

## LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR

(Name of Independent Director)  
(Address)  
(Date)

Dear Mr./Ms. \_\_\_\_\_

### **Sub.: Appointment as an Independent Director**

I am pleased to inform you that based on your confirmation that you meet the criteria of "Independence" as provided under Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), and upon the recommendation of Nomination & Remuneration Committee and the Board of Directors ("the Board") and the approval of the Shareholders of **Ardi Investment and Trading Co Limited** ("the Company"), you are hereby appointed as an "Independent Director" on the Board of the Company. This letter sets out the terms and conditions of your appointment.

### **1. Terms of Appointment**

As an Independent Director, you are eligible to serve for a period of two terms of 5 years each.

In accordance with the provisions of the Act and other applicable laws, you will serve as an Independent Director of the Board for a period of 5 years from the date of your appointment unless terminated earlier or extended as per the provision of this letter or applicable laws.

As an Independent Director, you will not be liable to retire by rotation.

Your appointment is subject to the following:

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 Act and Regulation 25 of the Listing Regulations stating that you meet the criteria of Independence.

- a) You shall not hold office as a Director or act as a Chairman or committee member in excess of the limit stipulated under the Act and the Listing Regulations.
- b) You will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
- c) You will ensure compliance with other provisions of the Act including the Code of Independent Directors as stipulated under Schedule IV and the

Listing Regulations as applicable to you as an Independent Director.

Your re-appointment at the end of the first term shall be based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Board and the Shareholders.

## **2. Board and Committees of the Board**

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 provisions of the Act and the Listing Regulations.

The Board meets at least four times in a year. The Audit Committee also meets at least four times in a year. The other committees of the Board are Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Sexual Harassment Committee. These committees meet as and when necessary.

You will be expected to attend the meetings of the Board and its Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties in commensurate with your role to discharge your duties effectively.

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.

## **3. Duties and Responsibilities**

As an Independent Director, it is expected that you shall bring independence of view to the Board's discussions and help the board to exercise their best judgment to all Business decisions. You shall also assist the Board with valuable guidance in relation to the Company's plan and policy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.

As a Non-Executive Independent Director, you have the same responsibilities to the Company and its stakeholders as any other Director. There are certain duties prescribed in Section 166 of the Act for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

- a) You shall act in accordance with the Company's Articles of Association.
- 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.
- c) You shall discharge your duties with due and reasonable care, skill and diligence.

- d) 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.
- e) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- f) You shall not assign your office as Director and any assignments so made shall be void.

#### **4. Conflict of Interest**

As an Independent Director, you shall not engage in any business relationship or activity which might conflict with the interest of the Company.

In case of any potential conflict of interest, the Independent Director must at the earliest opportunity, make full disclosure of all facts and circumstances and shall ensure that Company's interests are protected.

#### **5. Code of Business Conduct & Ethics**

You shall abide by the Code of Business Conduct and ethics, which is applicable to all the members of the Board and employees of the Company.

#### **6. Dealing in Shares**

You will also abide by the "Code of Conduct to Regulate, Monitor and Reporting of Trading in respect of Securities of the Company (Insider Trading Code) prohibiting disclosure or use of unpublished price sensitive information. Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Company.

#### **7. Confidentiality**

As an Independent Director, you must apply the highest standard of confidentiality and not disclose to any person or company (whether during the course of appointment or following cessation) any confidential information concerning the Company, which you may have acquired in the course of your role as an Independent Director.

You shall not disclose or release any confidential information, which you may acquire or come across during your appointment to any third parties, either during your appointment or following cessation (by whatever means) without prior clearance from the Company unless the same is required by law or by the rules of any stock exchange or regulatory authorities.

#### **8. Training/Familiarization**

- a) The Directors are provided with relevant literature such as Annual Reports, Code of Conduct, etc. at the time of their appointment to familiarize them with the Company.

- b) Presentation are made at the Board and Committee meetings on economy & industry scenario, operational & financial performance of the Company, market share, risks & mitigation plans, compliances, and regulatory scenario etc.
- c) The Directors are provided with regular update on relevant regulatory changes. You may undertake appropriate induction to the Board and regularly update your skills and knowledge.

## **9. Performance 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.

## **10. Disclosure of Concern/Interest**

The Company is required to disclose in its Annual Report, 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.

## **11. Termination**

- a) Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of the Act, the Listing Regulations and the Articles of Association of the Company, from time to time in force.
- b) Your appointment may also be terminated in accordance with the applicable provisions of the law.

## **12. General**

This appointment letter 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.

It is our pleasure to have you on our Board. I am confident that your association, expertise and advice will immensely benefit the Board of Directors and the Company.

Best Regards,

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Gautam Pravinchandra Sheth  
Managing Director