

LETTER OF APPOINTMENT

Date: [•]

To,

[•]

Address: [•]

Respected Madam,

We are pleased to inform you that the Board of Directors and Shareholders of the Company in their respective meetings held on [•] and [•], have appointed you as a Non-Executive-Independent Director on the Board of Directors of UKB Electronics Limited (hereinafter referred to as 'UKB or the 'Company'), pursuant to the Companies Act, 2013, the rules thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'), for a term of five (5) years with effect from [•].

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

APPOINTMENT

1. In accordance with the provisions of the Companies Act, 2013 and Rules made thereunder ("Act") and other applicable statutes, if any, your term of appointment as Non-Executive Independent Director is for a term of five (5) years on the Board of Directors of UKB with effect from [•].
2. As an Independent Director, you are not liable to retire by rotation.
3. The term Independent Director should be construed as defined under the Act and other applicable laws. Your appointment and tenure as an Independent Director shall be consistent with the relevant provisions of the Act and other applicable laws.

TIME COMMITMENT

4. Considering nature of your role, you are expected to devote such time as is prudent and necessary for the performance of your role, duties and responsibilities as an Independent Director. You are also 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.
5. You shall endeavour to attend the meetings of the Board and of its Committees in which you are a member. Generally, the Board meets at least four times in a year and some more meetings on need basis, the Committee meetings are ordinarily convened as per requirements and an annual general meeting and extra – ordinary general meeting(s) of members as and when required.
6. 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.

CODE OF CONDUCT, DUTIES AND RESPONSIBILITIES

7. You shall abide by all rules, regulations and codes of practice issued by the Company from time to time including the Company's Code of Conduct laid down by the Board.
8. You shall comply with the "Code for Independent Directors" as outlined in Schedule IV of the Act, attached as *Annexure-A*, duties of directors in terms of section 166 of the Companies Act, 2013 attached as *Annexure-B*, and all other applicable laws.
9. So long as you are an Independent Director of the Company, the number of companies in which you hold office as a director, or a chairman or committee member will not exceed the limit stipulated under the Act and the Listing Agreement.
10. You may be required to serve on one or more Committees of the Board as and when required. You will be provided with the relevant terms of reference on your appointment to such Committees.
11. Unless the Board specifically authorises you to do so, you shall not enter into any legal or other commitment or contract on behalf of the Company.

STATUS OF APPOINTMENT & REMUNERATION

12. You will not be an employee of the Company, and this letter shall not constitute a contract of employment.
13. Subject to applicable provisions of the Companies Act and applicable laws, 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 from time to time.
14. You will have no entitlement to any bonus during the appointment and no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

REIMBURSEMENT OF EXPENSES

15. In addition to the remuneration described above, 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.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

16. The Company maintain and shall continue to maintain a Directors' & Officers' Liability insurance for the entire Term of this appointment, subject to the terms of such policy in force from time to time.

INDEPENDENT PROFESSIONAL ADVICE

17. 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 subject to the prior approval from the Company. The Company will reimburse

the reasonable cost of expenditure incurred in accordance with the Company's policy.

CONFLICT OF INTEREST

18. It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment, 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.
19. 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 the both the Chairman/Managing Director and the Company Secretary/ Compliance Officer.

PERFORMANCE EVALUATION

20. The performance of the Board, Committees, Chairman and all the Directors shall be annually evaluated as per the provisions of the Act and the SEBI Listing Regulations and as per the procedure adopted by the Board. Your appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

DISCLOSURE OF INTEREST

21. You shall make all statutory disclosures required under the Act and other applicable laws, including but not limited to the disclosure of interest under Section 184, declaration under section 164 and declaration of independence, to the Company and to various regulatory authorities.
22. You shall, at the first meeting of the Board in which you participate as a director and thereafter 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, submit a declaration that you meet the criteria of independence prescribed under the Act or other applicable provisions.

CONFIDENTIALITY

23. All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman/Managing Director unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall submit any documents and other materials made available to you by the Company.
24. Your attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of the Company. 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/Managing Director or the Compliance Officer /Company Secretary.

DEALING IN SHARES & USE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

25. You shall also abide by the Company's Code of Conduct and the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 to Regulate, Monitor and Report Trading by Designated Persons and your Immediate Relatives. You are required to adhere to all prohibitions and restrictions related to insider trading and the disclosure of unpublished price-sensitive information.

TRAINING/ FAMILIARIZATION

26. The Company has adopted a structured Familiarization Programme wherein the Independent Directors of the Company are made familiar with the activities and happenings of the Company. The Company updates the Directors on regulatory changes through various notes and presentations.

DATA BANK OF INDIAN INSTITUTE OF CORPORATE AFFAIRS

27. To ensure your continuity as an Independent Director of the Company, you are required to comply with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, wherein you need to keep yourself registered at all times with the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs.

PUBLICATION OF THE LETTER OF APPOINTMENT

28. In line with provision of Clause IV sub clause 6 of Schedule IV, under the Act, the Company will make public the terms and conditions of your appointment and will also arrange for it to be displayed on the Company's website.

TERMINATION

29. 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. In terms of provisions of the Act, you are required to file a copy of your resignation letter with the Registrar of Companies, NCT of Delhi & Haryana.
30. Continuation of your appointment beyond the initial term of 5 (five) years is contingent on your getting re-appointment by the shareholders in accordance with provisions of the Act, SEBI Listing Regulations 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.
31. 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 or on failure to meet the parameters of independence as defined in section 149(6) or on the occurrence of any event as defined in section 167 of the Act.
32. Upon termination or upon your resignation for any reason, duly intimated to the Company, you will not be entitled to any compensation for loss of office.

GENERAL

- 33. This Letter and any non-contractual obligations arising out of or in connection with this Letter are governed by, and shall be construed in accordance with, the laws of India, and the parties agree to submit to the exclusive jurisdiction of the courts of Delhi.
- 34. Please confirm your acceptance to the above by signing and returning the enclosed duplicate of this Letter.

Your Sincerely,
For **UKB Electronics Limited**
(formerly known as UKB Electronics Private Limited)

Name: [•]
Designation: [•]
DIN: [•]

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

[•]

Date:
Place:

Encl: As above



CODE FOR INDEPENDENT DIRECTORS

(As prescribed under Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations, 2015)



UKB ELECTRONICS LIMITED

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; and
- (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; and
- (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 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.
- (4) In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities as per Schedule III, Part A clause 7B of the SEBI Listing Regulations, 2015:
- i. The letter of resignation along with detailed reasons for the resignation as given by the said director
 - ii. Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any
 - iii. The independent director shall, along with the detailed reasons, also provide a confirmation that There is no other material reasons other than those provided.
 - iv. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the disclosures as specified in sub-clauses above.

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. As per Regulation 17 (10) of SEBI Listing Regulations, 2015, the performance of the director and the fulfilment of the independence criteria as specified in the SEBI Listing Regulations, 2015 and their independence from the management will be 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.

DUTIES OF DIRECTORS IN TERMS OF SECTION 166 OF THE COMPANIES ACT, 2013

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.
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.
