

**TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**  
**[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 (“the Act”)]**

- **Appointment and term thereof**

The appointment of Non-Executive Independent Director on the Board of Directors (Board) of Aparna Enterprises Limited will be for an initial term up to 5 (five) years and shall take effect from <\_\_\_\_\_>, unless terminated earlier or extended, as per the provisions of this letter or applicable laws. The word “term” should be construed as defined under the Act.

As an Independent Director, he/she will not be liable to retire by rotation.

Re-appointment for the second term shall be based on recommendation of the Nomination & Remuneration Committee and subject to approval of the Board and the Shareholders. Re-appointment would be considered by the Board, based on the outcome of the performance evaluation process and continuance to meet independence criteria.

Relationship with the Company will be that of an office-holder and not one of contract for employment in the Company.

- **Role Duties and Responsibilities**

Role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and the same are mentioned below:

1. Shall act in accordance with the Company's Articles of Association as may be amended from time to time.
2. 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.
3. Shall discharge duties with due and reasonable care, skill and diligence.
4. Shall not involve in a situation in which Independent Director may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
5. Shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.

6. Shall not assign office as Director and any assignments so made shall be void.

There are certain roles, functions, duties prescribed for all independent directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. Independent Director shall abide by the said 'Code for Independent Directors' as amended from time to time to the extent relevant and applicable to Independent Directors role.

- **Board committees:**

As per the advice of the Board and subject to approval of Shareholders in General Meeting, if required Independent Director will be appointed in the Committees.

- **Time Commitment**

Independent Directors are expected to bring objectivity and independence of view to the Board's discussions and to help in providing 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.

Independent directors are expected to attend at least quarterly one Board and Audit Committee Meeting and yearly, one Nomination and Remuneration Committee, CSR Committee, Annual General Meeting, to be held by the Company during the year.

- **Sitting Fees:**

A sitting fee will be paid for attending each meeting of the Board as well as Committees, as per the provisions of Section 197 of the Act 2013 and the Articles of Association of the Company, as fixed by the board from time to time;

The ID will be entitled to claim reimbursement of all his/ her travelling, hotel and other incidental expenses incurred by him/ her in performance of duties as director of the Company, as per the provisions of the Act 2013.

- **Evaluation of the Board**

As a Non-Executive Independent Director should strive to hold and attend one meeting of the Independent directors in a year, without the presence of Non- Independent Directors and member of the management team with the sole objective of:

1. Review the performance of Non-Independent Directors and the Board as a whole;
2. Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
3. 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.

Further each Non-Executive Independent Director appointment or re-appointment is subject to yearly evaluation process adopted by the Board.

- **Performance Appraisal / Evaluation Process of Independent Directors**

As a member of the Board, Independent Director Performance shall be evaluated annually. Evaluation shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

- **Confidentiality**

Independent Director must apply the highest standard of confidentiality and not disclose to any person or Company, whether during the course of Appointment or at any time after termination, any confidential information concerning the Company and any group Companies with which Independent Director come into contact by virtue of Independent Directors position.

- **Changes of Personal Details**

During the Term, Independent Director shall promptly intimate the Company and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

- **Cooperation**

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on Independent Director's part during their Term, Independent Director agree to render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

- **Directors & Officers (D&O) Insurance**

Presently, the Company has no D&O liability insurance policy. However, if the Company takes such a policy then a copy of the same will be supplied to Independent Director on request

- **Liability**

An Independent Director will be liable only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board process, and with his consent or connivance or where he had not acted diligently.

- **Conflict of Interest**

It is accepted and acknowledged that Independent Director may have business interests other than those of the Company. As a condition to appointment, Independent Director are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of appointment. In the event that Independent Director 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 judgment that Independent Director are independent, this should be disclosed to both the Chairman and the Company Secretary.

- **Termination**

Directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Act, Independent Director Directorship may be terminated for violation of any provision of the Code of Conduct of the Company.

Independent Director may resign from the Directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by Independent Director in the notice, whichever is later. If, at any stage during the Term, there is a change that may affect status as an Independent Director as envisaged in Section 149(6) of the Act, Independent Director agree to promptly submit resignation to the Company with effect from the date of such change.

This letter represents the entire understanding, and constitutes the whole agreement, in relation to appointment and supersedes any previous agreement between Independent Director and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

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