

Draft Appointment Letter of Independent Director

Dear

We are in receipt of your declaration that you meet criteria of Independence as required under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement and your consent to hold office as a Director of the company.

We are pleased to inform you that Board of Directors of the Company have approved your appointment as an Independent Director on the Board of the Company subject to approval of members in the forthcoming Annual General Meeting.

Please note that your relationship with the Company will be that of an office holder and not one of contract of employment with the company.

The main terms of appointment are as under:

1. Appointment:

- 1.1. Your appointment is in terms of Schedule IV of the Companies Act, 2013.
- 1.2. Your term of office as an Independent Director will be for a term of five years from the date of your appointment, subject to approval by shareholders.
- 1.3. Your appointment is subject to the maximum permissible Directorship that one can hold as per the provisions of the Companies Act, 2013 and the Listing Agreement.
- 1.4. In compliance with provisions of section 149(13) of the Companies Act, 2013, your Directorship is not subject to retirement by rotation.
- 1.5. The term Independent Director should be construed as defined under the Companies Act, 2013 and the Listing Agreement.
- 1.6. Any term of renewal will be subject to Board review and your re-election by the shareholders at the Annual General Meeting.
- 1.7. You may be requested to serve on various committees of the Board as detailed below:
 1. Audit Committee
 2. Stakeholders Relationship Committee
 3. Nomination and Remuneration Committee
- 1.8. The Board may change the composition/position of the committee from time to time. Further Board may constitute additional committees and you may be requested to serve on such committees.

2. Role, Functions and Responsibilities:

- 2.1 Your role and duties as an Independent Director would be as provided in the Companies Act, 2013 read with applicable rules, listing agreement and applicable laws.
- 2.2 There are certain duties prescribed for all Directors which are fiduciary in nature. As a member of the Board you along with the other Directors will be collectively responsible for such duties as under:
 - i. You shall act in good faith in order to promote the objects of the company for the benefit of its Board of Directors as a whole, and in the best interests of the company, its employees and the shareholders.
 - ii. You shall exercise your duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
 - iii. You shall not involve 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.
 - iv. You shall not assign your office as Director.
- 2.3 As an Independent Director you shall abide by the Code of Independent Director as enumerated under Schedule IV of the Companies Act, 2013. For your reference Schedule IV is attached herewith this letter.
- 2.4 As an Independent Director you shall provide guidance in the area of your expertise. You are expected to devote sufficient time for performance of role and duties as an Independent Director.

3. Remuneration:

- 3.1. As a Non-Executive Director, you will be paid sitting fees for attending Board/Committee meetings as may be fixed by the Board of Directors, subject to the provisions of the Companies Act, 2013 from time to time.
- 3.2 The company may pay or reimburse you for travel, hotel and other incidental expenses in actual incurred by you in the performance of your role and duties.

4. Confidentiality:

- 4.1. You acknowledge that all information acquired during your appointment is confidential to the Company and should not be released, communicated, nor disclosed either during your tenure or following termination, to third parties without prior clearance from the Board of Directors.
- 4.2 You must not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, with which you come into contact by virtue of your position as Director, unless such disclosure is expressly approved by the Board or required by law.

5. Conflict of Interest:

- 5.1. You may have business or other interest other than those of the company. In the event that such interest gives rise to situation of conflict of interest, which requires the judgment of the Board that you are Independent, you will promptly disclose to the Board any change in circumstances which may affect your status as an Independent Director.
- 5.2. You will neither serve on the Board nor take any assignment or employment with competing entities.
6. You shall adhere to the SEBI (Prohibition of Insider Trading) Regulations 2015 and also the Insider Trading Code adopted by the Company which is attached to this letter
7. You shall also adhere to the code of conduct of the Company which is also attached to this letter.
8. You shall inform the Company Secretary promptly of any change in address or other personal contact details.
9. In terms of the Companies Act, 2013 you are eligible to serve as an Independent Director of the Company for a period of two terms of 5 years each. Your appointment for the second term would be on the basis of the report of performance evaluation made by the Board of Directors of the Company and subject to approval of the shareholders.

It is a pleasure to have you on Board. We feel confident that the Company will benefit immensely from your induction into the Board.

Yours faithfully
For **Aplab Limited**

P S Deodhar
Chairman & Managing Director

Enclosures: 1. Schedule IV
 2. Code of Conduct
 3. Insider Trading Code