

TERMS & CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTOR

Date [●]

To
Name of the Independent Director
Address

Dear [●],

Sub: Your Appointment as an Independent Director of Sanathnagar Enterprises Limited

We are pleased to inform you that at the Board Meeting held on [●], have approved your appointment as an Additional Independent Director of the Company, subject to the approval of shareholders, to hold office for five consecutive years from [●] upto [●].

A. Preliminary

Your appointment is subject to the following:

1. During your tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013("Act") stating that you continue to meet the criteria of Independence.
2. So long as you are an Independent Director of the Company, the number of companies in which you hold office as a Director will not exceed the limit stipulated under the Act.
3. So long as you are an Independent Director of the Company, you will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
4. You will ensure compliance with other provisions of the Act as applicable to you as an Independent Director.

B. Term

Your Appointment is for a term of 5 years commencing from [●] upto [●].

C. 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 laws

and regulations.

D. Code of Conduct and Duties and Responsibilities

1. You will abide by the Code of Ethics and Business Principles as applicable.
2. You will abide by the guidelines of professional conduct, role, function and duties as an Independent Directors provided in Schedule IV of the Companies Act, 2013.
3. You are expected to stay updated on how best to discharge your roles, responsibilities, and duties and liabilities, as an Independent Director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.
4. You are expected to:
 - take decisions objectively and solely in the interests of the Company;
 - facilitate Company's adherence to high standards of ethics and corporate behavior;
 - guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;
 - guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions;
 - guide the Board in ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

E. Performance Evaluation

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors. Your appointment and re appointment on the Board shall be subject to the outcome of the evaluation process.

F. Remuneration

1. Sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time, and Commission that may be

determined by the Board payable at the end of each financial year will be based on the performance of the Company and your performance evaluated by the Board of Directors.

2. You will be entitled to reimbursement of expenses incurred by you in connection with attending the Board meetings, Board Committee meetings, general meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses.
3. Pursuant to applicable law, you will not be entitled to any stock options.

G. Insurance

1. The Company provides all its Directors with, and pays the premiums for, Directors and Officers insurance cover while acting in their capacities as Directors.

H. Miscellaneous

You will have access to confidential information, whether or not the information is marked or designated as “confidential” or “proprietary”, relating to the Company and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), (“**Confidential Information**”). You shall use reasonable efforts to keep confidential and to not disclose to any third party, such Confidential Information. If any Confidential Information is required to be disclosed by you in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.

For **Sanathnagar Enterprises Limited**

Name [●]

Designation[●]