

Date:.....

To,

.....

**Sub: Appointment as Independent Director**

Dear Sir/Madam,

We are pleased to inform you that pursuant to a resolution passed by members of the Company in the Annual General Meeting held on ....., you have been appointed as Independent Director of the Company with effect from .....

The appointment is based on your confirmation to SIL Investments Limited (the Company) that you meet the independence criterion envisaged under the Companies Act, 2013 and Listing Agreement with the Stock Exchanges.

The broad terms & conditions of your appointment are as under:

**1. Appointment, Term and Termination**

- i. You shall serve as an Independent Director of the Company in accordance with the provisions of the Articles of Association of the Company (as amended from time to time), the Companies Act, 2013 (“the Act”), Rules framed thereunder, the Listing Agreement entered by the Company with the Stock Exchanges and other applicable laws, rules and regulations.

- ii. Your term of appointment shall be for 5 (Five) consecutive years, that is upto the conclusion of the Annual General Meeting of the Company to be held in the calendar year ..... As an independent director, you are not liable to retire by rotation.
- iii. The Appointment is subject to termination in accordance with provisions of the Articles of Association of the Company, the Companies Act 2013, the rules framed thereunder and the Code of Conduct. Upon termination or your resignation for any reason, you will not be entitled to any damages for loss of office.
- iv. Your relationship with the Company will be that of an office-holder and it is not a contract of employment with the Company.
- v. The Board of Directors may appoint you as Member/Chairman of one or more of its Committees. Upon your appointment to the Committee(s), the Company will provide you the terms of reference of the concerned Committee.

## **2. Time Commitment**

Considering nature of your role, you agree to devote such time as is prudent and necessary for the performance of your role, duties and responsibilities as an Independent Director. You shall endeavor to attend all board meetings, meetings of the Committees(s) of the Board of which you are a member or chairman and Annual General Meeting. The Company usually has four to five meetings of Board, in addition to need based meetings of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Finance and Corporate Affairs Committee and CSR Committee each year, in addition to any emergent meetings. The meetings of the committees are held as per the business needs of the Company. You will be expected to devote appropriate preparation time ahead of each meeting.

## **3. Roles and Responsibilities**

- i. You shall discharge all functions and duties as prescribed for an Independent Director under the Act, Rules framed thereunder, other laws and regulations, listing agreement entered by the Company with the Stock Exchanges (including clause 49 of the listing agreement) and in particular the following:
  - a) You shall act in accordance with the Articles of Association of the Company.

- b) 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, its employees, the shareholders, the community and for the protection of environment.
  - c) You shall not involve in a situation in which you may have a direct or indirect conflict of interest or which possibly may conflict with the interest of the company.
  - d) You shall exercise your duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
  - e) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners, or associates and such conduct shall attract necessary action, as per law.
  - f) You shall not assign your office and any assignment so made shall be void.
  - g) You shall abide by the provisions of 'Code for Independent Directors' as outlined in Schedule IV of the Act (as may be amended from time to time), A current copy of the same is attached herewith as **Annexure-I** for your ready reference.
- ii) You will be responsible for providing guidance in the area of your expertise.

#### **4. Independent Advice**

You may seek independent professional advice with the approval of the Chairman of the Board of Directors, at the Company's expense, on any matter connected with the discharge of your responsibilities as an Independent Director.

#### **5. Liabilities**

As per Section 149(12) of the Act, an Independent Director shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his/her knowledge attributable through Board processes, and with his / her consent or connivance or where he/she has not acted diligently.

#### **6. Remuneration and Expenses**

- i. You will be paid remuneration by way of sitting fees for attending the meetings of the Board and its Committees as may be approved by the Board and/or the members, as the case may be, from time to time. Further, you may also be paid remuneration by way of commission as may be approved by the Board and the members of the Company from time to time.

- ii. The sitting fee presently being paid by the Company to Independent Directors for attending the meetings of the Board and its committees is as under:

Board	:	Rs. 5,000 per meeting
Audit Committee	:	Rs. 2,500 per meeting
Other Committees of the Board	:	Rs. 2,500 per meeting

Further, as per board's decision currently each of the Independent Director is entitled to receive a commission upto Rs. 50,000 per annum (within the prescribed limit of 1% of the net profits of the Company).

- iii. In addition to the above, the Company shall pay or reimburse you such fair and reasonable expenditure, as may be incurred by you while performing your role as an Independent Director of the Company, in accordance with the Articles of Association of the Company and / or Board approval in this behalf.

#### **7. Director & Officers (D&O) Liability Insurance**

The Company shall obtain a D&O liability insurance policy with sum assured of Rs. 5 Crore and it is intended to maintain such cover for full term of your appointment as an Independent Director of the Company.

#### **8. Training of Independent Directors**

The Company shall arrange suitable training in order to familiarize you with your role, responsibilities, nature of industries in which the Company operate, business model of the Company, etc.

#### **9. Evaluation Process**

As a member of the Board, your performance as well as the performance of the entire Board shall be evaluated annually as per the provisions of the Act, Rules framed thereunder other laws and regulations and listing agreement entered by the Company with the Stock Exchanges.

#### **10. Disclosures**

You shall make all statutory disclosures/confirmations, as required under the Companies Act, 2013, Rules thereunder, other applicable laws and regulations and listing agreement entered by the Company with the Stock Exchange (including clause 49 of the Listing Agreement) to the Company and to various

statutory and regulatory authorities. Please ensure that the Company is kept informed of any change to your disclosures of interests or change of address, contact numbers and personal details filed with the Company.

## **11. Code of Conduct**

- i. During your tenure as a Independent Director of the Company, you are required to comply with the following codes of the company:
  - a) Code of Conduct for Prevention of Insider Trading (attached herewith as **Annexure-II**); and
  - b) Code of Conduct and Ethics (attached herewith as **Annexure-III**).
- ii. You shall timely submit various disclosures to the company as required under 'Code of Conduct for Prevention of Insider Trading'.
- iii. You shall be required to affirm to the Board of Directors of the Company, compliance of the 'Code of Conduct and Ethics' on annual basis.

## **12. Publication / Filing of this Letter with Statutory Authorities**

The Company will be entitled to disclose or file to the extent applicable, a copy of this letter and your particulars (including your detailed profile) to or with the statutory or regulatory authorities and stock exchanges, as may be required in pursuance of the laws, regulations and requirements of stock exchanges. Such disclosure may include hosting / uploading / display of your aforesaid information including this letter on the website of the Company as well as that of the stock exchanges where the securities of the Company are listed.

## **13. Confidentiality**

In your role as an Independent Director, you will be in possession of confidential information about the Company and its affairs. You may only use that information in the proper performance of your duties or as required by law. You must not use it gain advantage for yourself or others, or to the detriment of the Company. On termination or expiry of your tenure, you shall return on the Company's request, all books, papers, documents and other property of or relating to the business of the Company, which are in your possession or custody. Your obligation of confidentiality shall survive termination or cessation of office of directorship of the Company. Unless specifically authorized by the Company or required under the law, you shall not disclose information about the Company

or its business to the public or the Company's stakeholders.

#### **14. Governing Law and Jurisdiction**

This letter of appointment shall be governed by and construed in accordance with the laws of the Republic of India and shall be subject to the exclusive jurisdiction of the Indian Courts.

We look forward to your association with us. Please sign the duplicate copy of this letter in token of receipt of the original and your acceptance of the contents thereof.

Thanking you,

**For SIL INVESTMENTS LIMITED**

**(C. S. NOPANY)**

**CHAIRMAN**

**Encl:**

1. Annexure-I : Code for Independent Directors.
2. Annexure-II : Code of Conduct for Prevention of Insider Trading
3. Annexure-III : Code of Conduct and Ethics

**Agreed and accepted**

I have read and understood the terms of my appointment as an Independent Director of the Company and hereby affirm my acceptance to the same.

Signature :

Name :

Place :

Date :