



# MESCO PHARMACEUTICALS LIMITED

Corporate Identity No. L24111UR1986PLC015895

Corp. Office & Correspondence Address:

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## **LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR**

**Date: 2<sup>nd</sup> July, 2016**

**Dear Mrs. Savita Sethi**

I am writing to confirm that the Board of directors of Mesco Pharmaceuticals Ltd (hereinafter referred to as 'the Company') have approved your appointment as Independent Director on the Board of Directors of the Company for a period of 5 (Five) years with effect from 2<sup>nd</sup> July, 2016

This letter of appointment sets out the terms and conditions covering your appointment, which are as follows:

### **1. Appointment**

- a. You will be appointed as a Non-Executive Independent Director on the Board of Directors of the Company with effect from 2<sup>nd</sup> July, 2016.
- b. Your appointment is subject to the extant provisions of the Companies Act, 2013, as amended from time to time.
- c. The term "Independent Director" should be construed as defined under the Companies Act, 2013 and the Listing Regulations.
- d. The Company has adopted the provisions with respect to appointment and tenure of Independent Directors, as are consistent with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations').
- e. As an Independent Director you are not liable to retire by rotation.

### **2. Committees**

The Board of Directors (the Board) may invite you for being appointed on one or more of the existing Board Committees or any Committee(s) that may be set up in the future. Your appointment on such Committee(s) will be subject to the applicable legal requirements.

### **3. Time Commitment**

- a. As a Non-Executive Director Independent Director you are expected to bring objectivity and independence to the Board's discussions and help provide the Board with effective leadership in relation to the Company's

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strategy, performance, and risk management, as well as ensuring high standards of financial probity and corporate governance.

- b. You will be expected to attend the Board, the Board Committees and the Annual General Meetings and to devote sufficient time, as required for you to discharge your duties effectively. Ordinarily, all meetings are held in New Delhi.
- c. By accepting this appointment, you confirm that you are in a position to allocate sufficient time to meet the expectations of your role as an Independent Director of the Company.

#### **4. Fiduciary Duties**

Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the Listing Regulations. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and inter alia are as under:

- a. You shall act in accordance with the Company's Memorandum and Articles of Association (a copy of which is being provided to you).
- 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 interests 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 interests of the Company/ Group or bring discredit to it. Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders' interests, should be avoided. Please refer to **clause 6** for full explanation on conflict of interest.
- e. You shall not assign your office as Director and any assignments so made shall be void.

There are certain roles, functions duties prescribed for all Independent Directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. You shall abide by the said 'Code of Conduct for Independent Directors' as amended from time to time to the extent relevant and applicable to your role.

Schedule IV of the Companies act, 2013 is **Annexed** to this letter for ready reference.

#### **5. Status of Appointment and Remuneration**

- a. 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, as may be decided by the Board of Directors from time to time.

- b. The sitting fees presently paid to a Non-Executive Independent Director is as per the companies act, 2013.
- c. In addition to the remuneration described above, the Company will, for the period of your appointment, reimburse you reasonable expenses incurred in the discharge of your roles/duties including out-of-pocket expenses like conveyance, food and incidentals that are incurred during the days of the Board and Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors.
- d. Presently there is no Directors' and Officers' liability insurance taken by the Company.

## **6. Conflict of Interest**

- a. It is accepted and acknowledged that you may have business interests, directorship, and membership other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing as required under the Companies Act, 2013.
- b. In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that you are independent, this should be disclosed to both the Chairman and the Secretary.

## **7. Confidentiality**

All information acquired during your tenure of directorship is confidential and should not be disclosed, either during your tenure or following termination (by whatever means) to third parties without prior clearance from the Chairman, unless required by law or by the rules of any stock exchange or regulatory body. In the latter case, you would be required to suitably inform the Chairman of such an event or disclosure. You should direct any media queries or approaches to the appropriate spokesperson within the Company. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

## **8. Evaluation**

In terms of the provisions of the Companies Act, 2013 and the Listing Regulations, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and the Directors on an annual basis. Your appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

## 9. Disclosure of Interest

It is expected that any interest you may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the 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.

## 10. Termination

- a. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board.
- b. Continuation of your appointment is subject to the provisions of the Companies Act, 2013, the Listing Regulations, the Articles of Association of the Company and other applicable legal requirements, from time to time in force. You will not be entitled to any compensation for cessation of your office as a Director of the Company.

Yours Sincerely,

**For Mesco Pharmaceuticals Ltd**

*N.S. Parameswaran*  
**For Mesco Pharmaceuticals Ltd.**

**N.S. Parameswaran**  
**Managing Director**  
**DIN: 00091097**  
**N-1/152, I.R.C. Village,**  
**Bhubaneswar-751 015**

Director