***Registered Office:***
B-307, Hind Saurashtra Industrial Estate,
Sir M. V. Road, Nr. Mittal Estate, J B Nagar,
Marol, Andheri (East), Mumbai - 400059,
Tel: 9819001811 | www.sparcelectrex.in
Email: spacrelectrex@gmail.com
CIN: L31100MH1989PLC053467 | GST: 27AAECS2631Q1ZY

SPARC ELECTREX LIMITED

# LETTER OF APPOINTMENT AS A NON-EXECUTIVE, INDEPENDENT DIRECTOR

Date:

To,
Ms./Mr.

Dear Ms. / Mr._____,

We are pleased to inform you that, at its meeting held on _____, ____, the Board of Directors of the Company have approved your appointment as an Additional Independent Director of the Company with immediate effect, subject to approval of the Shareholders of the Company via Special Resolution.

**Terms of Appointment**

The terms and conditions covering your appointment are as follows:

**I. Term:**

Your appointment as an Independent Director of the Company is for a term of ____ consecutive years, i.e. from ____ to ____. As per the provisions of the Companies Act, 2013, you shall not be liable to retire by rotation. The Company is at liberty to disengage you as Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.

**II. Appointment:**

a) The term Independent Director should be construed as defined under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

b) Your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of Section 165 of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

c) You shall enter into a Deed of Covenant with the Company.

d) The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and the Listing Regulations.

e) Your performance shall be evaluated by the Board annually.

f) You confirm that your name is registered with the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs (IICA) pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and that you have complied with the requisite online proficiency self-assessment test requirement or hold the necessary exemption therefrom.

**III. Committees:**

The Board shall look forward to your active participation in the Board and Committee Meetings to which you may be appointed as a member and facilitate to bring independent judgement to the Board.

**IV. Time Commitment:**

(A) As a Non-Executive, Independent Director you are expected to bring objectivity and independence of view to the Board's discussions and to facilitate the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring highest standards of financial probity and corporate governance. The Board meets at least four times in a year. You will be expected to attend Meetings of the Board, Meetings of Committees of the Board to which you may be appointed as a member and Meetings of Shareholders. You shall continue to devote such time to your duties, as may be appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Mumbai.

(B) By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

**V. Role and Duties:**

Your role and duties will be those normally required of a Non-Executive, Independent Director under the Companies Act, 2013 and the Listing Regulations. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

i. You shall act in accordance with the provisions of the Companies Act, 2013, the Listing Regulations and the Company's Articles of Association.

ii. 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.

iii. You shall discharge your duties with due and reasonable care, skill and diligence.

iv. You shall not involve yourself 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.

v. You shall not achieve or attempt to achieve any undue gain or advantage either for yourself or for your relatives, partners or associates.

vi. You shall not assign your office as Director and any assignments made shall be void.

**VI. Directors and Officers (D&O) Insurance:**

SPARC ELECTREX LIMITED has Directors' and Officers' liability insurance and it is intended that SPARC ELECTREX LIMITED will assume and maintain such cover from time to time.

**VII. Remuneration:**

You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board. Further, you will also be paid remuneration by way of commission as may be approved by the Board within an overall ceiling approved by the Shareholders.

The payment of sitting fees will be within the limits mandated under the Companies Act, 2013 and Rules made thereunder (as amended from time to time).

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**VIII. Reimbursement of Expenses:**

In addition to the remuneration described in above paragraph VII, the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you for attending meetings of the Board, its Committees and Shareholders, in the performance of your role and duties.

**IX. Confidentiality:**

- All information acquired during your appointment is confidential 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 authorities. On reasonable request, you shall surrender any documents and other materials made available to you by SPARC ELECTREX LIMITED.

- This restriction shall cease to apply to any confidential information which may (other than reason of your breach) become available to the public generally.

- You acknowledge the need to hold and retain Company information (in whatever format you receive it) under appropriately secure conditions.

- You will not, except with the prior written consent of the Company, be in any way connected with or interested in any business in direct competition with that of the Company. This does not prevent you from holding equity or other securities in other companies; however it is expected that you will not serve on the Boards of competing companies.

- Your attention is also drawn to the requirements under the applicable regulations and the *SPARC ELECTREX LIMITED - Code of Conduct for Board Members and Senior Management Executives,* and also *SPARC ELECTREX LIMITED - Code of Conduct for Prevention of Insider Trading* which concern the disclosure of price sensitive information and dealing in the securities of *SPARC ELECTREX LIMITED*. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements.

- The prohibition on disclosure of price sensitive information, insider trading and forward dealing in the securities of any listed Group Entities of *SPARC ELECTREX LIMITED* Group is applicable to you.

**X. 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.

**XI. Termination:**

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**A.** You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board together with the reason for your resignation.

**B.** Continuation of your appointment shall be subject to the Nomination Policy of the Company in force from time to time and 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, in force. You will not be entitled to compensation if the Shareholders do not re-elect you at any time.

**C.** Your directorship on the Board of the Company shall terminate or cease in accordance with the provisions of the Companies Act, 2013, the Listing Regulations and the Articles of Association of the Company. Without prejudice to the generality of the foregoing, your directorship on the Board of the Company would terminate if:

i. Your performance is found to be unsatisfactory;
ii. You fail to make substantive contributions in your capacity as a member of the Board of the Company;
iii. Your professional integrity is compromised or seen to be compromised;
iv. Your conduct is unbecoming of a director of the Company;
v. You fail to meet the legal requirements applicable to an independent director of the Company, including with respect to what constitutes as 'independent director'.

**XII. Contract:**

It is agreed that this is a contract for services and is not a contract of employment. This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian Courts.

If the above terms relating to your appointment as a Non-Executive Independent Director of SPARC ELECTREX LIMITED are acceptable, kindly confirm your acceptance of the same by signing and returning to us the enclosed copy of this letter.

**Yours sincerely,**

For and on behalf of Sparc Electrex Limited

**Shobith Ganesh Hegde**
**Managing Director**

I hereby acknowledge receipt of and accept the terms set out in this letter.

**Signed ……**
**Dated ……**