

TERMS OF APPOINTMENT OF INDEPENDENT DIRECTOR

CONFIDENTIAL

Date:

**To,
Name _____**

Address: _____

Dear Sir/ Madam,

Subject: Appointment as an Independent Director of EPACK Durable Limited ("the Company") EPACK Durable Limited

We thank you for your consent to hold office as an Independent Director of the Company and also for your confirmation that you meet the "independence" criteria as envisaged in Section 149(6) of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We are pleased to inform you that upon the recommendation of Nomination and Remuneration Committee, approval of the Board of Directors of the Company and approval of Shareholders of the Company passed on <date> vide <AGM/ EGM/ Postal Ballot>, you are being appointed as a Non-Executive Independent Director(not liable to retire by rotation) on the Board of the Company. We believe your experience and deep insights shall be very valuable in creating long term value for all stakeholders of the Company. This letter sets out the terms of your appointment.

Appointment

1. The Appointment shall become effective from _____ and shall end on _____ which may be extended further by the parties with mutual consent thereof and pursuant to applicable provisions of the Companies Act, 2013 (the "Act"), Articles of Association of the Company and SEBI (Listing Obligations and Disclosure Requirements), 2015 ("SEBI Listing Regulations"), by executing a separate document in this regard. Your appointment and other terms thereof, are subject to the approval by the shareholders of the Company in the ensuing General Meeting.
2. During the appointment you may be required to serve on one or more of the Board committees such as Audit committee, Nomination and Remuneration committee, CSR Committee and such other committee as may be required by the company and provisions of the Act, SEBI Listing Regulations and other applicable laws.
3. You will be designated as an Independent Director, in Non-Executive category (not liable to retire by rotation) and will be identified as such in the Annual Report and other documentation of the company, as and when required.

Time commitment

4. The Company anticipates devotion of appropriate time for Board or committee meetings and for deeper engagement with the Management team. This will include attendance at regular and short-notice Board meetings, strategy meetings, respective committee meetings, any other meetings required under Act and the general meetings, held generally at Noida/Greater Noida region. The said meetings may be held through Video Conferencing (VC) or other audio-visual means (OAVM) as well. In the event you are unable to attend any meeting due to certain exigency, kindly request for leave of absence from attending the said meeting prior to scheduled date of said meeting.

Role

5. You will exercise your powers in your role as Non-Executive Independent Director having regard to the relevant obligations under prevailing law including Act, SEBI Listing Regulations, as amended from time to time.
6. As a Non-Executive Independent Director you have the same general legal responsibilities to the Company as any other Non- Executive Director including all fiduciary duties, statutory obligations and liabilities of directors prescribed in law including the Act and SEBI Listing Regulations. The duties as per the Companies Act 2013 are enclosed as "**Annex A**"
7. The Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Board:
 - a. Provides leadership to the Company within a framework of prudent and effective
 - b. controls which enable risk to be assessed and managed;
 - c. Sets the Company's values and standards; and
 - d. Sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives, and reviews management performance.
8. In addition to these requirements of all Directors, the role of the Non-Executive Director shall also have the following key elements:
 - a. Strategy and Business Development: Non-Executive Independent Directors shall constructively challenge and contribute to the overall strategy and to business development initiatives of the Company;
 - b. Risk: Non-Executive Independent Directors shall satisfy themselves that financial controls and systems of risk management are robust and defensible.

Compensation

9. In consideration for your services as Non-Executive Independent Director under the terms of this letter and subject to the provisions of the Act and other applicable Laws, you will be paid Remuneration as may be approved by Board of Directors from time to time within the overall limit prescribed under law and shall be more specifically mentioned in your appointment letter. Further, you will also be entitled for sitting fees for attending

Board and Committee meetings as decided by the Board, from time to time, which shall be paid on quarterly basis.

10. The first contract year shall be from ____to ____ and payment of Remuneration shall be made on pro rata basis.
11. Any reimbursement of actual expenses incurred by you on account of cost of boarding, lodging and travel etc. and other reasonable out of pocket expenses incurred, for attending the meetings as stipulated herein shall, against producing receipts, be separately reimbursed to you which shall not form part of limits as described above.
12. The compensation described in 9 above is the gross amount payable per annum, which is subject to deductions of tax and any other deductions required by any applicable laws.
13. In case any time during your tenure with the company, if you attain any financial or non-financial interest with the company, resulting in loss of your Independence with the Company as Independent Director or you become subject to any disqualification as may be prescribed under the provisions of the Act or any other applicable law, due to which your continuation as Independent Director on the board of Company becomes prejudicial to the interest of the Company, you shall immediately intimate the same in writing to the Chairman of the Company, upon which the Company shall solely decide the continuation of your engagement.
14. If your term comes to an end, you resign or your appointment is terminated, you shall be paid any amounts due to you until that point of time on a pro rata basis.
15. The Company has made provision for Directors and Officers (D&O) insurance policy. Details of the cover and copy of directors' and officers' policy will be available with the Company Secretary.
16. You are required to comply with the duties/obligations specified under the Act or SEBI Listing Regulations. Failure to the same may entail consequences as specified under the Act or SEBI Listing Regulations or any applicable law in force.

Other directorships and business interests:

17. In the event you become aware of any potential conflicts of interest with the Company, you are requested to disclose these to the Chairman and/ or to the Company Secretary of the Company at the earliest.

Code of conduct

18. During the period of your appointment, you will comply with the Company's policies and such other codes of conduct under applicable laws including the Act and any other law as applicable for the time being in force including 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013, as amended from time to time. For your ready reference, the relevant provisions have been extracted and attached to this letter as "**Annex B**".

Termination

19. Notwithstanding the other provisions of this letter, the Appointment may be terminated with or without cause at any time by you upon your resignation, or by the Company with the authority of shareholders thereof in accordance with the provisions of its Articles of Association and the applicable provisions of the Act and rules made thereunder or any regulations, as applicable on Company from time to time.
20. Your appointment shall be terminated immediately (without entitlement to notice, pay in lieu of notice or compensation) in the following cases:
 - a) where you hold in your personal capacity or as a representative of any corporate person the position of Board Member with any other competitor of the Company in India, or, without the prior consent of the Board, you are appointed to the Board of Directors of any other competitor of the Company in any jurisdiction;
 - b) you incur any disqualifications specified under section 164 of the Act or any other provisions contained therein, or by virtue of an order of the Court/ Tribunal of competent jurisdiction in any proceeding unless an appeal is preferred by you against the order of the Court / Tribunal.
 - c) you are otherwise prohibited by law from acting as a Director.

Confidentiality

21. Given the nature of your role, the Company requires you to maintain 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 with which you come into contact by virtue of your position as a Non-executive Independent Director of the Company. As a Non-Executive Independent Director of the Company you understand that the Confidential Information provided may be considered Unpublished Price Sensitive Information ("UPSI") pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended ("PIT Regulations") and you agree and undertake to comply with the requirements of PIT Regulations at all times. In addition to the above, you agree and undertakes that in case you receive or you are likely to receive, or have access, or possess, or is likely to have access or likely to possess, any information, directly or indirectly, during the term of the engagement, which is in the nature or may be deemed to be in nature of UPSI about the Company, and you acknowledge that you shall be required to comply with the provisions of PIT Regulations, as well as any other applicable insider trading and securities laws.
22. On termination of the appointment, you will be requested to return all documents, papers and other property of or relating to the business of the Company or any Group Company which may be in your possession, custody or power by virtue of your position as Non-Executive Independent Director of the Company.
23. As may be mandated under applicable law, this letter will also be available for inspection by the shareholders of the Company. Any dispute arising out of or in connection with this agreement shall be subject to the exclusive jurisdiction of courts in Greater Noida, India.
24. This agreement shall be governed by the laws of India without reference to its conflict of laws principles. Also, kindly note that this is a contract for services and is not a contract of employment.

Please confirm your agreement to the above by signing and returning the enclosed duplicate of this letter. We look forward to having you on the Board of the Company.

Yours sincerely
For and on behalf of EPACK Durable Limited

Authorized Signatory
Designation

AGREE AND ACCEPT

I have read and agree to the above terms regarding my appointment as a Non-Executive Independent Director of EPACK Durable Limited.

Name:
DIN:

Place:
Date:

Duties of Directors (Section 166 of the Act)

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, the 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 assignment so made shall be void.

SCHEDULE IV
[See section 149(8)]

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 *bona fide* manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent 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 decision making;
- 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 interest 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 recommend 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 familiarity with the company;
- 2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the company;
- 6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- 7) keep themselves well informed about the company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- 10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- 12) act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

- 1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- 2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- 3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director 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 formalised 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:

The re-appointment of independent director 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 three months 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 financial 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 meeting 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.

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