

Letter of appointment of Independent Director

Date:

To,

Hearty welcome to **CONTINENTAL CARBON INDIA LIMITED** as Independent Director of the Board of our Company.

We are pleased to confirm your appointment as Non-Executive-Independent Director on the Board of Directors of Continental Carbon India Limited (hereinafter referred to as CCIL or the Company) for a term of ___ years with effect from _____.

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

1. Appointment

Your term of appointment as Non-Executive Independent Director is for a term of ___ years on the Board of Directors of CCIL with effect from _____. Your appointment has/is subject to approval of the Shareholders as per the provisions of the Companies Act, 2013.

As an Independent Director you will not be liable to retire by rotation.

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

Your appointment and tenure as Independent Director shall be consistent with the applicable provisions of the Companies Act, 2013 and the Rules thereunder.

2 Committees

The Board of Directors (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 laws and regulations.

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

3. Role and Duties

As a member of the board, your role, duties and responsibilities will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the Rules made thereunder.

In terms of Section 166 of the Companies Act, 2013, you shall

- I. act in accordance with the Company's Articles of Association.
- II. 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, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- III. exercise your duties with due and reasonable care, skill and diligence.
- IV. 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.
- V. not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. not assign your office as Director and any assignments so made shall be void.

You shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013, and duties of directors as provided in the said Act.

4. Remuneration, etc. Fees/Commission:

a) Remuneration /Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of sitting fees per Board meeting and other reimbursement expenses for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

b) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

c) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

5. Code of Conduct & other compliances

During the appointment, you will comply with any relevant regulations as may be issued by the Government of India and such other authorized bodies as set up by the Government on its behalf, including the Code for Independent Directors, Code of Conduct and Ethics for Directors and Senior Executives and such other requirements as the Board of Directors may from time to time specify. At the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect your status as an independent director, you shall give a declaration to that effect confirming that you meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 in the format as per **Annexure A** to this Letter.

6. Conflict of Interest

It is accepted and acknowledged that you may have business interests 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 in the prescribed form at the time of your appointment. 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 appointment is confidential to CCIL and should not be released, either during your appointment 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 regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by CCIL. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Secretary.

8. Evaluation

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors. Your appointment and re-appointment on the Board shall be subject to the outcome of the evaluation process.

9. Disclosure of Interest

You shall disclose material interest that in any transaction or arrangement that the Company has entered into. Such interest 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 on the Board.
- b. Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013, from time to time in force. 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 from time to time in force.

11. Governing Law

This letter of appointment is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts.

This letter constitutes neither a contract for services nor a service contract.

Please confirm your acceptance to agreement to the terms of appointment relating to your appointment as a non-executive Independent Director of CCIL by signing and returning to us the enclosed copy of this letter.

Yours sincerely,

Managing Director
For and on behalf of Continental Carbon India Limited

AGREE AND ACCEPT

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

Name:

Place:

Date:

ANNEXURE A

Declaration of Independence

[Pursuant to sub-section (7) of Section 149 of the Companies Act, 2013]

Date:

To
The Board of Directors,
Continental Carbon India Ltd.
A-14, Industrial Area No - 1,
(Off NH – 24), South Side of G.T. Road,
Ghaziabad – 201 001

Dear Sirs,

I, _____ hereby declare that I meet the criteria of independence in accordance with Section 149 (6) of the Companies Act, 2013 as stated below:

1. I am / was not a promoter of the company or its holding, subsidiary or associate company;
2. I am not related to promoters or directors in the company, its holding, subsidiary or associate company;
3. I did not have / or had any pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
4. None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees whichever is lower during the two immediately preceding financial years or during the current financial year.
5. I, neither by myself nor any of my relatives—
 - i. holds or has held the position of a key managerial personnel or is or has been an employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding 2014-15;
 - ii. am or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year 2014-15, of—
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - iii. holds together with my relatives two per cent or more of the total voting power of the company; or
 - iv. is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its

promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;

I am giving this declaration pursuant to Section 149 (7) of the Companies Act, 2013, read with the Rules made there under. I hereby confirm adherence to the standards of Code of Conduct for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

I undertake to inform the Board immediately regarding any change/s in the circumstances which may affect my status of independence as per Section 149 (6) of the Companies Act, 2013.

Sign:

Name:

Designation: