

## Draft Appointment Letter

SEC/0000/2022

August \_\_, 2022

**Mr. Rajesh N. Sehgal**  
1502, Octavius,  
Near D-Mart,  
Hiranandani Gardens,  
Powai IIT,  
Mumbai – 400 076,  
Maharashtra, India.

**Subject: Your Re-appointment as an Independent Director (Non-Executive) on the Board of APAR Industries Limited (the Company).**

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Dear Mr. Rajesh Sehgal,

We thank you for your consent letter dated May 16, 2022 to act as an Independent Director of the Company.

In this connection, we are pleased to state as under:

1. As you are aware, the shareholders of the Company at the 28<sup>th</sup> Annual General Meeting held on August 9, 2017, had approved your appointment as Independent Director of the Company for the first term so as to hold office up to the conclusion of 33<sup>rd</sup> Annual General Meeting of the Company to be held in the calendar year 2022, pursuant to the applicable provisions of the Companies Act, 2013 (the Act) and Rules framed thereunder read with Schedule IV of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
2. In terms of the provisions of Section 149 of the Act and Regulation 25 of the Listing Regulations, an Independent Director shall be eligible for re-appointment on passing of a special resolution in general meeting by the Company for another term of up to 5 (five) consecutive years.
3. The Board of Directors of the Company, at its meeting dated May 27, 2022, considering various factors viz. the number of board, committee and general meetings attended by you; your physical fitness & mental alertness, knowledge & experience in your fields, your specialized skills and expertise in assisting the Board and its Committees in attaining the objectives of the Company, your participation in the Board / Committee deliberations and outcome of the performance evaluation as also the qualifications, experience and knowledge possessed by you and the recommendation made by the Nomination and Compensation-cum-Remuneration Committee (NCRC), have unanimously approved your re-appointment as an Independent Director of the Company, in pursuance of the provisions of Section 149 of the Act read with Schedule IV and all other applicable provisions, if any, of the Act and Listing Regulations, so as to hold office of the Independent Director for a second term of upto 5 (five) consecutive years, w.e.f. August 12, 2022. Copy of the Board Resolution is attached herewith.

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4. The Shareholders of the Company at the 33<sup>rd</sup> Annual General Meeting of the Company held on August 12, 2022, the result of which have been declared on August \_\_, 2022, have approved your re-appointment as an Independent Director of the Company for the second term of upto 5 (five) consecutive years, with effect from August 12, 2022. Copy of the Special Resolution passed by the Shareholders of the Company is attached herewith (**Annexure – 2**).

Consequent upon the approval of the shareholders, the Company hereby appoint you as an Independent Director of the Company for the second term so as to hold office upto April 23, 2027 being the date of completion of statutory period of 10 years from your first appointment as an Additional Director of the Company w.e.f. April 24, 2017.

5. The Company is in the process of intimating your aforesaid re-appointment to the Ministry of Corporate Affairs besides having intimated to the Stock Exchanges viz. BSE Limited and NSE, where the shares of the Company are listed.
6. You shall receive remuneration by way of fees for attending meetings of the Board or Committees thereof or for any purpose whatsoever as may be decided by the Board. You shall also be entitled to reimbursement of expenses for participation in the Board and other Committee meetings.
7. You will be covered under the provisions of Directors and Officers (D and O) Insurance of the Company.
8. We enclose herewith Schedule IV to the Act, which prescribes Code for Independent Director (**Annexure - 3**). The aforesaid Code, *inter alia*, deals with –
- (i) Guidelines of professional Conduct,
  - (ii) Role and Functions,
  - (iii) Duties,
  - (iv) Manner of appointment,
  - (v) Re-appointment,
  - (vi) Resignation or removal,
  - (vii) Separate Meetings and
  - (viii) Evaluation mechanism.
9. We would like to draw your kind attention to the provisions of Section 166 of the Act, which specifically provide duties of Directors. We attach herewith summary of the Duties for your immediate reference (**Annexure - 4**). Besides this, you will abide by the Company's Code of Conduct on Corporate Governance (**Annexure - 5**) and Code of Conduct under Insider Trading Regulations (**Annexure - 6**).
10. Your appointment may be terminated at any time in accordance with the provisions of the Articles of Association of the Company or the provisions of removal of directors under the Companies Act, 2013. Upon termination or upon your resignation for any reason, you will not be entitled to any compensation or damages for loss of office.

We welcome you on the Board of Directors of the Company and solicit highest code of business ethics to follow from your good selves and wish that you shall refrain yourself from any transaction having pecuniary relationship with the Company or having any conflict of interest with the Company. Moreover, you shall not indulge directly or indirectly in insider trading.

We wish you all the very best and look forward to your valued contribution and professional wisdom in arriving at Board decisions and policies.

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Please confirm to the above by signing at the place given below.

Thanking You,

Yours sincerely,

**For APAR Industries Limited**

**(Kushal N. Desai)  
Chairman and Managing Director  
DIN: 00008084**

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**Acceptance  
(Mr. Rajesh Sehgal)  
DIN: 00048482**

**Encl.:**

- Annexure - 1 - Copy of the Board Resolution**
- Annexure - 2 - Copy of the Special Resolution**
- Annexure - 3 - Code for Independent Director**
- Annexure - 4 - Summary of Duties of Directors**
- Annexure - 5 - Code of Conduct under Corporate Governance**
- Annexure - 6 - Code of Conduct under Insider Trading Regulations**