

**Kingfa Science & Technology (India) Limited**  
(formerly Hydro S & S Industries Limited)

**DRAFT LETTER OF APPOINTMENT FOR THE INDEPENDENT DIRECTOR**  
(Pursuant to Schedule IV of the Act)

Dear [•],

On behalf of the Company, I am pleased to confirm that, the Board has appointed you as an Independent Director on [•].

**I. TERM OF APPOINTMENT**

- 1.1 Subject to the approval of shareholders at the general meeting, your appointment will be for an initial term of [•] consecutive years with effect for a term up to [•] subject to the approval of the Shareholders at the ensuing Annual General Meeting.
- 1.2 Subject to clause 1.5 below, your term shall end in any event on either at the expiry of [•] years i.e. [•] or the date on which you resign from the office of director, whichever is earlier.
- 1.3 You will be eligible for re-election for another term of [•] consecutive years after the expiration of the first term mentioned above subject to the approval of the Board and Shareholders.
- 1.4 As an Independent Director, the provisions for retirement by rotation at each Annual General Meeting of the Company shall not apply.
- 1.5 Notwithstanding anything contained herein, your appointment will cease immediately in case you incur any of the disqualifications specified under section 164 of the Companies Act, 2013 or any other provisions contained therein, or by virtue of order of Court /Tribunal of competent jurisdiction in any proceeding unless an appeal is preferred by you against the order of the Court / Tribunal.

**2. EXPECTATIONS**

- 2.1 You will be expected to perform your duties, whether statutory or fiduciary faithfully, efficiently and diligently to a standard commensurate with both the functions of your role as an Independent Director and knowledge, skills and experience.
- 2.2 You are expected to acquaint yourself with the Company's operations and businesses and update yourself regularly.

- 2.3. You will exercise your powers in your role as an Independent Director having regard to the relevant obligations under prevailing law including the Companies Act, 2013, listing agreement and relevant SEBI Regulations.

## **2.6 BOARD COMMITTEES**

- (a) In the event that you are also asked to serve on one or more of the Board Committees this will be covered in a separate communication setting out the Committee's terms of reference, any specific responsibilities and any additional fees that may be involved.

## **2.7 LIABILITIES :-**

- (1) Though the Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner, in your capacity as Independent Director you will be held liable in respect of such acts of omission or commission by a company which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you have not acted diligently.
- (2) Any breach of duties specified or expected of you as an Independent Director may expose you to penal consequences as specified under the Companies Act, 2013 or any other applicable law in force.

## **2.8 TIME COMMITMENT**

- (1) You will be expected to devote such time as is necessary for the proper performance of your duties. This would depend on the following factors:
- Preparation for and attendance at Scheduled Board meetings
  - preparation for and attendance at the Annual General Meeting
  - Participation at Meetings of the Independent Directors
  - Training to Board members
  - Meetings, if any, as part of the Board evaluation process.
  - Additional Board, committee or shareholder meetings convened as and when deemed necessary.
- (2) By accepting this appointment you undertake that, taking into account all other commitments you may have, you are able to, and will, devote sufficient time to your duties as an Independent Director.
- 2.9. You will also from time to time and at the meetings of the Independent Directors assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for efficient performance of duties in your individual capacity as a director and by the Board collectively.
- 2.10. You will not take any step or action that will bring or is likely to bring disrepute to the Company or affect the Company's interest adversely.

### **3. REMUNERATION AND EXPENSES :**

- 3.1. As an Independent Director your remuneration will comprise of a sitting fee for Board / Committee Meetings.
- 3.2. The sitting fees at present is [•] for attending the Meetings of the Board, [•] for attending the Meetings of the Audit Committee(s) and [•] for attending the Meetings of the Nomination and Remuneration Committee of the Board of Directors.
- 3.3. The Company will reimburse you for all the expenses incurred by you for participation in the Board and other meetings and expenses incurred in connection with performing the duties as a director.
- 3.4. On termination of the appointment you shall only be entitled to such fees as may have accrued up to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date.
- 3.5. The sitting fees payable will be subject to tax and statutory deductions or levies.

### **4. INDEPENDENCE AND OUTSIDE INTERESTS**

- 4.1. Based on your representation and declaration, the Board of the Company has determined you to be independent as per the provisions of the Companies Act, 2013 and listing agreement with the Stock Exchanges.
- 4.2. At the first board meeting in which you participate as a director and thereafter at the first meeting of the Board in every financial year, you will have to give a declaration that you meet the criteria for independence as specified in section 149 of the Act. The format for such declaration will be made available to you.
- 4.3. It is accepted and acknowledged that you have business interests other than those of the Company and have no conflict of interest other than that which is disclosed to the Board. In the event that you become aware of any further potential or actual conflicts of interest, these should be disclosed to the Company as soon as they become apparent.

### **5. CONFIDENTIALITY:-**

- 5.1. You acknowledge that all information acquired during your appointment is confidential to the Company and should not be released, communicated, nor disclosed either during our appointment or following termination (by whatever means), to third parties without our prior clearance.
- 5.2. This restriction shall cease to apply to any confidential information which may (other than by reason of your breach) become available to the public generally.
- 5.3. You acknowledge the need to hold and retain company information (in whatever format you may receive it) under appropriately secure conditions.

- 5.4. Your attention is drawn to the requirements under both law and regulation regarding the disclosure of price sensitive information and in particular to the SEBI (Prohibition of Insider Trading) Regulations, 1992, on insider dealing. You should avoid making any Statements that might risk a breach of these requirements. If in doubt please contact the Company Secretary.
- 5.5. During your period of appointment you are required to comply with the provisions of the Code of Conduct framed under SEBI (Prohibition of Insider Trading) Regulations, 1992.

## **6. CODE OF BUSINESS ETHICS**

The Company has framed a Code of Conduct for Directors. You will have to abide with the code of Conduct and affirm compliance with it annually.

## **7. BOARD TRAINING**

On an ongoing basis, the Company will make arrangements for you to develop and refresh your skills and knowledge in areas which are mutually identified as being likely to be required, or of benefit to you, in carrying out your duties effectively. You should endeavour to make yourself available for any relevant training sessions which may be organised for the Board.

## **8. JURISDICTION**

Your engagement with the Company is governed by and shall be construed in accordance with the laws of India and your engagement shall be subject to the jurisdiction of the National Company Law Tribunal / Courts in India.

## **9. AMENDMENTS AND MODIFICATIONS**

This letter constitutes the entire terms and conditions of your appointment and no waiver or modification thereof shall be valid unless in writing and signed by the parties hereto.

If at any time you have any comments or questions relating to your position as an Independent Director you are welcome to contact the Company Secretary

On behalf of the Company and the Board, we look forward to your joining the Board and to your valued participation in the Board deliberations and successful direction of the Company's activities.

Please confirm your acceptance of the above terms by signing and returning to the undersigned a copy of this a letter.

Yours sincerely,

Name : [•]

Designation : [•]

I confirm and agree to the terms of my appointment as an Independent Director as set out in this letter.

[Independent Director]