



## Standard Appointment Letter for Independent Directors

\_\_\_\_\_

\_\_\_\_\_

Dear \_\_\_\_\_,

**Sub: Intimation regarding approval/regularization of your appointment as Independent Director by shareholders of the Company**

We are extremely pleased to inform you that the shareholders of the Company, vide resolution passed Annual General Meeting held on \_\_\_\_\_, \_\_\_\_\_, approved/regularized your appointment as Non-Executive Independent Director of the Company. Subject to the provisions of Companies Act, 2013 ("Act") and relevant regulations, you will hold the office till \_\_\_\_\_, \_\_\_\_\_, not liable to retire by rotation.

Please find attached a brief note on roles and responsibilities of Director as ***Annexure I*** and other details are as below:

**i) Committee(s) of Board of Directors:**

The Company has certain Committee(s) of Directors of the Company. As per the extant respective constitution, you are the Member of Nomination and Remuneration Committee and Risk Management Committee as on the date of regularization of your appointment. The scope of the Committee is available on the website of the Company at the following link: <https://eclerx.com/wp-content/uploads/2022/05/Committees-and-its-members-May-2022-1.pdf>

**ii) Meetings of Directors:**

The Company holds minimum \_\_\_\_\_ Board Meetings a year. These meetings are generally preceded by other Committee meetings. The Company holds its Annual General Meeting in the 2<sup>nd</sup> Quarter of each financial year in Mumbai.



Pursuant to Section 173 of the Act and Companies (Meetings of Board and its powers) Rules 2014, the Directors of a Company may participate in meeting of Board/Committee of Directors under the provisions of the Act through electronic mode i.e. via Video Conference ('VC').

**iii) Codes of Conduct:**

The Company has in place a Code of Conduct for Directors and Senior Management Employees pursuant to the Listing Regulations, which can be downloaded from the following link: <https://eclerx.com/docs/Code-of-Conduct.pdf>

The Company also has in place a Code of Conduct for the Prevention of Insider Trading, pursuant to SEBI (Prohibition of Insider Trading) Regulations 2015, as amended from time to time, which can be downloaded from the following link:

<https://eclerx.com/wp-content/uploads/2022/03/Code-of-Conduct-for-prohibition-of-Insider-Trading-and-Code-for-Fair-Disclosure.pdf>

Kindly note that any trading in the securities of the Company beyond certain threshold is subject to pre-intimation and pre-clearance procedure as given in the Code of Conduct.

**iv) Directors and Officers Liability Policy:**

The Company has in place a Directors and Officers Liability Insurance Policy from Tata AIG General Insurance Company Limited for an amount of Rs. \_\_\_\_\_/-, which is renewed on a yearly basis and it is the Company's intention to maintain such cover for the full term of your directorship. The policy, *inter alia*, protects the Directors and officers against claims arising from decisions and/or actions taken in the course of managing the business of the Company, subject to terms and conditions set out in the policy document.

**v) Remuneration:**

The Company pays sitting fees for attending Board and Committee Meetings, which is Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) per Director for every day of Board/Committee meeting attended by them. Further, as per Company's policy, boarding and lodging expenses are reimbursed to the Directors based out of Mumbai. The Company also pays profit-linked Commission within the limits



prescribed by Companies Act, 2013 and as may be recommended by the Nomination and Remuneration Committee and approved by Board of Directors of the company. Being an Independent Director, you will not be eligible for any stock options granted by the Company.

vi) **Other details:**

The Statutory Auditors of the Company are S.R. Batliboi & Associates LLP, Chartered Accountants and the Secretarial Auditors are Mehta & Mehta, Company Secretaries. The Capital Structure and list of top 10 shareholders as on \_\_\_\_\_ is attached as ***Annexure II***

Kindly acknowledge receipt of this appointment letter.

With Thanks,

Yours truly,  
For **eClerx Services Limited**

**Pratik Bhanushali**  
**Company Secretary**

**Encl.:**

- I. Brief note on roles and responsibility of Independent Director
- II. Capital Structure and list of top 10 shareholders as on \_\_\_\_\_

## CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

### I. Guidelines of professional conduct:

An independent director shall:

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising his duties;
- c. exercise his responsibilities in a bona fide manner in the interest of the company;
- d. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- e. 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;
- f. 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;
- g. refrain from any action that would lead to loss of his independence;
- h. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- i. assist the company in implementing the best corporate governance practices.

### II. Roles and functions:

The independent directors shall:

- a. 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;
- b. bring an objective view in the evaluation of the performance of board and management;
- c. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e. safeguard the interests of all stakeholders, particularly the minority shareholders;
- f. balance the conflicting interest of the stakeholders;
- g. 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;
- h. 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—

- a. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- b. 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;
- c. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- d. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e. strive to attend the general meetings of the company;
- f. 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;
- g. keep themselves well informed about the company and the external environment in which it operates;
- h. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i. 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;
- j. 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;
- k. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- l. act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- m. 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.

### IV. Manner of appointment:

- a. 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.
- b. The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

- c. 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 fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- d. The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :
  - the term of appointment;
  - the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
  - the fiduciary duties that come with such an appointment along with accompanying liabilities;
  - provision for Directors and Officers (D and O) insurance, if any;
  - the Code of Business Ethics that the company expects its directors and employees to follow;
  - the list of actions that a director should not do while functioning as such in the company; and
  - the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- e. 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.
- f. The terms and conditions of appointment of independent directors shall also be posted on the company's website.

## V. Re-appointment:

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

## VI. Resignation or removal:

- a. 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.
- b. 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.



- c. 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.

#### **VII. Separate meetings:**

- a. 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;
- b. All the independent directors of the company shall strive to be present at such meeting;
- c. 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.

#### **VIII. Evaluation mechanism:**

- a. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- b. 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.

### Capital Structure and list of top 10 shareholders as on \_\_\_\_\_

#### Capital Structure:

Particulars	No. of Shares	Nominal Value in Rupees
Authorized Capital as on _____		
Issued & Paid-up Capital as on _____		

#### Top 10 shareholders:

Sr. No.	Name	As on _____	
		No. of shares	% of Equity
<b>Promoters</b>			
1	Priyadarshan Mundhra		
2	Anjan Malik		
<b>Total (A)</b>			
<b>Non Promoters</b>			
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
<b>Total (B)</b>			
<b>Total (A + B)</b>			