



HELLA India Lighting Ltd.
6A, 6th Floor, Platinum Tower
184, Udyog Vihar Phase-I
Gurgaon-122016
Haryana, India

Tel: +91-124-4658600
Fax: +91-124-4658699

www.hella.co.in

CIN: U74899DL1959PLC003126

Date: 05/09/2016

To,
Mr. Tarun Gulati
B-159, Vivek Vihar,
Delhi - 110095

Sub: Letter of Appointment as Independent Director

Dear Sir,

This has referred to the Board Meeting held on 05th September 2016, where you have appointed as an Independent Director of the Company. The said appointment is as per section 149 read with Schedule IV of the Companies Act, 2013 (Act) along with rules as may be applicable. You shall hold office as an Independent Director from 05th September 2016 until the conclusion of 58th AGM of the Company.

The other terms and conditions of your appointment will be as follows:

1. Committee and sitting Fee

The Board has its various committees. Members of the Committees are decided by the board on time to time. The Board member and the Committee members are being paid sitting fee as per the following table:

S. No.	Particulars	Sitting Fees (INR)
1	Board Meeting	10,000/-
2	Audit Committee meeting	5,000/-
3	Stakeholders' Relationship Committee	5,000/-
4	Nomination and Remuneration Committee	1,000/-
5	Share Transfer Committee	1,000/-

You will also be eligible for conveyance charges of Rs. 2000/- for attending the above meeting on a single day. Further all the sitting fees including conveyance charges will be subject to the deduction of Tax at Source and exclusive of service tax.

The Board has power to change the sitting fee as per the provisions of the law.

As on 05th September 2016 you are already member of the following Committees:

Plant : Ambala Chandigarh Highway, Derabassi-140504 (Punjab)

Works at : Khewat No. 240/220, Kila No. 17/6, Badsahi Road, Surat Nagar -II, Gurgaon - 122001 (Haryana) ★

Regd. Office : Hella India Lighting Limited, K-61B, LGF, Kalkaji, New Delhi - 110019



1. Board of Directors of the company.
2. Audit Committee
3. Stakeholders' Relationship Committee
4. Nomination and Remuneration Committee
5. Share Transfer Committee

2. Code of Conduct

Appointment shall also subject to adherence to the Code of Conduct (including its statutory modifications/ amendments). A copy of the same is attached here for your kind information and perusal.

Your signature on a copy of this letter shall indicate that you have read and thoroughly understood the terms of your employment and shall constitute your acceptance of these conditions. A signed copy of this letter must be returned to this office.

Warm Regards
For Hella India Lighting Limited



Rama Shankar Pandey
Managing Director



Enclosed: A/a

CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

(BASED ON MODEL CODE OF CONDUCT AS PRESCRIBED UNDER SCHEDULE IV OF COMPANIES ACT-2013)

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;



- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Fiduciary Duties :

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;



(9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

(10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalised through a letter of appointment.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

(1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.



(2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.

(3) Where the company fulfills the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

(1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;

(2) All the independent directors of the company shall strive to be present at such meeting;

(3) The meeting shall:

(a) review the performance of non-independent directors and the Board as a whole;

(b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

(c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

(1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

(2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

IX Disclosures:

The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours and shall also be posted on the company's website.

