

**TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTOR
PRIVATE AND CONFIDENTIAL**

Name :

Adress :

Dear Sir/ Madam,

Subject: Letter of appointment ("**Letter**") for _____ (DIN: _____) as an independent director of Eco Hotels and Resorts Limited (formerly Known as Sharad Fibres and Yarns Processors Limited)("Company").

The board of directors ("**Board**") of the Company is pleased to appoint you as an independent director on the Board of the Company.

This Letter sets out the main terms of your appointment.

By accepting this appointment, you agree that this Letter is a contract for services and is not a contract of employment. For the avoidance of any doubt, nothing in this Letter creates an employer-employee relationship between you and the Company. At no time during your engagement as an independent director will you be considered or deemed, nor shall you hold yourself out, as an employee of the Company. By executing this letter, you confirm that you are not subject to any restrictions which prevent you from holding office as an independent director.

1. Appointment

- 1.1 Subject to the provisions of this Letter and your compliance with applicable law (including the requirement to submit to the company the necessary documents required for approving your appointment), and unless terminated earlier under this Letter, your appointment shall be for an initial term of _____ years commencing from [_____] till the immediately succeeding general meeting of the Company following the commencement ("**Term**"). The Company has a right to terminate this engagement before the Term expires, subject to this Letter and applicable law.
- 1.2 Your appointment is subject to the Company's articles of association, as amended from time to time ("**Articles**"). Nothing in this Letter shall be taken to exclude or vary the terms of the Articles or the Companies Act 2013 (as may be amended) ("**Companies Act**") as they apply to you as a director of the Company.
- 1.3 Any renewal of the Term will be based on the recommendation of the nomination and remuneration committee of the Company and subject to the approval of the Board and the shareholders of the Company. Your continued appointment is subject to an annual evaluation of your performance by the Board as required under Regulation 17(10) of the LODR. You will not have any right to claim an extension of the Term or renomination to the Board.
- 1.4 Subject to applicable law, you may be required to serve on one or more committees of the Board or be appointed as a chairperson of the Board or of any committee of the Board. For the avoidance of doubt, these committees may include (i) the audit committee, (ii) the risk management

committee, (iii) the stakeholders relationship committee, and/or (iv) the nomination and remuneration committee. You will be provided with the relevant terms of reference on your appointment to such a committee.

- 1.5 Despite paragraph 1.1 to paragraph 1.4, the Company may terminate your appointment with immediate effect if you:
- (a) are disqualified under Section 164 of the Companies Act;
 - (b) cease to be considered an 'independent director' as defined under Regulation 16 (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**LODR**");
 - (c) commit a material breach of your obligations under this Letter;
 - (d) commit any serious or repeated breach or non-observance of your obligations to the Company (which include an obligation not to breach your statutory, fiduciary or common-law duties);
 - (e) are found guilty of any fraud or dishonesty by the Board (or an agency appointed by the Board) or act in any manner which, in the Company's opinion, brings or is likely to bring you or the Company into disrepute or is materially adverse to the Company's interests;
 - (f) convicted of an offence that carries a sentence of at least 3 years;
 - (g) hold directorships that exceed 20 (twenty) or such other lesser amount as specified in the Articles;
 - (h) fail to comply with the requirement regarding maximum independent directorships as laid down under Regulation 17A of the LODR; or
 - (i) are declared bankrupt or have made an arrangement with or for the benefit of your creditors.
- 1.6 On termination of your appointment, you shall, at the Company's request and according to the process under the Articles and the Companies Act, resign from your office as director of the Company, as a member of the Board and all committees of the Board, and any offices you hold in any of the Company's group companies and do all such things as may be necessary to give effect to your termination.
- 1.7 On termination of your appointment, you shall only be entitled to payment of such fees as may have accrued and expenses properly incurred before the date of termination.
- 1.8 If matters arise that cause you concern about your role, you should discuss these matters with the chairperson or such other person or group of persons as may be nominated by the Board ("**Concerned Authority**"). If you have any concerns which cannot be resolved, and you choose to resign for that, or any other, reason, you agree to provide an appropriate written statement to the Concerned Authority for circulation to the Board.
- 1.9 You agree that both you and the Company will have a right to terminate your appointment by providing a written notice of no less than 1 (one) month to the other Party.

2. Time commitment

- 2.1 You will be expected to devote such time as is necessary for the proper performance of your duties. This will annually include preparation for and attendance in Board meetings, Audit committee meetings, and other committee meetings. You will be required to consider all relevant

papers before each meeting. Unless urgent and unavoidable circumstances prevent you from doing so (in which case, you will provide prior written information to the chairman of the Board or the concerned person, or as soon as practicable), it is expected that you will attend the meetings outlined in this paragraph.

- 2.2 The nature of the role makes it difficult to specify maximum time commitment. You may be required to devote additional time to the Company in respect of preparation time and *ad hoc* matters which may arise and particularly when the Company is undergoing a period of increased activity. At certain times it may be necessary to convene additional Board, committee or shareholder meetings, and you consent that such additional meetings constitute a part of your obligations under this Letter.
- 2.3 The overall time commitment stated in paragraph 2.1 will increase if you become a committee member or a chairperson of the Board or of any committee of the Board. Details of the expected increase in time commitment will be covered in any relevant communication confirming the additional responsibility.
- 2.4 By accepting this appointment, you
- (a) confirm that considering all your other commitments, you can, and shall, allocate sufficient time with sufficient diligence to the Company to discharge your responsibilities prudently, diligently, and effectively.
 - (b) confirm that there are no proceedings (pending or threatened) or adverse judgments against you or any other entity where you have significant interest, by any judicial, quasi-judicial or regulatory body.
 - (c) agree not to involve yourself in any activity or take any action (whether orally or through written or electronic means) that may expose the Company, its directors, officers or employees, or its partners to any adverse criticism or publicity.
 - (d) agree to inform the Concerned Authority in writing before accepting additional commitments (except any commitments that may adversely affect the interests of the Company or that may be considered to compete with the business of the Company at that time) that may affect your role as an independent director of the Company.

3. Role and duties

- 3.1 You acknowledge that the Board as a whole is collectively responsible for the success of the Company. In this regard you will assist the Board to:
- (a) promote the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society;
 - (b) establish the Company's purpose, values and strategy and satisfy itself that these and its culture are aligned;
 - (c) act with integrity, lead by example, and promote the desired culture;
 - (d) ensure that the necessary resources are in place for the Company to meet its objectives and measure performance against them;
 - (e) establish a framework of prudent and effective controls, which enable risk to be assessed and managed;
 - (f) ensure effective engagement with, and encourage participation from shareholders and stakeholders; and

- (g) ensure that workforce policies and practices are consistent with the Company's values and support its long-term sustainable success.
- 3.2 As an independent director, you have the same general legal responsibilities to the Company as any other independent/non-executive director, including the duty to abide by the 'Code for independent directors' as specified under Schedule IV to Section 149(8) of the Companies Act (to the extent applicable), the general duties of directors as specified under the Act (including without limitation, the duties specified in Section 166 of the Companies Act), and the code of conduct laid down by the Board and made applicable to all members of the board and senior management including the Executive, as required under Regulation 17(5) of LODR (if any). You are expected to perform your duties (whether statutory, fiduciary, or common law) faithfully, diligently and to a standard commensurate with the functions of your role and your knowledge, skills, and experience.
- 3.3 As an independent director of a listed company, you agree to comply with all the conditions, restraints, and obligations specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 prohibiting disclosure or use of unpublished price sensitive information.
- 3.4 You will exercise your powers in your role as an independent director having regard to relevant obligations under prevailing law and regulation, including the Companies Act.
- 3.5 In addition to the obligations specified in this paragraph 3, and during the performance of your obligations, you must have regard (among other matters) to:
- (a) the likely consequences of any decision in the long term;
 - (b) the interests of the Company's employees;
 - (c) the need to foster the Company's business relationships with suppliers, customers and others;
 - (d) the impact of the Company's operations on the community and the environment;
 - (e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
 - (f) the need to act fairly as between the members of the Company.
- 3.6 In your role as an independent director, you will be required to:
- (a) uphold the highest standards of integrity and support the Board in instilling the appropriate values, behaviours and culture in the boardroom and beyond;
 - (b) take into account the views of shareholders, workforce and other stakeholders where appropriate;
 - (c) make sufficient time available to discharge your responsibilities effectively;
 - (d) participate in mandatory familiarisation programs as required under Regulation 25(7) of LODR;
 - (e) exercise relevant powers under, and abide by, the Articles;
 - (f) disclose the nature and extent of any direct or indirect interest you may have in any matter being considered at a Board or committee meeting and, except as permitted under the Articles you will not vote on any resolution of the Board, or of one of its committees, on any matter where you have any direct or indirect interest;

- (g) immediately report your wrongdoing or the wrongdoing or proposed wrongdoing of any employee or other director of the Company of which you become aware to the Concerned Authority;
 - (h) not do anything that would cause you to be disqualified from acting as an independent director.
- 3.7 You will be entitled to request all relevant information about the Company's affairs as is reasonably necessary to enable you to discharge your responsibilities as an independent director.
- 3.8 Unless the Board specifically authorises you to do so, you shall not enter any legal or other commitment or contract on behalf of the Company, nor will you hold yourself out as an agent or a representative of the Company unless specifically authorised by the Board in writing.
- 3.9 You will comply with all internal policies and governance processes and safeguards of the Company as may be applicable to you.
- 3.10 You will promptly provide the Company with a declaration as required under Section 149(7) of the Companies Act upon any change in circumstances that may affect your status as an independent director of the Company. Also, as required under Regulation 25(8) of the LODR, you will also be required to submit an annual declaration and a declaration regarding any change in circumstance that affects your criteria of independence as stated under Regulation 16(b) of the LODR.
- 3.11 You will inform the Company secretary and the Concerned Authority regarding any change in address or other contact and personal details provided to the Company.

4. Fees and expenses

- 4.1 You shall be eligible to receive a fee of _____ for your attendance at the following meetings annually:

Board meetings
Audit committee meetings
Other committee meetings

This fee (which will total _____ per annum) covers all duties and obligations as may arise in connection with this Letter. Notwithstanding anything to the contrary, any amount payable to you under this Agreement, subject to corporate approvals (including any shareholder approval), may be amended (with prior notice to you) if required, to comply with the Companies Act and/or the LODR.

- 4.2 Your annual fee shall be paid in equal instalments monthly in arrears after deduction of any taxes and other amounts that are required by law.
- 4.3 The Company shall reimburse you for all reasonable and properly documented expenses that you incur in performing the duties of your office, in accordance with the internal policies of the Company and any instructions or policies as may be laid down by the nomination and remuneration committee.

- 4.4 To ensure compliance with Regulation 17(d) of the LODR, as an independent director, you will not have any rights to any stock option plan or stock option scheme or any other similar share-based benefit of the Company.

5. Outside interests and independence

- 5.1 As required under the Companies Act, you have already disclosed to the Board details of your concerns or interests in any company or companies or body corporates or firms in the applicable format prescribed under the Companies Act.
- 5.2 You confirm that as of the date of this Letter, you do not have any actual or potential conflict of interest with the Company (whether as a supplier, vendor, service provider, competitor, agent, representative or otherwise). You must inform the Concerned Authority in advance and without any delay, of any changes to these concerns or interests or any potential or actual conflict of interests, and upon such changes, you will inform the Board at the immediately succeeding meeting of the Board. In certain circumstances, you may have to seek the Board's approval, before accepting further commitments, which either might give rise to a conflict of interest or a conflict with any of your duties to the Company or which might impact on the time that you are able to devote to your role at the Company, in each case, in the sole determination of the Company.

6. Confidentiality and Non-Compete

- 6.1 You acknowledge that all information acquired during your appointment is confidential to the Company and should not be released, communicated, or disclosed to third parties or used for any reason other than in the interests of the Company, either during your appointment or following termination (howsoever occurring), without prior clearance from the Concerned Authority.
- 6.2 The restrictions in this paragraph shall not apply to any confidential information which may (other than because of your breach) be or become available to the public generally or when disclosure is authorised by the Board or required by law.
- 6.3 You acknowledge the need to hold and retain Company confidential information (in whatever format you may receive it) under the necessary secure conditions.
- 6.4 Your acceptance of this Letter and the consideration payable to you under its terms signify your acceptance in protecting all confidential information, trade secrets and business connections of the Company and each company in the Company's group, to which you have or had access as a result of your appointment, even after the Term, with all necessary steps and measures. You agree that you will not (without the prior consent in writing of the Company), at any time during or for 12 (twelve) months after the Term, whether as principal or agent and whether alone or jointly with, or as a director, manager, partner, shareholder, employee consultant of, any other person, carry on or be engaged, concerned or interested in any business which is similar to or which is (or intends to be) in competition with any business being carried on by the Company or any company in the Company's group.

7. Return of property

On termination of your appointment with the Company however arising, or at any time at the Board's request, you shall immediately return to the Company all documents, records, papers or other property belonging to the Company or any company in the Company's group, which may be in your possession or under your control, and you shall not retain any copies thereof. You acknowledge that any property in your possession may cause the company serious and adverse harm, and therefore, any delay in returning the Company's property would be tantamount to theft and would permit the Company to explore all avenues under law, including without limitation, filing criminal complaints or civil suits.

8. Termination

- 8.1 The Company may terminate your directorship if required to comply with applicable law. Without prejudice to the foregoing, your directorship with the Company would terminate if
- (a) Your performance is determined by the Board to be unsatisfactory;
 - (b) The Board does not consider your contributions to the Company to be significant or material;
 - (c) Your professional or social status is damaged, compromised, or perceived to be damaged or compromised;
 - (d) Your behaviour is unbecoming of a director; or
 - (e) Applicable law disqualifies you from serving as an independent director of the Company.

9. Insurance and indemnity

- 9.1 If the Company decides (in its sole discretion) to procure obtaining Directors' and Officers' liability insurance, then the Company shall endeavour to maintain such insurance for the Term.
- 9.2 To the extent not covered by such insurance, the Company will indemnify you against certain liabilities that may be incurred because of your legitimate performance of duties to the extent permitted by and in accordance with the Articles, except any action (i) that was not authorised by the Company; or (ii) that constitutes an offence or an action that is not permitted under law.

10. Data protection

- 10.1 You agree to allow the Company (or any of its authorised agents or representatives) to collect and process information relating to you in accordance with applicable data protection law including the Information Technology Act 2000.
- 10.2 In case you have or manage any personal data in connection with your appointment by the Company, you shall comply with prevailing data protection law and any Company privacy or data protection policies or procedures, as may be notified from time to time.

11. Third-party rights

No one other than you and the Company shall have any rights to enforce the terms of this Letter.

12. Entire agreement

- 12.1 This Letter and any document referred to in it constitutes the entire terms and conditions of your appointment and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and the Company, whether written or oral, relating to its subject matter.
- 12.2 You agree that you shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Letter and you shall not have any claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this Letter.

13. Variation

No variation of this Letter shall be effective unless it is in writing and signed by you and the Company (or its respective authorised representatives). However, you agree that in the event the nature of the Company is altered to a public limited company, then you shall agree to all amendments to this Letter as may be requested by the Company, to comply with applicable law.

14. Governing law and jurisdiction

Your appointment with the Company and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed under the laws of the Republic of India and you and the Company irrevocably agree that the courts of the state of Maharashtra shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) that arise out of or in connection with this appointment or its subject matter or formation.

Please indicate your acceptance of these terms by signing and returning the attached copy of this letter to me.

Yours sincerely

For and on behalf of Eco Hotels and Resorts Limited

(Formerly known as Sharad Fibres and Yarns Processors Limited)

Chairman/Director

I confirm and agree to the terms of my appointment as an independent director of **Eco Hotels and Resorts Limited** as set out in this Letter

Name : _____

Date: _____