

## DRAFT LETTER OF APPOINTMENT

Date \_\_\_\_\_

To  
**Mr** \_\_\_\_\_

Dear Sir,

I am writing to confirm our decision to appoint you on the Board of Directors of Supertex Industries Limited (hereinafter referred to as SIL or the Company) with effect from \_\_\_\_\_ to \_\_\_\_\_. This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

### 1. **Appointment**

- 1.1 Your appointment is for an initial term of \_\_\_\_\_ consecutive years as a Non-Executive Independent Director on the Board of Directors of SIL, from \_\_\_\_\_ to \_\_\_\_\_. As an Independent Director you will not be liable to retire by rotation.
- 1.2 Your re-appointment is subject to approval of the Board of Directors, election and appointment by the Shareholders as per under the provisions of the Companies Act, 2013.
- 1.3 Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the listing agreement.
- 1.4 The term Independent Director should be construed as defined under the Companies Act, 2013 and the listing agreement.
- 1.5 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage Non Executive Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.

### 2. **Committees**

The Board of Directors (the Board) may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

You are expected to attend Board, Board Committees, to which you may be appointed and to devote such time to your duties as deemed appropriate for discharge of your duties effectively.

### **3. Role Duties and Responsibilities**

Your role and duties will be those normally required of a Non-Executive Independent Director under the Act and the Listing Agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and the same are specified under Section 166 of the Act.

In addition to the above requirements, you are also required to discharge the duties, roles and functions as applicable to Independent Directors as stated under Schedule IV to the Act, as in force and as may be amended from time to time. While performing such duties, roles and functions, you will be required to abide by the 'Guidelines of Professional Conduct' as stated under the said Schedule.

### **4. Code of Conduct / Excluded Actions**

- 4.1 You will follow the Code of Conduct of the Company and furnish annual affirmation of the same.
- 4.2 You will apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after its cessation) any confidential information concerning the Company with which you come into contact by virtue of your position as a Director, except as permitted by law or with prior clearance from the Chairman of the Board.
- 4.3 We would also like to draw your attention to the applicability of Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, which inter-alia prohibits disclosure or use of unpublished price sensitive information. You should not make any statement(s) that might risk a breach of the requirements specified under the said statute unless the same is required under any law or the same is required for the purpose of compliance of any direction, order, etc. issued/given by any judicial authority.

### **5. Induction**

Immediately after your appointment, you will be invited to attend an initial induction session and, thereafter, ongoing training and familiarisation sessions, including briefings from management and site visits. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

### **6. Evaluation**

The Company has adopted a policy on Board Evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual

basis. Your appointment and re appointment on the Board shall subject to the outcome of the yearly evaluation process.

## **7. Disclosure of Interest**

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

## **8. Confidentiality**

All information acquired during your appointment is confidential to SIL and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by SIL.

You are required to comply with the Company's Insider Trading Code of Conduct. This code inter alia prohibits the Directors from dealing in the Company's shares during the period when the trading window is closed. Further, directors, being designated officers of the Company for the purpose of insider trading guidelines, are to pre-clear all trades (buy/sell) from the Compliance Officer of the Company.

## **9. Conflict of Interest**

9.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

9.2 In the event that your 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 you are independent, this should be disclosed to both the Chairman and the Secretary.

## **10. Independent Professional Advice**

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers subject to prior consultation with the Board.

## **11. Remuneration**

As an Independent Director you shall be paid sitting fees for attending the meetings of the Board and the Committees of which you are a member as fixed by the Board from time to time.

In addition this Company will, for the period of your appointment, reimburse you for travel, other incidental expenses incurred by you in the performance of your role and duties.

**12. Changes of Personal Details**

During the Term, you 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.

**13. 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 you on request.

**14. Termination**

- a. You may resign from your position by giving notice in writing to the company stating the reasons for resignation and also to Registrar of Companies (ROC).
- b. Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.
- c. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

**15. Acceptance of Appointment**

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

We thank you for your continued support and commitment to the company.

For **Supertex Industries Limited**

**Chairman**