

Draft Letter of Appointment of Independent Director

To

Dr. RAVI MUTHUSAMY
388, Muthu Illam, 2nd South Main Road,
Kapaleeswarar Nagar, Neelankarai,
Thiruvanmiyur, Chennai – 600041.

Dear Sir,

Sub: Appointment as an Independent Director of the Company

We are pleased to confirm that in terms of the applicable provisions of the Companies Act, 2013, (“the Act”), its relevant rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and upon the recommendation of Nomination and Remuneration Committee, the Board at its meeting held on 11th February, 2023 has considered your appointment as an Independent Director of the Company for the first term of five consecutive years with effect from 11.2.2023, subject to approval of the shareholders by passing a Special Resolution through Postal Ballot (Voting by electronic means only) which begins on 21st February 2023 and ends on 22nd March 2023.

This letter sets out the main terms of your appointment.

Kindly be noted that on acceptance of our offer, this letter will constitute a contract for services and not a contract of employment.

A. Terms of Appointment

1. You have been appointed as an Independent Director of the Company to hold office up to 10.02.2028, subject to the remaining conditions of this letter.
2. The Re-appointment of Independent Director shall be on the basis of report of performance evaluation and in compliance with the Act and Listing Regulations.
3. The resignation or removal of an Independent Director shall be in the same manner as provided in section 168 and 169 of the Act and Listing Regulations.
4. An Independent Director shall not serve as an Independent Director in more than seven listed companies. Further, any person who is serving as a Whole Time Director / Managing Director in any listed company shall serve as an Independent Director in not more than three listed companies. The said limit of number of Companies is subject to the amendment to the Act and Listing Regulations.

B. Board's Expectation:

1. The Independent Director shall understand the roles & functions and abide the duties and responsibilities as prescribed under the Schedule IV of the Act, Listing Regulations and any other law for the time being in force and in future.
2. The Independent Director shall strictly abide by all Code of Conducts as prescribed by the Company as required to be followed by various acts, enactments, Rules, Regulations, agreements etc., at any point of time.
3. The Independent Director should not indulge in any activity that is detrimental to the Company and its stakeholders directly or indirectly at any point of time.

C. Committees to be served

The Independent Director shall serve the following committees as required by the Act and Listing Regulations, on the requisition of the Board.

1. Audit Committee
2. Nomination and remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee and
5. Any other committee as may be prescribed by the Board or under any Act or Rules.

The Membership and Chairmanship in the Committees of the listed and unlisted company shall not exceed as follows.

- Not exceeding Chairmanship in five Committees and membership in ten Committees (Audit Committee and Stakeholders Relationship Committee).

The Independent Director shall ensure that they abide with the terms and references of the respective committee in which they serve as a member.

D. Compensation

The Compensation includes sitting fees, reimbursements of expenses for participation of Board and other meetings etc., as may be decided by the Board periodically, within the overall limit permitted under the Companies Act, 2013.

E. Separate Meeting

1. The Independent Director of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
2. The Independent Director of the company shall strive to be present at such meeting;

F. Evaluation

1. The performance evaluation of independent director 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.

G. Law

1. Your engagement with the Company is governed by and shall be construed in accordance with the Indian Laws and your engagement shall be subject to the jurisdiction to the courts of India.
2. This letter constitutes the entire terms and conditions of your appointment and no waiver or modification shall be valid unless in writing and signed by both the parties.

For SWELECT Energy Systems Limited

R.Chellappan
Managing Director