

**APPOINTMENT LETTER OF DR. JANAKI ASHWIN PATWARDHAN FOR  
APPOINTMENT OF INDEPENDENT DIRECTOR**

May 22, 2021

To,

**Dr (Mrs.) Janaki Ashwin Patwardhan**

Palvi, Greenfield CHS, Flat No. B-106, plot No.8,  
Near St. Lawrence School, Sector No. 16A, Navi Mumbai,  
Vashi, Thane - 400703

**Sub:** Your appointment as an Independent Director on the Board of Directors (“the Board”) of the Company.

Dear Dr.(Mrs) Patwardhan,

We are pleased to inform you that the Board at its meeting held on 21<sup>st</sup> May, 2021, have appointed you as an Additional Non-Executive Independent Director of the Company w.e.f. 21<sup>st</sup> May, 2021.

Further, the Board have appointed you as Non-Executive Independent Director of the Company for the five consecutive years w.e.f. 21<sup>st</sup> May, 2021 to 20<sup>th</sup> May, 2026, subject to the approval of the Shareholders at the ensuing Annual General Meeting.

We are confident that the Board and the Company will benefit immensely from your rich experience and we forward to a long term successful association.

The terms and conditions of your appointment are given in separate Annexes below.

**For The Dharamsi Morarji Chemical Company Limited**

**Bimal L. Goculdas**

**Managing Director and Chief Executive Officer**

DIN: 00422783

**Encl : As above**

**1. Terms of Appointment:**

- a) Term of Appointment: Five consecutive years w.e.f. 21<sup>st</sup> May, 2021 to 20<sup>th</sup> May, 2026. (*Subject to approval of Shareholders at the ensuing Annual General Meeting*) and your appointment shall not be subject to retirement by rotation.
- b) Your appointment as an Independent Director as above is based, inter alia, on your declaration that you comply with the conditions of independence as mentioned in Section 149(6) of the Act read with relevant rules, and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time.

**2. Committees:**

The Board of Directors may appoint you on one or more existing Board Committees or any such Committee that may be set up in the future.

**3. Expectation of Board:**

As an Independent Director, you shall bring objectivity and independent view to the Board’s discussions as also to the Company’s strategy, performance, and risk management as well as high standards of financial probity and corporate governance. You are expected to attend Board and Board Committee meetings to which you may be appointed and Shareholders meetings. As a member of the Board, you along with the other directors will be collectively responsible for meeting the objectives of the Board.

**4. Role, Functions, Duties and Responsibilities:**

You shall abide by the guidelines of professional conduct, role, function and duties as an Independent Directors as provided in Schedule IV of the Companies Act, 2013, set out in **Annexure-II** attached herewith.

**5. Fiduciary Duties:**

- a) You shall act in accordance with the Company’s Articles of Association.
- b) 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.
- c) You shall discharge your duties with due and reasonable care, skill and diligence.
- d) 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.
- e) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- f) You shall not assign your office as Director and any assignments so made shall be void.

**6. Code of conduct:**

During your tenure as an Independent Director, you are required to comply with the Code of Conduct applicable to all Directors and Senior Management (Annexure III) and Code of Conduct to Regulate, Monitor and Report Trading by Insiders (Annexure IV).

## **7. Sitting Fees and Commission:**

You shall be paid sitting fees of Rs. 25,000/- (Rupees Twenty-Five Thousand Only) for attending each Board Meeting and Committee meetings (as applicable) and reimbursement of expenses incurred for attending meeting.

Further, subject to the discretion of the Board, for each financial year, commission may be paid as per the provisions of Companies Act, 2013 as amended from time to time.

## **8. Disclosures and miscellaneous:**

- a) During tenure of your Directorship, as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013 (“Act”) stating that you meet the criteria of Independence.
- b) So long as you are an Independent Director of the Company, the number of companies in which you hold office as a Director or a chairman or committee member will not exceed the limit stipulated under the Act and the Listing Regulations.
- c) So long as you are an Independent Director of the Company, you will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
- d) During tenure of your Directorship, as an Independent Director, you are required to disclose change in directorship under section 184 of the Companies Act, 2013. Further, on a quarterly basis you are required to confirm mandatory board committee position(s) under regulation 27(2) of the Listing Regulations.
- e) During tenure of your Directorship, you are required to submit annual Disclosure for every financial year ending 31<sup>st</sup> March:
  - i. Notice of disclosure of interest u/s 184 of Companies Act, 2013
  - ii. Form DIR- 8 and declaration under Section 164 of the Companies Act, 2013 confirming that you are not disqualified to act as Director of the Company
  - iii. Declaration on Compliance with Code of Conduct under Regulation 26 (3) of Listing Regulations
  - iv. Declaration on Committee positions
  - v. Annual Disclosure under Company’s Code to Regulate, Monitor and Report Trading by Insiders
- f) You will ensure compliance with other provisions of the Act and the Listing Regulations as applicable to you as an Independent Director.

## **9. Confidentiality and access to records:**

- a) Directors have a right of access the Company’s documents and records, including financial records, as per the provisions of the Act 2013; and
- b) Any confidential information, which may come to your knowledge in the performance of your duties as a director of the Company must not be divulged, except so far as it may be necessary in connection with the proper performance of your duties to the Company.

**SCHEDULE IV read with section 149(8) of the Companies Act 2013  
CODE FOR INDEPENDENT DIRECTORS**

**I. Guidelines of professional conduct:** An independent director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a bona fide manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his 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;
- 6) not abuse his 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;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices.

**II. Role and functions:** The independent directors shall:

- 1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- 2) bring an objective view in the evaluation of the performance of board and management;
- 3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- 5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- 6) balance the conflicting interest of the stakeholders;
- 7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- 8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

**III. Duties:** The independent directors shall:

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the company;

- 6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- 7) keep themselves well informed about the company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- 10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- 12) act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 13) not disclose 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.