep governance and compliance with the applicable legislation and regulations under review and in conformity of the Company's practice to the accepted norms.

## **5. Sitting Fees/Remuneration**

You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees only for meetings of the Board and its Committees as may be decided by the Board in terms of the applicable provisions of the Companies Act, 2013 and Rules made there under.

The Company may also pay the Remuneration under section 197 (1) of the Companies Act, 2013 subject to the approval of members in the General Meeting.

## **6. Reimbursement of Expenses**

6.1 In addition to the remuneration as described in paragraph 5 as above, the Company will, during your continuation as a Director, reimburse you for travelling and accommodation and any other incidental expenses incurred by you for the performance of your roles and duties on actual basis.

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6.2 There may be occasions when you may consider necessary to obtain independent professional advice to discharge your duties as an Independent Director. The Company will reimburse the entire cost of expenditure incurred for the purpose in accordance with the Company's policy.

## **7. Disclosure of Interest**

7.1 It is accepted and acknowledged that you may have business interests other than those of the Company. Therefore, as a condition to your present appointment as Independent Director of the Company, you are required to disclose your concern or interest in any such other Companies or Body Corporate, firms, or any other association of individuals which shall also include your shareholding/ interest in such Body Corporate / firms, to the Board in writing at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, in the form as prescribed under the Companies Act, 2013.

7.2 In case that you are in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered or to be entered by the Company, you shall disclose the nature of such concern or interest in the meeting of the Board in which the contract or arrangement is discussed and shall not participate in that discussion. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

7.3 In the circumstance that seems likely to change and might give rise to a conflict of interest which may lead the Board to judge your independency on Board. This should be disclosed to both the Board of Directors and the Company Secretary at the earliest but not later than the Meeting of the Board held after such change.

## **8. Insurance**

The Company has not undertaken any insurance for Independent Director as of now. You will be informed as and when the Company decides for the same.

## **9. Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be disclosed, either during your appointment or subsequent to termination (by whatever means) to third parties without prior approval from the Board of Directors of the Company unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you should surrender all documents and other materials made available to you by the Company.

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Your attention is also drawn to the requirements under the applicable regulations and the Company's prohibition of insider trading Code which concerns 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 Company Secretary.

#### **10. Evaluation**

The performance evaluation of independent directors shall be done by the entire Board of Directors of the Company, excluding the Director being evaluated. This evaluation process will be carried out on an annual basis. Your appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

#### **11. Termination**

- a. In case you wish to resign any time during your continuance as an Independent Director, it is desirable that you would to serve a reasonable written notice on the Board.
- b. Continuation of your appointment is contingent on you getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force. You will not be entitled to compensation for the same in either case.

#### **12. Governing Law**

This appointment is governed by and will be interpreted in accordance with the Companies Act, 2013 and the Listing Agreement as may be amended from time to time.

You are requested to please accept these terms of appointment relating to your appointment as a non executive Independent Director of the Company and kindly confirm your acceptance of these terms by signing and returning a copy to us, as enclosed with this letter.

Thanking You,

Sincerely Yours,

**For Dollar Industries Limited**

**Vinod Kumar Gupta**  
**Managing Director**

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I hereby acknowledge receipt of and accept the terms set out in this letter.

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Date : \_\_\_\_\_