

**ULTRA WIRING CONNECTIVITY
SYSTEM LIMITED**

**TERMS AND CONDITIONS FOR
APPOINTMENT OF INDEPENDENT
DIRECTORS**

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1. APPOINTMENT

You are hereby appointed as a Non- Executive Independent Director of the Company (Independent Director) under section 149 and other applicable provisions of the Companies Act, 2013.

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

The Independent Directors shall serve on the Board for not more than two terms of Five Years each on the Board of the Company as per the provisions of the Companies Act, 2013. Re-appointment of Independent Director would be considered by the Board, based on the outcome of the performance evaluation process and continuing to meet independence criteria.

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 laws and regulations. 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. ROLE AND DUTIES

As a member of the board, your role, duties and responsibilities will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013.

In terms of Section 166 of the Companies Act, 2013, you shall

- I. act in accordance with the Company's Articles of Association.
- II. 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, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- III. exercise your duties with due and reasonable care, skill and diligence.
- IV. 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. not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- VI. not assign your office as Director and any assignments so made shall be void.

You shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013, and duties of directors as provided in the said Act and in Clause of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015(if applicable). For your ready reference, the relevant provisions have been extracted and attached to this letter as **Annexure A**.

4. REMUNERATION, ETC.

The Company shall reimburse you for all reasonable out-of-pocket expenses necessarily incurred for attending the various meetings of the Board/Committee/Members and for discharging the fiduciary obligations towards the Company.

5. CODE OF CONDUCT & OTHER COMPLIANCES

During the appointment, you will comply with any relevant regulations as may be issued by the Government of India and such other authorized bodies as set up by the Government on its behalf, including the Code for Independent Directors, Code of Conduct and Ethics for Directors and Senior Executives and such other requirements as the Board of Directors may from time to time specify.

At the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect your status as an independent director, you shall give a declaration to that effect confirming that you meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

6. CONFLICT OF INTEREST

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.

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 judgement that you are independent, this should be disclosed to both the Chairman and the Secretary.

7. CONFIDENTIALITY

- (i) You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which you come into contact by virtue of your position as a Non-Executive Independent Director of the Company.
- (ii) Your attention is drawn to the requirements under both legislation and regulation as to the disclosure of price-sensitive information. Consequently, you should avoid

making any statements that might risk a breach of these requirements without prior clearance from the Compliance Officer of the Company.

- (iii) On termination of the Appointment, you will deliver to the Company all books, document, papers and other property of or relating to the business of the Company which are in their possession, custody or power by virtue of your position as a Non-Executive Independent Director of the Company.

8. DISCLOSURE OF INTEREST

You shall disclose material interest that 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.

9. TERMINATION

- 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 on the Board.
- 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 and in accordance with provisions of Companies Act, 2013 from time to time in force.

10. GOVERNING LAW

This letter of appointment 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. This letter constitutes neither a contract for services nor a service contract

We are Confident that the Board and the Company will benefit immensely from your rich experience. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

Lookingforwardtoyourcontinuedsupportandguidance.

EXTRACTS OF THE RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013

SECTION 166 – DUTIES OF DIRECTORS

- (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- (2) A director of a company 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 interests of the company, its employees, its shareholders, the community and for the protection of environment.
- (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- (6) A director of a company shall not assign his office and any assignments so made shall be void.
- (7) If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

SCHEDULE – IV – CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bonafide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced

decisionmaking;

- (5) not allow any extraneous considerations that will vitiate his exercise of objective Independence in judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decisionmaking;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his Independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interests of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommending removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and

familiaritywiththecompany;

- (2) seekappropriateclarificationoramplificationofinformationand,wherenecessary,takeand followappropriateprofessionaladviceandopinionofoutsideexpertsattheexpenseoftheco mpany;
- (3) strivetoattendallmeetingsoftheBoardofDirectorsandoftheBoardcommitteesofwhichhei samember;
- (4) participateconstructivelyandactivelyinthecommitteesoftheBoardinwhichtheyarechairp ersonsormembers;
- (5) strivetoattendthegeneralmeetingsofthecompany;
- (6) wheretheyhaveconcernsabouttherunningofthecompanyoraproposedaction,ensurethatt heseareaddressedbytheBoardand,totheextentthattheyarenresolved,insistthattheircon cernsarerecordedintheminutesoftheBoardmeeting;
- (7) keepthemselveswellinformedaboutthecompanyandtheexternalenvironmentinwhichito perates;
- (8) nottounfairlyobstructthefunctioningofanotherwiseproperBoardorcommitteeoftheBoar d;
- (9) paysufficientattentionandensurethatadequatedeliberationsareheldbeforeapprovingrela tedpartytransactionsandassurethemselveshatthesameareintheinterestofthecompany;
- (10) ascertainandensurethatthecompanyhasanadequateandfunctionalvigilmechanismandto ensurethattheinterestsofapersonwhousesuchmechanismarennotprejudiciallyaffectedon accountofsuchuse;
- (11) reportconcernsaboutunethicalbehaviour,actualorsuspectedfraudorviolationofthecomp any'scodeofconductorethicspolicy;
- (12) actingwithinhisauthority,assistinprotectingthelegitimateinterestsofthecompany,shareh oldersanditsemployees;
- (13) notdiscloseconfidentialinformation,includingcommercialsecrets,technologies,advertis ingandsalespromotionplans,unpublishedpricesensitiveinformation,unless suchdisclosureisexpresslyapprovedbytheBoardorrequiredbylaw.

IV. Mannerofappointment:

- (1) Appointmentprocessofindependentdirectorsshallbeindependentofthecompanymanage ment;whileselectingindependentdirectors,theBoardshallensurethatthereisappropriateb alanceofskills,experienceandknowledgeintheBoardsoastoenabletheBoardtodischargeit sfunctionsanddutieseffectively.
- (2) Theappointmentofindependentdirector(s)ofthecompanyshallbeapprovedatthemeeting oftheshareholders.

- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent directors shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:
 - (a) The term of appointment;
 - (b) The expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) The fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) Provision for Directors and Officers (D and O) insurance, if any;
 - (e) The Code of Business Ethics that the company expects its directors and employees to follow;
 - (f) The list of actions that a director should not do while functioning as such in the company; and
 - (g) The remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

There-appointment of independent directors shall be on the basis of report of performance evaluation.

VI. Resignation or Removal:

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.

- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- (1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the company shall strive to be present at such meeting;
- (3) The meetings shall:
 - (a) Review the performance of non-independent directors and the Board as a whole;
 - (b) Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - (c) Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.
