

Date :

To,
Mr. / Ms. _____
Address _____

Dear Sir,

Sub.: Appointment as Independent Director on the Board of Rossari Biotech Limited (RBL)

We are pleased to inform you that the Members of the Company have approved your appointment as an Independent Director on the Board of the Company from the w.e.f. _____ for a term of 5 years till _____.

We have taken on record, your declaration of independence and you shall be required to give such declaration every financial year at the first meeting or whenever there is a change in the conditions of independence given in section 149(6).

Your appointment will be under the provisions of section 149 of the Companies Act 2013 (Act), read with contents of Schedule IV to the Act and any rules made there under.

You will not be 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 attending meetings of the Board and its Committees.

Please find attached for your perusal and observance Schedule IV of the Companies Act, 2013 which covers the provisions governing the role of Independent Directors which include:

- 1) Guidelines for Professional Conduct;
- 2) Role and functions;
- 3) Duties;
- 4) Manner of appointment & Reappointment;
- 5) Evaluation Mechanism;
- 6) Separate Meetings;
- 7) Resignation and Removal.

Besides the guidelines given in the schedule; your role, duties and responsibilities will also be guided by such other specific provisions relating to Board governing matters under the Companies Act 2013, the rules made and modified there under from time to time.

We welcome you and look forward for your valuable professional guidance and support in discharging the collective fiduciary responsibility as a member of the Statutory Board of the Company.

Regards,

Chairman

Accepted

The purpose of this Code is to align the duties and responsibilities of independent directors of the Company with the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the independent directors should read and understand this Code, uphold these standards, comply with all applicable laws, rules and regulations and all policies, programmes and codes adopted by the Company:

1. 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 bonafide 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 judgement in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgement 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 of directors of the Company (the “**Company**”) accordingly;
9. assist the company in implementing the best corporate governance practices.

2. Role and functions:

An independent director shall:

1. help in bringing an independent judgement 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 of 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.

3. Duties:

An independent director 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 and of the Board committees of which he / she 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.

4. Manner of appointment:

- (i). Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (ii). The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (iii). The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions

specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

- (iv). The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :
 - a) the term of appointment;
 - b) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - c) provision for Directors and Officers (D and O) insurance, if any;
 - d) the list of actions that a director should not do while functioning as such in the company; and
 - e) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (v). The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member during normal business hours.
- (vi). The terms and conditions of appointment of independent directors shall also be posted on the company's website.

5. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

6. Resignation or Removal:

- (i). The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (ii). An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within three months from the date of such resignation or removal, as the case may be.
- (iii). Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

7. Separate meetings:

- (i). The independent directors of the company shall hold at least one meeting in a financial 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;
- (iii). The meeting shall:
 - a) review the performance of non-independent directors and the Board as a whole;
 - b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
 - c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

8. Evaluation mechanism:

- (i). The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (ii). On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

9. Insider Trading:

- (i). In the normal course of business, independent directors of the Company are in possession of unpublished price sensitive information, which is the property of the Company. The independent director shall not profit from the buying or selling of securities for him/herself.
- (ii). The independent director is not to tip others to enable them to profit or for them to profit on his/ her behalf.
- (iii). The purpose of this Code is (i) to inform the independent directors of their legal responsibilities and (ii) to inform them that the misuse of sensitive information is contrary to Company policy and applicable Indian securities laws.
- (iv). As per the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the “**Insider Trading Regulations**”), it is prohibited to deal in the securities of the Company during the period that trading window of the Company is closed.
- (v). Further, no insider shall trade in the securities of the Company, when in possession of unpublished price sensitive information.

You should read the Insider Trading Regulations carefully, paying particular attention to the specific policies and the potential criminal and civil liability and/ or disciplinary action for insider trading violations. Every independent director should comply with the Insider Trading Regulations.

10. Waivers and Amendments of the code:

The Board reserves the power to review and amend this Code from time to time. All provisions of this Code would be subject to revision / amendment in accordance with applicable law as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.
