
To,

[Name]
Independent Director
[Address]

Dear Sir,

Sub: Appointment as an Independent Director of Oswal Pumps Limited (“the Company”)

I am pleased to inform you that upon recommendation of the Nomination and Remuneration Committee, the Board of Directors (‘the **Board**’) of the Company has approved your appointment as a Non-Executive Independent Director of the Company (‘**Independent Director**’). This letter sets out the terms and conditions of your appointment.

1. Appointment

Your appointment will be for an initial term up to _____ and shall take effect from _____, unless terminated earlier or extended, as per the provisions of this letter, the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, (‘Act’), as amended from time to time, or any other applicable laws (‘Term’). Your appointment is subject to the approval of Shareholders of the Company.

As an Independent Director, you will not be liable to retire by rotation.

Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the Shareholders. Your re-appointment would be considered based on the outcome of the performance evaluation process and you continuing to meet the independence criteria set out under the Act.

2. Broad expectations

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 corporate governance and financial probity.

3. Committees of the Board

During your appointment, you may be required to serve on one or more of the committees of the Board, as the Board may decide from time to time.

The roles and tasks of the committee(s) where you are appointed shall be in line with the duties and responsibilities outlined under the Act and the Board expects that you will carry out such duties and responsibilities diligently in accordance with the provisions of the Act.

4. Roles, Duties, Responsibilities and Code of Conduct

As a member of the Board, you along with other directors will be collectively responsible for meeting the objectives of the Board which include:

- Executing your roles, duties and responsibilities outlined under the Act.
- Complying with the applicable law.
- Acting in good faith to promote the objects of the Company for the benefit of its members as a whole and in the best interest of the Company, its employees, the shareholders, the community and for the protection of environment;
- Discharging your duties with due and reasonable care, skill and diligence and exercising independent judgment;
- Not involving 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;
- Not assigning your office and any such assignment shall be void.
- Performing the fiduciary duties in a responsible manner.

5. Liabilities

You will be held liable only in respect of such acts of omission or commission by the Company which have occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.

6. Time commitment

- You will devote such time to the affairs of the Company as is required for discharging your duties as member of the Board and member/ Chairman of any Board Committee, if any.
- You will be expected to attend the meetings of Independent Directors, Board, Board Committees to which you are appointed and shareholders' meeting and to devote such time, as appropriate, to discharge your duties effectively and work on various Board Committees as well.
- The Board, Committee(s) meetings are generally held four times a year within 45/ 60 days of the close of the quarter. Depending upon the need, the Board / Board Committees may conduct additional meetings as and when required.
- The corporate calendar and the dates of the meetings shall generally be intimated to you in advance from time to time.
- You will consult with the Chairman if you propose to accept additional assignments that may impact your time availability for fulfilling your aforesaid role for the Company.

7. Induction, Training and Development

The Company conducts training and knowledge sessions for its directors, which may include all or any of the following:

- a) Meeting with key management;
- b) Visit to the manufacturing facilities.

It is recommended that you attend all these programs and sessions which will help broaden your understanding of the Company, its business, and the environment and markets in which it operates.

8. Remuneration

Your remuneration/sitting fee will be governed by the Act and the shareholders' approval, if required. Within the overall limit approved by the shareholders, the Nomination and Remuneration Committee/ the Board may determine the remuneration/ sitting fee/ commission payable to you at any time.

Further, the Company shall pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company. This will include reimbursement of expenditure, if any, incurred by you for attending the Board/ Committee meetings, general meetings, site visits and induction and training, as per the Company's policy.

9. D & O Insurance

The Company shall take a Directors and Officers' Liability Insurance Policy ("D & O policy") and intends to assume and maintain such cover for the full term of your appointment, subject to the terms of such policy in force from time to time.

10. Performance Evaluation

Your appointment and re-appointment on the Board or its Committees shall be subject to the outcome of the annual performance evaluation process. The Board has a policy on evaluation of the Board, Committees of the Board, individual directors, Managing Director and Chairman. The Board (or a Committee duly authorized by the Board) shall carry out an evaluation of your performance as per the approved process on an annual basis.

11. Conflict of Interest and disclosure

You may have business interests other than those in the Company. As a condition to your appointment, you are required to declare all your other directorships, appointments and interests to the Board in writing in the prescribed form annually and as and when there is any change. The Secretarial Department will assist you in making these disclosures in a timely manner.

In the event that your circumstances seem likely to change and give rise to a conflict of interest or a change which impacts your independence, you shall intimate to the Company forthwith.

The Company is required to 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 the interest appropriately and the records are updated. A general notice that you are interested in any contract with a particular person, firm or company is acceptable.

12. Change of personal details

During the Term, you shall promptly intimate the Company Secretary and the Registrar of Companies, in the prescribed manner, of any change in the address or other contact and personal details provided to the Company.

13. Confidentiality

- All information that is sent to you shall be treated as confidential and should not be disclosed or released to any third party either during your tenure or later without preclearance in writing from the Company, unless required by law or by the rules of any stock exchange or regulatory body, which shall be intimated forthwith upon disclosure. Even if disclosed with appropriate consent, we expect that such third party be bound by the same terms of confidentiality.
- In the course of your duties, you will be privy to price sensitive information and data, forecasts and plans. Your attention is drawn to the guidelines on insider trading, disclosure and prohibition of forward looking statements. It is expected that you will refrain from making any statement or disclosing information in breach of the guidelines, regulations and Code of Conduct and it is suggested to consult the Company if you require any clarification.

14. Restrictions

- During your term of appointment, you are expected not to serve on the Boards or Committees or any such other roles of competing companies to avoid conflict of interest of any nature.
- During your term of appointment, you shall not serve as (a) an independent director in more than the prescribed number of companies; and (b) a committee member of more than the prescribed number of committees (i.e. the Audit Committee and the Stakeholders' Relationship Committee) including chairmanship of such committees.
- During your term of appointment, you shall not serve as a non-independent director of another company on the board of which any non-independent director of the Company is an independent director.
- During your term of appointment, you shall not indulge in forward dealings or speculative trading in the securities of the Company which is prohibited under the Act. You are prohibited from dealing in the Company's securities during the period when the trading window is closed. You shall not engage in insider trading and are expected to comply with the concerned provisions of the Insider Trading Laws and Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.
- During your term of appointment, you shall not enter into any agreement for yourself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, without obtaining the prior approval from the Board as well as public shareholders of the Company.

15. Conclusion of appointment/ termination

- Your tenure on the Board shall be in accordance with the provisions of the Act, and other applicable laws and on such terms as approved by the shareholders of the Company and the applicable law from time to time.
- 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.
- Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company for the time being in force and the applicable law from time to time.
- On the conclusion of your tenure, you will return any property and assets of the Company in your possession, including information and data. You will also not retain any copy of the information and data, unless approved in writing by the Company.

16. Miscellaneous

- In accordance with the Act and Schedule IV of the Act, the Company will disclose terms and conditions of the appointment of Independent Directors on the website of the Company and also keep such terms and conditions open for inspection at the registered office of the Company by any member during normal business hours and may also be required to file with various authorities including but not limited to the Registrar of Companies etc. from time to time.
- This letter forms the terms of your appointment as an Independent Director of the Company. We clarify that this letter is not a contract for service or employment and you will not be entitled to any compensation for loss of office.
- The terms of your appointment are subject to the provisions of the Act, the Articles of Association of the Company and other laws as may be applicable from time to time. In case of any inconsistency between the statutory provisions and as provided herein, the statutory provisions will prevail over the contents of this and the terms of this letter and its annexures shall stand amended automatically to that extent.
- Your terms of appointment including the terms contained in this letter herein are governed by the Indian laws and accordingly shall be subject to the exclusive jurisdiction of the courts in Haryana.

17. Acceptance of Appointment

If these terms and conditions of appointment are acceptable to you, please confirm your acceptance by signing below and returning the enclosed copy of this letter.

It is a pleasure to have you on Board. I am confident that your association, expertise and advice will immensely benefit the Company and the Board.

Yours Sincerely,

For **Oswal Pumps Limited**

AGREE AND ACCEPT

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