

Oriental Aromatics

**TERMS AND CONDITIONS OF
INDEPENDENT DIRECTORS**

Revised on 29th June, 2020

Date: _____

To

Sub: Terms and conditions of Appointment of Independent Directors

Dear Sir

We are pleased to inform you that Members of the Company have, at the ____ Annual General Meeting (AGM) held on _____, approved your appointment as an Independent Director of the Company with effect from _____ for the term of 5 consecutive years, as per the provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013.

The terms and Conditions of the appointment, shall, in any event be subject to the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and the Articles of Association of the Company. The broad terms and conditions of your appointment as Independent Directors are reproduced hereunder:

1. TERMS OF APPOINTMENT:

The term “**Independent Director**” should be construed as defined under Section 149 of the Companies Act, 2013.

You will serve as Non-Executive Independent Director not liable to retire by rotation, on the Board of Directors of the Company for a term of 5 (five) years with effect from _____.

Re-appointment for another term of maximum period of five years at the end of the current term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders by way of Special Resolution. The re-appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria, subject to the applicable provisions of the Companies Act, 2013 and Listing Regulations in this regard.

Your term of appointment shall be valid and remain in force as long as and to the extent it is not inconsistent with any of the provisions of the Companies Act, 2013 or any other statutory modification or re-enactment thereof, if any of Government Guidelines, and Articles of Association as may be applicable in this regard.

2. COMMITTEES:

You will continue as a Member/Chairman in the following Committees w.e.f _____

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders Relationship Committee
- iv. Corporate Social Responsibility Committee

The Board shall look forward to your active participation in the board and Committee Meetings and facilitate to bring independent judgment to the Board. The Board may reconstitute the composition of any/all Committees, from time to time, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on other Committees of the Board.

3. EXPECTATION OF THE BOARD:

i. Time Commitment:

As a Non-Executive Independent Director you are expected to bring objectivity and independence of view to the Board's discussion and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuing high standards of financial probity and corporate governance.

ii. Disclosures, other Directorships and Business Interests:

During the Term, you shall promptly notify the Company of any change in your Directorships and provide such other disclosures and information as may be required under the applicable laws. You shall upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, promptly disclose the same to the Company. During your Term, you shall also promptly provide a declaration under Section 149 (7) of the Act, upon any change in circumstances which may affect your status as an Independent Director.

You shall along with the declaration under section 149(7) also submit the declaration to the Board of Directors under regulation 25(8) of Listing Regulations that you are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact your ability to discharge your duties with an objective independent judgment and without any external influence.

4. ROLE, DUTIES AND LIABILITIES:

Your role and duties will be those normally required of Non-Executive Independent Director under Companies Act, 2013. There are certain duties prescribed for all Directors both Executive and Non-Executive, which are fiduciary in nature which is as under:

- i. You shall discharge your duties with due and reasonable care, skill and diligence.
- ii. 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 interest of the Company.
- iii. 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 interest of the Company.
- iv. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- v. You shall not disclose any confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the board or required by law.
- vi. You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements, you are requested not to serve on the Board of such Company which has defaulted in payment of dues to Government, Bank and institutions. You are also required to discharge the duties, roles and functions as applicable to Independent Directors as

stated under Schedule IV to the Act, as in force and as may be amended from time to time. While performing such duties, roles and functions, you will be required to abide by the 'Guidelines of Professional Conduct' as stated under the said Schedule. 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 where you have not acted diligently.

5. CODE OF CONDUCT:

During the tenure of your appointment, you are required to comply with the code of conduct adopted by the Board of Directors and to comply with Schedule IV of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulations for prohibition of Insider trading and other related issues from time to time.

6. REMUNERATION:

You will be entitled for sitting fees for attending the meetings of the Board or committee thereof either personally or through Video conference or other audio visual means, as may be decided by the Board of Directors. The sittings fees payable shall be subject to applicable tax deduction at source.

Your payment of sitting fees will be within the limits mandated under the Companies Act, 2013 and Rules made thereunder (as amended from time to time).

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company.

7. PUBLICATION OF THE LETTER OF APPOINTMENT:

In line with provisions of Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company will be posting the terms and conditions of your appointment on the Company's website.

8. TERMINATION:

- i. You may resign at any time from the position of Non-Executive Independent Director and should you wish to do so, you are requested to serve a reasonable written notice. It is desirable that you inform Chairman in advance of your intention to resign or not to seek re-appointment which will help to fill the vacancy.
- ii. Your Directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Act, your Directorship may be terminated for violation of any provision of the Code of Conduct of the Company.
- iii. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company and the provisions of the Companies Act, 2013 and rules made there under as amended.

9. SEPARATE MEETINGS:

- i. The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and Members of Management.
- ii. All the Independent Directors of the Company shall strive to be present at such meeting.

10. TRAINING AND DEVELOPMENT:

The Company may, if required, conduct formal training program for its Independent Directors. The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business.

11. EVALUATION PROCESS:

The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated on annual basis.

12. GOVERNING LAW:

This agreement is governed by and will be interpreted in accordance with laws of India and your engagement shall be subject to the jurisdiction of the Mumbai courts.

Kindly confirm the acceptance of this letter.

Yours sincerely,

For Oriental Aromatics Limited

Dharmil A. Bodani
Chairman and Managing Director
DIN: 00618333