



28<sup>th</sup> April 2021

Ms. Usha Thorat  
3702, Tower 4, Strata  
Planet Godrej  
KK Marg, Mahalaxmi  
Mumbai-400011

Dear Ms. Usha Thorat,

As you are aware, the Board of Directors had sought approval of the shareholders of the Company at the Annual General Meeting held on 27<sup>th</sup> April 2021 for re-appointing you as an Independent Director of the Company for a period of five years from 30<sup>th</sup> April 2021. The shareholders have passed the resolution for your re-appointment as an Independent Director. This letter of appointment sets out the terms and conditions covering your re-appointment, which are as follows:

## 1. Appointment

- 1.1. You have been re-appointed as a Non-Executive Independent Director on the Board of the Company for a term of five years with effect from 30<sup>th</sup> April 2021. Your re-appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
- 1.2. The term Independent Director shall be construed as defined under the Companies Act, 2013 and the Listing Regulations.
- 1.3. The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and the Listing Regulations. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company and shall not be liable to retire by rotation. The Company is at liberty to disengage Non Executive Independent Director earlier subject to compliance with the relevant provisions of the Companies Act, 2013.

## 2. Committees

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 Independent 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 meetings of other Committees, such as the Nomination and Remuneration Committee, Stakeholders' Relationship Committee, and Corporate Social Responsibility Committee (or other names by which they may be known, from time to time). The periodicity of meetings of Committees that you are appointed to shall be intimated to you in advance. You will be expected to attend meetings of the Board, the Board Committees to which you may be appointed and General Meetings of Shareholders and to devote such time to your duties, as appropriate for you to discharge your duties effectively.
- 3.2. By accepting this re-appointment, you confirm that you are able to allocate sufficient time to meet the expectations from the role to the satisfaction of the Board.

### **4. Role and Duties**

- 4.1. Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 (together with schedules thereto and rules made thereunder) and the Listing Regulations. There are certain duties prescribed for all Directors under the Companies Act, 2013, 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 and shall exercise independent judgement.
  - 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 7 for full explanation on conflict of interest.
  - v. You shall not receive or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
  - vi. You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements applicable to all Directors, the Non-Executive Independent Directors shall have roles and duties as set out in Schedule IV of the Companies Act, 2013, including, in particular, the following roles and duties:

**Strategy:** Non-Executive Independent Directors should help develop proposals on strategy;

**Performance:** Non-Executive Independent Directors should scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

**Risk:** Non-Executive Independent Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

**People:** Non-Executive Independent Directors are responsible for determining appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and senior management and have a prime role in appointing, and where necessary, removing Executive Directors, Key Managerial Personnel and senior management and in succession planning;

**Compliance:** Non-Executive Independent Directors should keep governance and compliance with the applicable legislation and regulations under review and conformity of the Company's practices with accepted norms.

4.2. We also invite your attention to the Code of Business Conduct and Ethics adopted by the Company. All Directors and Senior Management are expected to follow the said policy.

## 5. Status of Appointment

5.1. 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 by way of setting fees for meetings of the Board and its Committees as may be decided by the Board from time to time and approved by the Shareholders (in case required).

5.2. You shall be paid commission on profits subject to the provisions of the Companies Act, 2013, as may be determined by the Board of Directors from time to time 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 contacts with a particular person, firm or company is acceptable.

5.3. You may note that the Company maintains a Directors' & Officers' Liability Insurance policy, which shall cover specified liabilities that may be incurred by an Independent Director in the course of lawfully discharging his or her duty.

## 6. Reimbursement of Expenses

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

## **7. Conflict of Interest**

- 7.1. It is accepted and acknowledged that you may have business interests other than those of the Company. As condition to your re-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.
- 7.2. 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 immediately disclosed to the Board.

## **8. Confidentiality**

All information acquired during your re-appointment is confidential to the Company and should not be released either during your re-appointment or following termination (by whatever means) to third parties without prior approval of the Board unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

Your attention is also drawn to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and other applicable regulations and Company's Code of Conduct for dealing in shares of the Company which concern 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 approval of the Board (or applicable body or officer).

## **9. Disclosure of interest**

The Company must include in its Annual Accounts a note of any material interest that Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed as per the provisions of the Companies Act, 2013 and not 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 contacts with a particular person, firm or company is acceptable.

## **10. Termination**

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.

Your appointment may also be terminated in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, from time to time in force.



**11. 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 Courts in Mumbai.

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

Yours faithfully,  
SANOFI INDIA LIMITED

RAJARAM NARAYANAN  
MANAGING DIRECTOR