



APEX FROZEN FOODS LIMITED
(CIN: L15490AP2012PLC080067)
Reg.off: 3-160, Panasapadu, Kakinada,
East Godavari District - 533005, Andhra Pradesh

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTOR

The terms and conditions for the appointment of the Independent Director are enumerated below:

Your appointment is subject to approval of the Shareholders in the general meeting and receipt of your consent to act as an Independent Director of Company under the Companies Act 2013 following which, it is anticipated that the appointment will be for an initial period of 5 (Five) years. As an Independent Director you will not be liable to retire by rotation as per the relevant provisions of the Companies Act, 2013.

The terms of your appointment, as set out in this letter, are subject to the extant provisions of the applicable laws, including the Companies Act, 2013 and the Listing Regulations (as amended from time to time) and Articles of Association of the Company ("AOA").

1. Membership of Committees

As advised by the Board, during the tenure of your office, you may be required to serve on one or more of the committees of the Board established by the Company.

2. Role, Functions and Duties

A. Your role and duties as an independent director would be as provided in the Act, read with applicable rules, Articles of Association, and other applicable laws.

B. Further, you as an independent director must also fulfil the following functions:

- Help in bringing an independent judgment to bear on the Board's deliberations especially on issue of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Bring an objective view in the evaluation of the performance of Board and management;
- Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- Satisfy yourself on the integrity of financial information and that financial controls and the systems of Risk management are robust and defensible;
- Safeguard the interests of all stakeholders, particularly the minority shareholders;
- Balance the conflicting interest of the stakeholders;
- Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- Moderate and arbitrate in the interest of any company as a whole, in situations of conflict between management and shareholder's interest;
- Review the operations performance, provide input;



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- To (i) review the performance of non-independent directors and the Board as a whole; (ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and (iii) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties, in a separate meeting of Independent Directors.
- C. You as an independent director must also fulfil the following duties:
- Undertake appropriate induction and regularly update and refresh your skills, knowledge and familiarity with the Company;
 - Seek appropriate clarification or amplification of information and where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
 - Strive to attend all meetings of the Board and of the Board committees of which you are a member;
 - Participate constructively and actively in the committees of the Board in which you are chairperson or member;
 - Strive to attend the general meetings of the Company;
 - Where you have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
 - Keep yourself well informed about the Company and the external environment in which it operates;
 - Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
 - Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure yourself that the same are in the interest of the Company;
 - Ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
 - Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
 - Acting within your authority. Assist in protecting the legitimate interests of the Company, shareholders and its employees;
 - Not disclose confidential information, commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
 - 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 interests of the company, its employees, the shareholders, the community and for the protection of environment.
 - Exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
 - Not involve in a situation where there is a direct or indirect interest that



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conflicts, or possibly may conflict, with the interest of the company.

- Not achieve or attempt to achieve any undue gain or advantage either to himself or to your relatives, partners, or associates
- Not to assign your office as Director.

3. Confidentiality

You are expected to maintain the confidentiality of the proceedings of the Board and committee meetings and shall not disclose confidential information in your possession unless expressly approved by the Board or required under any law.

4. Code of conduct and business ethics

During your tenure, you are required to comply with the code for independent directors in pursuance to the provisions of section 149 (8) of the Companies Act, 2013, and more specifically provided in schedule IV of the act as amended from time to time.

Further, you are also required to comply with the code of conduct for the directors and senior management of the Company as amended from time to time.

5. Conflict of interest & Disclosures

You may have business or other interests other than those of the Company. In the event of that such interest gives rise to a situation of conflict of interest which requires the judgment of the Board that you are independent, you shall promptly disclose to the Board any charge in circumstances which may affect your status as an independent director. During the Term, you agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and information as may be required under the applicable laws.

During your tenure as an independent director, you are required to give a declaration that you meet the criteria of independence every financial year as provided under Section 149 of the Companies Act, 2013.

6. Compensation

As Independent Directors, they shall be paid sitting fees for attending the meetings of the

Board and the Committees of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to them. In determining the amount of this commission, the Board



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supported by the Nomination and Remuneration Committee may consider performance of the Company and their performance as evaluated by the Board.

Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by them for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of their duties as Independent Directors.

7. Resignation and removal

The resignation or removal of an independent director shall be in the same manner as it provided in sections 168 and 169 of the Companies Act, 2013 and rules made there under.

Apart from the grounds of termination as specified in the act, your directorship may be terminated for provisions of the Articles of Association of the Company as amended from time to time.

You may resign from the said position during the term, if there is a change that may affect your status as an independent director as envisaged in section 149 (6) of the act, or if applicable, you fail to meet the criteria for "independent" under the Listings Regulations or under the act, you agree to promptly submit your resignation to the Company with effect from the date of such change.

Continuation of your appointment as an independent director of the Company is contingent on your getting re-elected by the shareholders in accordance with the provisions of the Act and the Articles of Association of the Company, as amended from time to time. You shall not be entitled to compensation if the shareholders do not re-elect you at any time.

8. Training Sessions

The Company shall from time to time provide you with suitable sessions to familiarize yourself with the Company, including briefing from the management, nature of the industry in which the company operates, business model of the company, etc.

9. Re-appointment

You may be eligible to serve as an Independent Director for another term of up to 5 years, subject to the recommendation of the Nomination and Remuneration Committee and approval by the Board and passing of special resolution by the shareholders of the Company.

10. Separate meetings



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The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management. All the independent directors of the Company shall strive to be present at such meeting.

11. Performance Appraisal / Evaluation Process

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

The performance evaluation of independent directors shall be done by the entire Board of directors, excluding the director being evaluated on annual basis.

12. Directors and officers (D&O) insurance

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of their appointment, subject to the terms of such policy in force from time to time.

13. General

This letter is governed by and shall be interpreted in accordance with Indian laws.

14. Acceptance of Appointment

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. We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.