

Terms of Appointment for an Independent Director

1. Appointment

- 1.1 Your appointment is subject to approval of the Shareholders in the General Meeting of the Company. We have received your declaration as per Section 149(7) of the Companies Act, 2013 ('the Act') and Rules made thereunder and feel that you are eligible for appointment for an initial period of 5 (five) years with effect from _____. You shall not be liable to retire by rotation as per the relevant provisions of the Act.

Further, your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Act.

- 1.2 The term Non-Executive Independent Director should be construed as defined under the Act and as amended from time to time.

The Company is at liberty to disengage any Non-Executive Independent Director prior to expiry of the tenure, subject to compliance of relevant provisions of the Act.

2. Committees

The Board of Directors may invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future.

3. Time Commitment

- 3.1 As a Non-Executive Director, you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance.

- 3.2 The Board and the Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Audit Committee meetings which are ordinarily convened twice in a year.

You will be expected to attend Board, Board Committees to which you may be appointed and to devote such time, as appropriate for you to discharge your duties effectively. And ordinarily, all meetings are held at the Corporate Office in Bangalore or via Video Conference.

- 3.3 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.

4. Role and Duties

Your role and duties will be those normally required of a Non-Executive Independent Director under provisions of Section 166 of the Companies Act 2013, Schedule IV of the Act, which prescribes 'Code for Independent Directors' and as amended from time to time – Enclosed as Annexure.

5. Status of Appointment

- 5.1 You will not be an employee of the Company and this letter shall not constitute a contract of employment. 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 and/ or as approved by the shareholders from time to time.
- 5.2 The sitting fees presently paid to the Non-Executive Independent Director is Rs. 100,000/- per meeting of the Board and Committees thereof.

6. Reimbursement of Expenses

In addition to the remuneration described in paragraph 5, the Company will, for the period of your appointment, reimburse you for travel, stay and other incidental expenses incurred by you in connection to the performance of your roles and duties.

7. Conflict of Interest

- 7.1 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.
- 7.2 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 judgments that you are independent, this should be disclosed to the Board members.

8. Confidentiality

All information acquired during your appointment is confidential to Stelis 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 regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by Stelis.

Consequently, you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Board Members.

9. Evaluation

Every individual director would be bound by the Company's policy on board evaluation.

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 be subject to the outcome of the yearly evaluation process.

As an Independent Director you should strive to hold and present in at least one meeting in a year without the presence of Non-Independent Directors and Members of the management with the sole objective of:

- 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.

By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role.

10. Insurance

The Company has availed Directors' and Officers' liability insurance and it is intended that the Company will assume and maintain such cover for the full term of your appointment.

11. 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 at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

12. Disclosures, other directorships and business interests

It is accepted and acknowledged that you have business interests other than those of the Company and have declared conflicts, if any that are apparent at present. In the event that you become aware of any potential conflict of interest with your position as Director of the Company, you shall promptly disclose the same to the Board Members and provide such other disclosures and information as may be required under the applicable laws. By signing this letter, you hereby confirm that as on date of this letter, you have no such conflict of interests with your existing directorships.

13. Information on Meetings

The Board and the Committees of the Board meets atleast once a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting of the shareholders. Additional meetings are held, when necessary. The recommendations of the Committees are placed before the Board for necessary approval.

The Board has full and unfettered access to any information of the Company, and to any employee of the Company.

At Board/ Committee Meetings, the Board/ Committee may invite officials of the Company when additional details into the items being discussed are required.

Usually, Board meetings are held at the Corporate Office of the Company at Bengaluru or via video conferencing. The agenda and explanatory notes are sent to the Board in advance.

Board meetings during the year and Annual General Meeting shall be scheduled with the consent of the Directors and a calendar for the events shall be shared at the beginning of the year.

14. Termination

- 14.1 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.
- 14.2 Continuation of your appointment is contingent on you getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013, the Rules framed thereunder 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.
- 14.3 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. Governing Law

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 you are willing to accept these terms of appointment relating to your appointment as a Non-Executive Independent Director of the Company, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

16. Miscellaneous

The terms of appointment contained in this letter along with your detailed profile shall be disclosed on the website of the Company.

17. Acceptance of Appointment

Please confirm your acceptance of the above terms by signing and returning the enclosed duplicate copy of this letter.

Best Regards,

Chairperson of the Board

Acknowledgement

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

Signed

Dated