

[DATE]

[Name]

[Address]

Subject: Your Appointment as Independent Director

Dear _____,

We are pleased to inform you that upon the recommendation of Nomination and Remuneration Committee, approval of the Board of Directors of Cals Refineries Limited (hereinafter referred to as “CALs” or “the Company”) and approval of Shareholders of the Company at the Annual General Meeting held on _____, you are being appointed as an Independent Director on the Board of the Company.

The terms of your appointment shall be as follows:

1. Appointment

- 1.1 You have been appointed as a Non-Executive Independent Director on the Board of Directors of CALS with effect from _____ for a period of _____ years. Your appointment shall be governed by the provisions of the Companies Act, 2013 and the Equity Listing Agreement. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Listing Agreement.
- 1.2 The term ‘Independent Director’ should be construed as defined under the Companies Act, 2013 and the Listing Agreement.
- 1.3 The Company has adopted the provisions with respect to the appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The disengagement earlier than five years will be in accordance with the provisions of the Companies Act, 2013 or on mutually agreed terms.
- 1.4 The provisions contained in the Companies Act, 2013 and the Listing Agreement will apply as regards performance evaluation of Independent Directors is concerned. The performance of Independent Directors shall be evaluated by the entire Board of Directors, excluding the Director being evaluated. On the basis of the report of performance

evaluation, it shall be determined whether to extend or continue the term of your appointment as an Independent Director.

- 1.5 In the event that you are not re-elected at any AGM, your appointment shall terminate immediately without any entitlement to compensation in respect of any loss (including but not limited to loss of future fees.)
- 1.6 You will not be liable to retire by rotation

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 regulations.

3. Time Commitment

- 3.1 As a Non-Executive Director, you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.

The Board meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee meetings which are ordinarily convened as and when the circumstances arises. Ordinarily, all meetings are held in Delhi. You will be expected to attend Board, Board Committees of which you are a member and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Your office shall become vacant in case you absent yourself in all of the meetings of the Board of Directors during a year.

- 3.2 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.

4. Induction & Orientation:

The Company provides Orientation to all its new Directors. As a part of the Schedule you must spend suitable time at the corporate office of the Company for personal briefings by the senior management on Company's operations, strategic plans, its key policies and practices and its financial position. You may ask for further details and information as would help you to broaden your understanding of the Company and its operations.

5. Role and Duties

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

- I. You shall act in accordance with the Company's Articles of Association.
- II. 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 interest of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. 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 interest of the Company. Please refer to clause 8 for full explanation on conflict of interest.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

The Non-Executive Independent Directors are also required to abide by the provisions of 'Code for Independent Directors' as provided in Schedule IV of the Companies Act, 2013, a copy of which is annexed for ready reference.

6. Status of Appointment

- 6.1 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 along with sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders from time to time.
- 6.2 The sitting fees, presently paid to the Non-Executive Independent Director is Rs. 5,000/- per meeting of the Board and Audit Committee.

This is a Model Letter of Appointment and is subject to Amendment / Modification.

7. Reimbursement of Expenses

In addition to the remuneration described in paragraph 5, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

8. Conflict of Interest

8.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, 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.

8.2 In the event that your circumstances seem likely to change and might give rise to a conflict of interest or any circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to both the Chairman and the Secretary.

9. Confidentiality

All information acquired during your appointment is confidential to CALS and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Board unless required by law or by the rules of any stock exchange or regulatory body.

Your attention is also drawn to the requirements under the applicable regulations and the code of conduct for the insider trading as adopted by the CALS which relates to the disclosure of price sensitive information and dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior compliances of the prescribed guidelines.

10. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have 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.

11. Termination

- 11.1 You may resign from your position at any time and should you wish to do so, you are requested to serve written Notice, for a period of _____ to the Board.
- 11.2 Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. In the event that you are not re-elected at any AGM, your appointment shall terminate immediately without any entitlement to compensation in respect of any loss (including but not limited to loss of future fees.)
- 11.3 Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

12. Governing Law

This agreement 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.

If you are willing to accept these terms of appointment relating to your appointment as a non-executive Independent Director of CALS, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely,
For **Cals Refineries Limited**

(Chairman/Director)

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signed
Dated