

Date: \_\_\_\_\_

To,

Shri \_\_\_\_\_

I am writing to confirm that the Shareholders of The Supreme Industries Limited (hereinafter referred to as Supreme or the Company) at its Annual General Meeting held on \_\_\_\_\_, have appointed you as an Independent Director on the Board of Directors of The Supreme Industries Limited with effect from \_\_\_\_\_. You were appointed as an Independent (Additional) Director of the Company w.e.f. \_\_\_\_\_, which required passing of an Ordinary Resolution for you to be appointed as an Independent Director.

This letter of appointment sets out the terms and conditions of your appointment as follows:

### **1. Appointment**

- 1.1 You are appointed as a Non-Executive Independent Director on the Board of Directors of Supreme with effect from \_\_\_\_\_. Your appointment is subject to the maximum permissible Directorships that you can hold as per the provisions of the Companies Act, 2013 and the listing agreement.
- 1.2 The term Independent Director should be construed as defined under the Companies Act, 2013 and the listing agreement.
- 1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors consistent with the Companies Act, 2013 and the Listing Agreement.

Accordingly, you are appointed as an Independent Director of the Company to hold office for a term of \_\_\_\_consecutive years commencing from \_\_\_\_\_. The Company is at liberty to disengage Non Executive Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.

## **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 regulations.

## **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 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. The Board meets at least five times in a year. The Audit Committee also meets at least five times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee meetings which are ordinarily convened as and when required. You will be expected to attend Board, Board Committees to which you are already a Member or may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Mumbai.

3.2 By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations of 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 the Companies Act, 2013 and the listing agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature, as under:

- I. You shall act in accordance with the Company's Articles of Association.
- II. 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.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. 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. Please refer to clause 7 for full explanation on conflict of interest.
- V. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

VI. You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirement applicable to all Directors, the role of Non-Executive Director has following key element;

**Strategy:** Non-Executive Directors should constructively challenge and help develop proposals on strategy;

**Performance:** Non-Executive Directors should scrutinise the performance of management in meeting agreed goals and objectives;

**Risk:** Non-Executive Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

**Reporting:** Non-Executive Directors take responsibility for the processes for accurately reporting on performance and the financial position of Supreme; and

**Compliance:** Non-Executive Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Supreme practices to accepted norms.

## **5. Status of Appointment**

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.

## **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, hotel and other incidental expenses incurred by you in the performance of your role 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 judgment that you are independent, this should be disclosed to both the Chairman and the Secretary.

## **8. Confidentiality**

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

Your attention is also drawn to the requirements under the applicable regulations and the Supreme Share Dealing Code which concern the disclosure of price sensitive information and dealing in the securities of Supreme. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Secretary.

## **9. Insurance**

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

## **10. 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

## **11. Disclosure of Interest**

The Company must include in its Annual Accounts 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.

## **12. 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 from time to time in force.

### **13. 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.

Yours sincerely  
For The Supreme Industries Limited

(M.P Taparia)  
Managing Director

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### **AGREE AND ACCEPT**

I have read and understood the terms of my appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

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Name :  
Place :  
Date :