

## LETTER OF APPOINTMENT

Date: [•]

Dear Mr. [•],

We thank you for your confirmation to **Hatsun Agro Product Limited** (hereinafter referred to as 'the Company') that you meet the "independence" criteria as envisaged in Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and also for your consenting to hold office as a Director of the Company.

We are writing to confirm that the Board and the Members have approved your appointment as an Independent Director on the Board of Directors of **Hatsun Agro Product Limited** with effect from 1<sup>st</sup> April, 2014. This letter of appointment sets out the terms and conditions covering your appointment, which are as follows:

### **1. Appointment**

- 1.1 You will be appointed as a Non-Executive Independent Director on the Board of Directors of the Company for five years with effect from 1<sup>st</sup> April 2014. Your appointment is subject to the extant provisions of the Companies Act, 2013, as amended from time to time.
- 1.2 The term "Independent Director" should be construed as defined under the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.
- 1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors as are consistent with the Companies Act, 2013. The Company is at liberty to disengage a Non-Executive Independent Director earlier subject to compliance of the relevant provisions of the Companies Act, 2013.
- 1.4 As an Independent Director you are not liable to retire by rotation.

### **2. Professional Code of Conduct**

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:

- You shall act in accordance with the Company's Articles of Association.
- You shall 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.
- You shall discharge your duties with due and reasonable care, skill and diligence.
- You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. Please refer to clause 7 for full explanation on conflict of interest.
- You shall not assign your office as Director and any assignments so made shall be void.

There are certain roles, functions duties prescribed for all Independent Directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. You shall abide by the said 'Code of Conduct for Independent Directors' as amended from time to time to the extent relevant and applicable to your role. The present code is annexed hereto as Annexure A.

### **3. Remuneration**

- You will be paid sitting fees for attending each meeting of the Board and its committees as may be determined by the Board from time to time
- You will be entitled to 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.

### **4. Conflict of Interest**

- It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.
- In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that you are independent, this should be disclosed to both the Chairman and the Secretary.

### **5. Code of Conduct**

- You shall abide by the Code of Conduct for Directors as approved by the Board of Directors.
- You shall abide by the Guidelines of professional conduct, Role, Function and Duties as an independent director as provided in Schedule IV of the Companies Act, 2013

### **6. Compliances**

You will follow the Company's Code for Prevention of Insider Trading and the requirement of Companies Act, 2013 and SEBI Regulations regarding insider trading, which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely

A declaration of Independence as specified under the Act and Listing Agreement shall be submitted by you in the beginning of every financial year during your tenure confirming whether you are meeting the criteria of Independence and shall promptly inform the Board of any change in the status of your independence with the Company.

You are also required to comply with the applicable SEBI insider trading laws and regulations.

### **7. Insurance**

You shall be covered/ indemnified as per the policy of the Company.

## **8. Disclosure of Interest**

It is expected that any interest you may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

## **9. Termination**

- You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board.
- Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to any compensation if the shareholders do not re-elect you at any time.
- Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company.

Yours Sincerely,

**For Hatsun Agro Product Limited**

**Chairman and Managing Director**