



CAPLIN POINT LABORATORIES LIMITED

Regd. Off. : "NARBAVI", No.3, Lakshmanan Street, T. Nagar, Chennai - 600 017. Tamil Nadu, India. Phone : +91 44 28156653, 28156905
Fax : +91 44 28154952 E-mail : info@caplinpoint.net Website : www.caplinpoint.net

CAPLIN POINT LABORATORIES LIMITED

Regd Office: "Narbavi",
No: 3, Lakshmanan Street,
T.Nagar, Chennai - 600 017.
CIN: L24231TN1990PLC019053
Phone Nos: 044 - 28156653, 28156905
Fax No: 044 - 28154952
website: www.caplinpoint.net
email ID: info@caplinpoint.net

13th May 2014

To

Bombay Stock Exchange Limited
Floor 25, P J Towers, Dalal Street,
Mumbai 400 001

Dear Sirs,

Sub: Terms & Conditions of Appointment of Independent Director.
Ref.: Scrip Code 524742

Further to our intimation regarding appointment of Mr. R Ravichandran as an Additional Director (Non-Executive Independent Director) of the Company at the meeting of the Board of Directors of the Company held on 12th May, 2014, we wish to inform you that the terms & conditions of appointment of Mr. R Ravichandran is attached along with his profile as per the provisions of the SEBI circular dated 17.04.2014.

We request you to kindly acknowledge receipt and kindly upload the same in your website.

Thanking you

Yours faithfully

For CAPLIN POINT LABORATORIES LIMITED

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Unit I : No: 85/3, Suthukeny Village, Mannadipet Commune, Puducherry - 605 502. Ph.: +91 413 2674046 / 4047

Unit II : No.19, Chinnapuliur Village, Sirupuzhalpettai (Post), Gummidipoondi Taluk, Thiruvallur District. Pincode - 601 201. Ph.: +91 44 27900901

Unit III : KHASRA No.435,Village Suraj Majra, N.H. No.21,Baddi, Teh. Nalagarh, District Solan, Himachal Pradesh - 173205. Ph.: +91 1795 245512

Unit IV: Survey No.: 895 & 897, Guruvarajakandigai, Sirupuzhalpettai (Post), Gummidipoondi Taluk, Thiruvallur District, Pincode - 601 201.

Ph.: +9197884 59333/69333



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Dated 12th May, 2014

To

Dr. R. Ravichandran,
29, Thamirabarani Street,
4, Palaniappa Nagar,
Valasarawalkam,
Chennai – 600 087

Sir,

Sub: Appointment Letter

Ref: Board Meeting held on 12th May, 2014.

At the outset, we welcome you on Board of Caplin Point Laboratories Limited.

The Board of Directors at its meeting held on 12th May, 2014 considered your profile for the appointment as an Independent Director. The Board opined that you are a person of integrity and also possesses rich experience and expertise in the field of Corporate Management. The Board of Directors, pursuant to Section 149 (6) of the Companies Act, 2013, Rules made there under and the listing agreement, are pleased to appoint you as an Independent Director with effect from 12th May, 2014. Further we wish to state that you have been appointed as an Additional Director in terms of Section 161 of the Companies Act, 2013, to hold the office up to the date of the next annual general meeting.

The Board took on record your consent to act as director in Form DIR-2, declaration under Section 149 (6) stating that you meet all the criteria of the appointment as an Independent Director and Disclosure of Interest in Form MBP-1.

Other terms and conditions of appointment are as follows:

1. The term of appointment:

You are appointed for a period of 2 (Two) years with effect from 12th May, 2014. However, you have been appointed as an Additional Director by the Board on 12th May, 2014 to hold the office up to the date of the next annual general meeting. Therefore, the appointment is subject to members' approval at the next annual general meeting.

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2. The expectations of the Board from the appointed Director

- a. Time Commitment:- The Company anticipates a commitment of sufficient time and attention as necessary in order to perform your duties under the appointment.
- b. Strategy:- The Company expects that you will constructively challenge and contribute to the development of strategy.
- c. Performance:- You shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- d. Risk:- You should satisfy yourself that the financial information is accurate and that financial controls and systems of risk management are robust and defensible.
- e. Confidentiality:- You must apply the highest standards of confidentiality and not disclose to any person or Company (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any group Companies with which you come into contact by virtue of your position as a Non-Executive Independent Director of the Company.

3. Appointment in Board-level committees and its tasks.

During the appointment you may be asked to serve on one or more of the Board Committees and you have been provided with copies of the terms of reference for each of those Committees.

4. The fiduciary duties that come with such appointment along with accompanying liabilities:

- a. You shall not breach any of the terms and conditions pertaining to Independent Directors as mentioned in the Companies Act, 2013 or the listing agreement or any other Act or Regulations.
- b. You shall display utmost alacrity in approving financial statement.
- c. You shall disclose interest in any of the contract or arrangements and also disclose the interest on periodical basis as required under law.
- d. You shall strive to attend all meeting including Board, Committee and General Meetings. He shall actively participate in the meetings.

- e. You shall not compromise or allow to compromise "Independence"
- f. You shall not misuse the assets, property, information or any other matter that may be in possession, in the capacity as a Director of the Company.
- g. You shall not engage in Insider Trading activities.
- h. You shall ensure compliance of all the laws of the land.

The above list is only indicative and not exhaustive.

Any breach of fiduciary duties would warrant civil and criminal action or both by the Company, its shareholders, statutory authorities and others. The Companies Act, 2013, envisages huge penalties and imprisonment for such breaches. You are also exposed to Class Action Suit by Shareholders.

5. Provision for Directors and Officers (D and O) insurance, if any

The proposal for D and O Insurance for the Directors and Officers are under consideration. A detailed study will be made and the blue print shall be placed before the Board at the earliest.

6. The Code of Business Ethics that the Company expects its directors and employees to follow:

The Company has formulated a detailed Code of Conduct for the Board of Directors and Senior employees of the Company. The Code of Conduct is also displayed in the Company's website. A copy of the same is enclosed as **Annexure-1**. You shall annually affirm, in writing, the compliance with the code.

7. The list of actions that a director should not do while functioning as such in the company.

You shall not

- i. misuse the information in their possession for personal gains.
- ii. engage in any way (both directly or indirectly) with the competitors.
- iii. in any way indulge in activities which may be construed as conflict of interest.
- iv. break any law of the land or indulge or provoke the co-directors or employees to do the same.
- v. enter into any contract or arrangements wherein he is directly or indirectly interested.

The above list is only indicative and not exhaustive.

8. The remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

The remuneration policy for non-whole time directors, including the Independent Directors, is reviewed by the Board or Committee thereof. Presently all the non-whole time Directors are remunerated by way of Sitting Fees. The expenses incurred by the Directors for attending the Board or Committee Meetings or any other work are reimbursed.

9. Others:

The Appointment Letter is issued based on the Act, Rules and other Regulations prevalent at the time of appointment. Any change in above, shall automatically entail changes in the terms and conditions.

The Board or its Committee is empowered to change the policy, from time to time. Such change in policy shall be informed to you.

The Board or its Committee are empowered to review and change the terms and conditions of this letter. Any changes, thereof, will be informed to you.

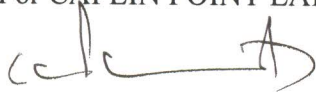
A copy of Schedule IV of the Companies Act, 2013, detailing the code to professional conduct of Independent Director is enclosed as Annexure-2.

A copy of the Board Resolution dated 12th May, 2014 pertaining to your appointment is enclosed as Annexure-3.

We hope to sail smoothly and look forward for your valuable contribution to the growth of the Company.

Thanking you

Yours faithfully
For CAPLIN POINT LABORATORIES LIMITED



CHAIRMAN

Encl.: a/a.

CODE OF CONDUCT

Caplin Point Laboratories Limited (CPLL) commitment to ethical and lawful business conduct is a fundamental shared value of the Board of Directors, the senior management and all other employees of the Company.

Consistent with its Values and Beliefs, CPLL has formulated the following Code of Conduct as a guide. The Code sets out the standards that each Director will adhere to whilst conducting their duties. The Code does not attempt to be comprehensive or cover all possible situations. It encourages the CPLL team to take positive actions, which are not only commensurate with the Values and Beliefs, but are also perceived to be so. CPLL expects all its employees to implement the Code in its true spirit and in case of any doubt or confusion, to consult his/her immediate superior, the head of HR or the Business Head as relevant.

For the purpose of this Code, the term "senior management" shall mean

- (a) Executives who are in the grade of General Manager and above;
- (b) All executives directly reporting to General Manager and above;
- (c) Company Secretary

The Board of Directors adopted the following Code of Conduct and our Directors are expected to adhere to standards of loyalty, good faith, and the avoidance of conflict of interest that follow. In performing their functions, the directors and senior management of the Company shall:

- Act honestly, diligently and in good faith and in the best interest of the Company as a whole.
- Perform the functions of office and exercise the powers attached to that office with a degree of care and diligence that a reasonable person would exercise if they were a director in the same circumstances.
- Must not make improper use of information obtained by them in the course of their official duty, whether from the Company or otherwise, for personal gain, or use / allow the use of such information for the financial benefit for any other person or to cause detriment to the company.
- Not engage in any business, relationship or activity, which might detrimentally conflict with the interest of the Company.
- Maintain the principle of need to know and also confidentiality of all material non-public information about the Company, its business and affairs.
- Comply with all applicable laws, rules and regulations. In order to assist the Company in promoting lawful and ethical behavior, they must report any violation of law, rules, regulation or the code of conduct to the Head, Human Resources or the Compliance Officer.



- The Company strives to provide each employee with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees should report to work in a condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs or alcohol in the workplace is absolutely prohibited.

- Not use their status to seek or accept any personal gains or favors from those doing or seeking to do business with the Company or from other employees of the company.
- As a general practice employees and their close family members should not accept gifts in cash or kind, particularly if this is likely to lead to a business relationship with the company. However, an exception to this may be made for non cash gifts upto a value of Rs.2000/, and for items that can be reciprocated such as tickets to events, business meals etc. If refusing a gift beyond this value, would affect a relationship with the company, the gift may be accepted and handed over to the company”.
- Not share any information regarding the Company, its business and/or affairs with media without the prior approval of the Business Head.

In addition, in performing their Board and Board Committee functions, the directors shall:

- Comply with the Company’s Insider Trading Code while trading in the Company’s securities at any time.
- Comply with the spirit as well as the letter, of the law and of the principles of this Code of Conduct and the Code of Conduct and Intergrity policies framed by the Company from time to time.
- Not hold position of Director/Advisor with a competitor Company
- Inform the Chairman of changes in their interests that may interfere with their ability to perform their duties, and in the case of “independent directors”, impact their independence as a Board member.

Directors will annually affirm compliance with this Code. The Annual Report of the Company will contain a declaration to this effect signed by the CEO.

The provisions of this Code can be amended and modified by the Board of Directors of the Company from time to time and all such amendments and modifications shall take effect from the date stated therein. All Officers shall be duly informed of such amendments and modifications.

Pursuant to Clause 49 of the Listing Agreement, this Code and any amendments thereto shall be posted on the website of the Company.





Dr. R Ravichandran FICS (UK), Ph.D.

Bachelors degree in Commerce (University of Madras) Masters in Foreign Trade (Central University, Pondicherry), Doctorate in Management (SCSVMV Kanchi University, Chennai) Executive Specialization in International Finance (IIT, Delhi), Logistics and Supply Chain Management (IIT, Delhi), International Cargo Management in IATA/FIATA (Canada), Professionally Qualified Chartered Ship Broker (FICS), UK and Post Doctoral Research in Investment Banking and Strategic Alliances.

Dr. Ravichandran has over 36 years of corporate work experience in senior positions, domains ranging from International Business, International Finance, Investment Banking, International Project Management, International Banking, Merger & Acquisition, Business Designing and Modeling, Strategic Alliances, Corporate Training, Management Consulting and Star Faculty to Top B Schools.

He has travelled to over 64 countries across the globe.

To add to his expertise, he is also a –

- Member, World Trade Centre
- Fellow Member, Institute of Chartered Ship Brokers, London
- Founder President & Secretary General, Indo Latin American Chamber of commerce & Industry
- Corporate Member, Southern India Chamber of Commerce & Industry, Chennai
- Charter member, Institute of Logistics and Transport, London, UK
- Member, All India management Association, New Delhi