

**Pramod Chaudhari**

Chairman



Date: 25/07/2019

To,

Mr. Berjis Desai  
Flat No. 801, 9A Residences  
Bomanji Petit Road  
Mumbai 400026.

Dear Mr. Berjis ,

**Sub: Re-appointment as an Independent Director.**

I am pleased to inform you that upon the recommendation of the Nomination and Remuneration Committee and with reference to the approval of the Board of Directors ('the Board'), the Members at 33<sup>rd</sup> Annual General Meeting, held on 23<sup>rd</sup> July, 2019, has approved your re-appointment as an Independent Director of the Company ('Independent Director') as per the requirement of Section 149 (10) of the Companies Act, 2013 for a further period of five (5) years till 31<sup>st</sup> March, 2024. This letter sets out the terms of your re-appointment.

**1. Re-appointment**

In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will serve as an Independent Director of the Board who is not liable to retire by rotation in terms of the provisions of Section 152(6) & (7) of the Companies Act, 2013.

**2. Board committees**

2.1. As advised by the Board, during the tenure of office, you may be required to serve on additional Committee/s of the Board established by the Company. Upon your appointment to any one or more additional Committees, you will be provided with the appropriate Committee charter which sets out the functions of that Committee.

2.2 The Board is responsible for constituting, assigning, co-opting and fixing terms of service for committee members. The Chairman of the Board, in consultation with the Company Secretary and the Committee Chairperson, determines the frequency and duration of the committee meetings. Normally, the committees meet four times a year. Recommendations of the committees are submitted to the Board for approval. The quorum for meetings is as per the applicable laws, rules and legislations from time to time.

**PRAJ INDUSTRIES LIMITED**

'Praj Tower', 274 & 275/2, Bhumkar Chowk- Hinjewadi Road, Hinjewadi, Pune – 411 057 Ph: +91-20-22941000, 71802000 \*\* E: pramodchaudhari@praj.net

### **3. Familiarization Program**

Every Independent Director shall participate the familiarization program organized by the Company periodically.

### **4. Professional Conduct**

As an Independent Director, you shall:

- (a) Uphold ethical standards of integrity and probity.
- (b) Act objectively and constructively while exercising your duties.
- (c) Exercise your responsibilities in a bona fide manner in the interest of the Company.
- (d) Devote sufficient time and attention to your professional obligations for informed and balanced decision-making.
- (e) Not allow any extraneous considerations that may vitiate your exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision-making.
- (f) Not abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- (g) Refrain from any action that could lead to a loss of your independence.
- (h) Ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly.
- (i) Assist the Company in implementing the best corporate governance practices.

### **5. D & O Insurance**

The Company has taken a Directors' and Officers' Insurance Policy (D & O policy) amounting to Rs 1000 million to pay for the personal liability of directors and officers for claims made against them while serving on the Board and / or as an officer of the Company.

### **6. Memberships of other Boards**

It is expected that you will not serve on the Boards of competing Companies without previous written consent of the Chairman. Apart from the applicable law and good corporate governance practices, there are no other additional limitations.

### **7. Information on meetings**

#### **7.1. Scheduling and selection of agenda items for Board meetings**

The Chairman of the Board and the Company Secretary, draft the agenda for each meeting, along with explanatory notes, and distribute it in advance to the Board members. Every Board member is free to suggest the inclusion of items on the agenda.

Normally, the Board meets once a quarter to review the quarterly results and other items on the agenda. The Board also meets during the annual shareholders' meeting. Additional meetings are held based on need.

### **7.2. Availability of information to the Board**

The Board has full and unfettered access to any information of the Company, and to any employee of the Company. At Board meetings, the Board invites managers of the Company when additional details of the items being discussed are required.

### **7.3. Independent Directors' discussion**

The Company will have meetings of only "Independent Directors" as required under Companies Act 2013 to ensure full and frank discussion on the performance of the Company, risks faced by the Company. During these meetings the Chairman, any Executive Director and any senior management personnel may be invited to make presentations on relevant issues.

### **8. Retirement age**

The age of retirement for Non-Executive Directors and Independent Directors is 70 years.

I am confident that your association, expertise and advice will immensely benefit the Company and the Board.

Best regards,

Sincerely,

**For Praj Industries Ltd.**



**Pramod Chaudhari**  
Chairman