

To,

**Mr. JAVED KHALID GAYA**  
**Mr. JAGDISH MALKANI**  
**Mr. NARAYAN A MENON**

Date: 14th August 2014

## **LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTORS**

I am glad to inform our decision to appoint you on the Board of Directors (Board) of Mindteck (India) Limited (hereinafter referred to as MIL or the Company) with effect from 14<sup>th</sup> August 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 an Independent Director on the Board of MIL with effect from 14<sup>th</sup> August 2014. Your appointment was approved by the Board and by the Shareholders as per the provisions of the Companies Act, 2013 and the Listing Agreement. Your appointment is also subject to the maximum permissible Directorships that one person can hold as per the provisions of the Companies Act, 2013 and the Listing Agreement.

1.2 The term Independent Director should be construed as defined under the Companies Act, 2013 and the Listing Agreement.

1.3 The Company has adopted the provisions with respect to the appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage the Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.

### **2. Committees**

The Board may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

### **3. Time Commitment**

3.1 As an Independent 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 probity and Corporate Governance. The Board meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings such as, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Governance Committee and Corporate Social Responsibility Committee meetings which are ordinarily convened four times in a year. You will be expected to attend meetings of the Board, Committees of Board to which you may be appointed Shareholders meetings and to devote such time, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Bangalore.

3.2 By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations of your role to the satisfaction of the Board.

3.3 MIL accepts that in order to play a more effective role in the Committees and Board Meetings, relevant pages and document should be furnished at least 3 days before the scheduled date of the meetings.

#### **4. Role and Responsibilities**

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

- I. You shall act in accordance with the Company's Articles of Association.
- 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 discharge your duties with due and reasonable care, skill and diligence.
- IV. 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. Please refer to clause 7 for full explanation on conflict of interest.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates, by reason of your position as Director.
- VI. You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements applicable to all Directors, the role of the Independent Director has further key elements as per Code of conduct for Independent Directors prescribed under Schedule-IV to Companies Act 2013 read with section 149(8).

## **5. Status of Appointment**

5.1 You are not 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 for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders from time to time. Further, you will also be paid remuneration by way of profit related commission as may be approved by the Board and the Shareholders from time to time.

5.2 The sitting fees presently paid to the Independent Director is Rs. 50,000/- per Board meeting and Rs. 20,000/- per Committee meeting thereof, which you are invited to and have attended.

## **6. Reimbursement of Expenses**

In addition to the remuneration described in clause 5 above, the Company will reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties during the period of your appointment. Any other expenses will require prior approval from the Company which shall not be unreasonably withheld.

## **7. Conflict of Interest**

7.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, 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.

7.2 In the event of any material change which might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, the same should be disclosed to the Chairman & Managing Director and the Company Secretary of the company, in writing and without any delay.

## **8. Confidentiality**

8.1 All information acquired during your appointment is confidential to MIL and should not be released, either during your appointment or following termination (by whatever means) to any third party without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, with adequate notice, you shall surrender any documents and other materials made available to you by MIL.

8.2 Your attention is also drawn to the requirements under the Insider Trading as per Companies Act 2013, SEBI (Prohibition on Insider Trading) Regulation 1992 and the Company's Share Dealing Code which concern the disclosure of price sensitive information and dealing in the securities of MIL. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements

without prior written clearance from the Chairman & Managing Director and/or the Company Secretary.

## **9. Induction**

Immediately after your appointment, you will be inducted into familiarization sessions, including briefings from management. Please avail yourself of these opportunities as fully as appropriate to your personal circumstances.

## **10. Evaluation**

The Company has adopted a policy on Board evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. As per the Policy, the Board will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. Your appointment and re appointment on the Board shall be subject to the outcome of the yearly evaluation process

## **11. Insurance**

MIL has Directors' and Officers' liability Insurance Policy for protecting the unexpected or unknown claims if any brought against Directors including Independent Directors and it is intended that MIL shall maintain such cover for the full term of your appointment. MIL shall share the terms of the policy with the Directors. In the event that for any reason MIL does not renew or maintain this policy, MIL shall indemnify all Directors including the independent Directors for such acts, deeds or things which the Directors may be made liable for save and except for willful acts in breach of law and manifest negligence.

## **12. Independent Professional Advice**

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at the Company's expense. You will seek prior approval of the Company in this respect which should not be unreasonably withheld. The Company will reimburse the full cost of such expenditure incurred in accordance with the Company's policy.

## **13. Disclosure of Interest**

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed not later than when such 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 once in a year and you shall intimate the

changes, if any, periodically before such transaction comes up at a Board meeting.

#### **14. Termination**

a. You may resign from your position at any time by serving a reasonable written notice to the Board.

b. Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Listing Agreement, Companies Act, 2013 and the Articles of Association of the Company, from time to time. You will not be entitled to compensation if the shareholders do not re-elect you at any time.

c. Your appointment may also be terminated in accordance with the provisions of the Companies Act 2013 or Articles of Association of the Company or breach of Listing Agreement or SEBI Act/Regulations or any other Act /Regulations as amended from time to time

#### **15. Governing Law**

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the exclusive jurisdiction of the Bangalore Courts, and the CLB in Chennai.

You are requested to kindly confirm your acceptance of the above terms for your appointment as an Independent Director of MIL, by signing and returning the enclosed copy of this letter.

Yours sincerely

**For and on behalf of Mindteck (India) Limited**

Sd/-

**CHAIRMAN & MANAGING DIRECTOR**

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

Sd/-

**Mr. JAVED KHALID GAYA**

**Mr. JAGDISH MALKANI**

**Mr. NARAYAN A MENON**

Signed .....

Dated .....