



**REGISTERED OFFICE**

**GRANULES INDIA LTD.**, 2nd Floor, 3rd Block, My Home Hub,  
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CIN: L24110TG1991PLC012471

**Date: 09-05-2019**

**Mrs. Jyothi Prasad**

A – 903, Jagat Vidya, Near Gurunanak Hospital,  
Bandra East, Mumbai (MH) 400051.

Dear Mam,

**Sub: Appointment as Non-Executive Independent Director under Companies Act, 2013.**

On behalf of all the Board members of Granules India Limited, I would like to express my gratitude to you for joining the Company as an Independent Board member.

This letter is to inform you about the provisions related to Independent Director (ID) provided under the Companies Act, 2013. The Act has specifically defined the roles, duties, liabilities and the manner of appointment of IDs on the Board and various Committees of the Company. The Companies Act, 2013 and the SEBI(LODR) Regulations require that a Company should issue appointment letter to all its Independent Directors.

This letter will set out the terms of your appointment and your roles, duties, responsibilities and liability as an Independent Director on the Board of Granules India Limited.

Kindly return the duplicate copy of this letter and the Terms of Appointment enclosed herewith, duly signed by you in confirmation.

We look forward to your continued support and guidance.

Thanking you,

Yours sincerely

For **GRANULES INDIA LIMITED**

  
**Krishna Prasad Chigurupati**  
**Chairman & Managing Director**  
**(DIN: 00020180)**



Accepted: \_\_\_\_\_

  
**Director name: Jyothi Prasad**  
**DIN: 06947488**

## **Terms of Appointment**

On behalf of the Company, I write to confirm your appointment as an Independent Non-Executive Director of the Granules India Limited (“Granules” or “Company”), as per the provisions of Companies Act, 2013 and regulation 17 and 25 of SEBI (LODR) Regulations, 2015.

The terms of your appointment are set out below. Please note that this is a contract for service and is not a contract of employment.

### **1. Appointment**

Your appointment is subject to confirmation by the Shareholders in the 28<sup>th</sup> Annual General Meeting following which, it is anticipated that the appointment will be for an initial period of 5(five) years from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024. This tenure is subject to you meeting the criteria for being an Independent Director and not being disqualified to be a Director under the applicable regulations. You shall not be liable to retire by rotation as per the Companies Act, 2013 and the Listing Regulations. Your appointment is subject to the provisions of Companies Act, 2013 regarding appointment, fees, expenses, retirement, disqualification and removal of directors.

At any time that you may resign by written notice, it is desirable that you give the Chairman reasonable forewarning of your intention to resign so that Granules can plan for succession of skills and experience on the Board: and you may be required to vacate office for any reason pursuant to any of the provisions of the Companies Act, 2013: or under any applicable law and under the Articles of Association of the Company. Your performance as an Independent Director will be reviewed during your tenure with the Company in accordance with processes agreed by the Board from time to time.

### **2. Commitments**

You will be expected to devote such time as is necessary for the proper performance of your duties and as an Independent Director, you will be involved in a number of Board and Committee meetings each year as may be decided by the Board from time to time. You should strive to attend all the scheduled quarterly Board Meetings, General Meetings, Committee meetings and other meetings. You are expected to provide your expertise and experience inter alia in the field of strategic planning, internal controls, compliances, law, operations, management, finance, marketing, administration and corporate. The Company has constituted the following Committees:

#### **a) Audit Committee**

The primary objective of the audit committee is to monitor and provide effective supervision of the management’s financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by management, statutory auditors and internal auditors, in relation to the financial reporting process and the safeguards employed by them.

**b) Nomination & Remuneration Committee:**

The Nomination & Remuneration Committee deals with all elements of remuneration package, stock options, service contracts and other terms and conditions of service of the executive directors, directors / promoters relatives and the senior management. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice. The remuneration policy of the Company is primarily based on the criteria like performance of the Company, potential, experience and performance of individual personnel and external environment.

**c) Share Transfer and Stakeholders Relationship Committee:**

The Share Transfer and Stakeholders Relationship Committee of Directors was constituted to specifically look into the matters of investors' grievances such as transfer, transmission, split and consolidation of investors' holding, replacement of lost / mutilated / stolen share certificates, dematerialization of shares, non-receipt of dividend / notices / annual reports and change of addresses, among others. The main object of the Committee is to strengthen investor relations.

**d) Business Review Committee:**

The Business Review Committee advises on all matters related to the management / operation of the Company. The Business Review Committee meets periodically to review inter alia the operational and financial performance of the Company.

**e) Corporate Social Responsibility Committee:**

The purpose of CSR Committee is to work and supervise the implementation of the CSR initiatives of the Company and monitor the implementation of the CSR policy in accordance with this Policy and establish a transparent monitoring mechanism for implementation of the CSR activities undertaken by the Company.

**f) Risk Management Committee:**

The Risk Management Committee shall monitor and review the risk management framework including cyber security of the Company and shall make report to the Board from time to time including with respect to risk management and minimization procedures.

As an Independent Director, you should strive to hold and present in at least one meeting in a year without the presence of non-independent directors and members of management with the sole objective of:

- (a) reviewing the performance of non-independent directors and the Board as a whole.
- (b) reviewing the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors.
- (c) assessing the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Your membership in the committee(s) and position in committee(s) may change from time to time subject to the discretion of the Board.

By accepting this appointment, you have confirmed to meet the expectations of your role.

### **3. Duties and Liabilities**

You will be expected to perform your duties, whether statutory, fiduciary or under common law, faithfully, efficiently and diligently to a standard commensurate with both the functions of your role, knowledge, skills and experience. The duties and liabilities that come with your appointment would be as per the applicable laws and the Articles of Association of the Company. You will have all the usual duties of an Independent Director as provided under Companies Act, 2013 and the rules made thereunder and applicable Listing Regulations including attendance at board meetings, the annual general meeting, meetings of independent directors and other board events together with additional duties as may be agreed with the Board, and which may relate to the business of the Company.

You will follow the “Code of Conduct for Independent Director” as per Schedule IV of the Companies Act, 2013 and “Granules India Limited - Code of Conduct for Board & Senior Management” as applicable from time to time. You will be required to make disclosure of your direct / indirect interest in the Body Corporate, firms or other entities as per the requirement of section 184 of the Companies Act, 2013.

### **4. Technology**

Except for matters not to be so dealt under the Companies Act, 2013, you may give your consent by advance notification to the Chairman or Company Secretary to participate in any meeting(s) of the Board or Committee of Directors, when necessary through video conferencing or other audio visual means subject to the applicable provisions of the Companies Act, 2013.

### **5. Independence**

The Board of Director of the Company inter alia has given due consideration to your declaration of being qualified as ‘independent’ in accordance with the provisions of Companies Act, 2013 and the Listing Regulations. You are expected to continue to be qualified as independent during your tenure and provide periodic declaration to the effect as statutorily required. You will be identified as an Independent Director in the annual report and other documents and publications of the Company. If circumstances change and you believe that it may not be possible for you to retain your independence, you should discuss this with the Chairman as soon as practicable.

### **6. Evaluation Processes**

Your performance evaluation shall be done by the Board of Directors annually without your participation. You will participate in reviewing the performance of non-independent directors and the Board as a whole, performance of the Chairman and other Independent Directors.

### **7. Confidentiality**

You will apply the highest standards of confidentiality, and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after cessation), any confidential information concerning the Company and any group Companies with which you come into contact by virtue of your position as a Director, except as permitted by law or with prior clearance from the Chairman.

## 8. Prohibition on Insider Trading

You will follow the “Granules India Limited-Code of Conduct for Prevention of Insider Trading” under the Companies Act, 2013 and SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, which inter-alia requires that price-sensitive information is not used or transmitted in an unauthorized manner. You should not make any statements that might risk a breach of these requirements without prior clearance from the Chairman or Company Secretary.

## 9. Availability of Directors and Officers Liability Insurance

Granules India Limited has Directors’ and Officers’ Liability Insurance and it is intended that Granules will assume and maintain such cover for the full term of your appointment.

## 10. Remuneration

You will be entitled to remuneration in accordance with the criteria, as approved by the Board of Directors on the recommendation by the Nomination and Remuneration Committee as may be decided from time to time, within the overall limits approved by the shareholders and the applicable legal provisions of Companies Act, 2013. You will also be entitled to fee for attending the meetings of the Board or Committee thereof either personally or through video Conference or other audio visual means or for any other purpose whatsoever as may be decided by the Board of Directors. The remuneration and fee payable shall be subject to applicable tax deduction at source.

The criteria for payment of compensation to you are as follows:

Particulars	Amount (Rs.)
<b>Sitting fees per meeting</b>	
Board Meeting	40,000
Nomination and Remuneration Committee	30,000
Audit Committee	30,000
Business Review Committee	40,000
Corporate Social Responsibility Committee	30,000
Share Transfer and Stakeholders Relationship Committee	30,000
Risk Management Committee	30,000

In addition to the above, you will be entitled to reimbursement of following expenses for participation in the Board and other meetings.

- Airfare from the normal place of residence to the place of the Board or Committee meetings and back to normal place of residence.
- Accommodation at any hotel as determined by the Company for the duration of Board and Committees meetings.
- Out of pocket expenses like conveyance, food and incidentals that are occurred during the days of the Board and Committee meetings.

As an Independent Director, you shall not be entitled to any stock options and shall not be covered under any pension scheme.

**11. General**

All the terms as mentioned above including your appointment, remuneration professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made thereunder and Corporate Governance requirements under the Listing Regulations, as amended from time to time.

This letter and any non-contractual obligations arising out of or in connection with this letter are governed by and shall be construed in accordance with the laws of India and subject to the exclusive jurisdiction of the court of Hyderabad (TS).

Yours sincerely

For **GRANULES INDIA LIMITED**

  


**Krishna Prasad Chigurupati**  
**Chairman & Managing Director**

Encl. Code for Independent Directors

Signature:



**Name: Jyothi Prasad**  
**DIN: 06947488**