

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

To,

[Name and Address of the Independent Director]

**Sub.: Appointment/Reappointment as an Independent Director of Stove Kraft Limited,
(the "Company")**

I am pleased to inform you that upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on _____ had approved and recommended your appointment to the shareholders as an Independent director of the Company for first/second term of 5 years from _____. We are happy to inform you that your appointment/reappointment has been approved by the shareholders at the Annual General Meeting held on _____. In view of the above please find below the terms and conditions of your appointment:

APPOINTMENT:

1. Your appointment as a non-executive independent director on the Board of directors of the Company is subject to the provisions of the Companies Act, 2013.
2. In compliance with provisions of section 149(13) of the Companies Act, 2013, your directorship is not subject to retirement by rotation.
3. Notwithstanding other provisions of this letter, the appointment may be terminated in accordance with the provisions of the articles of association of the Company 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 Companies Act, 2013.
4. Upon termination or upon your resignation for any reason you will not be entitled to any compensation for loss of office.

TIME COMMITMENT:

5. As a non-executive Independent 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. You are expected to attend meetings of board and board committees, to which you may be appointed as a member and shareholder's meetings and to devote appropriate time to discharge your duties effectively.
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.

ROLE AND DUTIES:

7. Your role and duties will be those normally required of a non-executive independent director under the Companies Act, 2013. There are certain duties prescribed for all directors, both executive and non-executive, which are fiduciary in nature and are as under:
 - I. You shall act in accordance with the Company's articles of association, as may be amended from time to time.
 - 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.
- 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 requirements the Board of directors also expect you to perform the following functions:

- I. You should constructively challenge and help develop proposals on strategy for growth of the Company.
- II. You should evaluate the performance of management in meeting agreed goals and objectives.
- III. You should satisfy yourself on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.
- IV. You will take responsibility for the processes for accurately reporting on performance and the financial position of the Company.
- V. You should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company's practices to accepted norms.

STATUS OF APPOINTMENT:

8. 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. Further, you will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.
9. 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

10. 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.

INDEPENDENT PROFESSIONAL ADVICE

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

INSURANCE

12. The Company has Directors' and Officers' ("D&O") liability insurance and it is intended to maintain such cover for the full term of the Appointment.

CONFLICT OF INTEREST

13. It is accepted and acknowledged that you may have or may acquire or may cease to have, business interests in other entities. 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, as and when there is such change.

14. 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 both the Board of Directors and the Company Secretary.

EVALUATION

15. The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis as per Company's Policy.

DISCLOSURE OF INTEREST

16. Any material interest that a director may have in any transaction or arrangement that the Company has entered into 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 a general notice that you are interested in any contract with a particular person, firm or company is acceptable.

CODE OF CONDUCT

17. During the appointment you are required to comply with regulations as contained in Schedule IV under Companies Act, 2013, including the Code of Conduct.

CONFIDENTIALITY

18. 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 Company Secretary 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 the Company.

POSTING LETTER OF APPOINTMENT ON WEBSITE

19. In line with provision of Clause IV sub clause 6 of Schedule IV, under Companies Act, 2013, the terms and conditions of your appointment will be posted on website of the Company.

MEMBERSHIP OF COMMITTEES

20. The Board of directors has appointed you as member / chairperson of the committees, subject to the changes at the discretion of Board. Any such changes will be communicated to you, outlining the committee's terms of reference and specific duties.

TERMINATION

21. 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. In terms of provisions of the Companies Act, 2013, you may file a copy of your resignation letter with the Registrar of Companies.
22. 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.

GENERAL

23. 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 Bangalore

24. The company will specify a trading period, to be called as “Trading Window”, for trading in the Company’s Securities. When the trading window is closed the directors shall not trade in the Company’s Securities in such period. You will also continue to comply with the Code of Conduct for Directors and SMPs and Code formulated under SEBI (Prohibition of Insider Trading) Regulations, 2015, copy enclosed.
25. Please confirm your agreement to the above by signing and returning the enclosed duplicate of this Letter.

Your continued association on the Board shall continue to help shape our future endeavors and ensure our sustained progress. We look forward to your continued leadership and guidance as we embark on new ventures and face new opportunities.

Thank you for your ongoing dedication. We are privileged to have you as a part of our Board of Directors.

Best Regards,
Yours sincerely,
For Stove Kraft Limited

Managing Director
DIN:

I have read and agree to the above terms regarding my reappointment as an independent director of Stove Kraft Limited.

Name:
Independent Director
Date: