

29.7.2014

Mr. N.Natarajan  
No.5, Third Floor,  
Durgamba Apartments,  
No.29, Padmavathiar Road,  
Gopalapuram,  
Chennai - 600 086,

Respected Sir,

**Appointment as an Independent Director (ID) of the company**

I am pleased to confirm that upon the recommendation of Nomination and Remuneration Committee and the Board, the shareholders at their meeting held on 28<sup>th</sup> July 2014 has approved your appointment as an Independent Director (ID) of the Company.

This letter sets out the main terms of your appointment.

It is agreed that on acceptance of this offer, this letter will constitute a contract for services and not a contract of employment.

**A. Terms of Appointment**

1. You are appointment as an Independent Director of the Company for a period up to 31<sup>st</sup> March 2019, subject to the remaining provisions of this letter, unless terminated by earlier by either party to the other party two month's written notice.
2. The Re-appointment of Independent Director shall be on the basis of report of performance evaluation and in compliance with the Companies Act, 2013 and relevant Rules thereof.
3. The resignation or removal of an Independent Director shall be in the same manner as is provided in sections 168 and 169 of the Act.
4. An Independent Director shall not serve as an Independent Director in more than seven listed companies. Further, any person who is serving as a whole time director in any listed company shall serve as an Independent Director in not more than three listed companies. The said limit of number of Companies is subject to the amendment to the Listing Agreement and Companies Act, 2013.

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Regd Office: 'NUMERIC HOUSE', 3rd Floor, No. 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai - 600 004, India.

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www.swelectes.com CIN : L93090TN1994PLC028578



**B. Board's Expectation:**

1. The Independent Directors shall understand the roles & functions and abide the duties and responsibilities as prescribed under the Schedule IV of the Companies Act, 2013, Listing Agreement and any other law for the time being in force and in future.
2. The Independent Director shall strictly abide by all Code of Conducts as prescribed by the Company as required to be followed by various acts, enactments, Rules, Regulations, agreements etc., at any point of time
3. The Director should not indulge in any activity that is detrimental to the Company and its stake holders directly or indirectly at any point of time.

**C. Committees to be served**

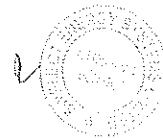
The Independent Director shall serve the following committees as required by the Companies Act, 2013 and Listing Agreement of the Stock Exchanges under various circumstances, on the requisition of the Board.

1. Audit Committee
2. Nomination and remuneration Committee
3. Corporate Social Responsibility Committee and
4. any other committee as may be prescribed by the Board or under any Act or Rules

The Director should ensure that they abide with the terms and references of the respective committee in which they serve as a member.

**D. Compensation**

The Compensation includes Commission, reimbursements of expenses for participation of Board and other meetings etc., as may be decided by the Board periodically, within the overall limit permitted under the Companies Act, 2013 and approved by the shareholders.



**E. Separate Meeting**

1. The Independent Director of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
2. The Independent Director of the company shall strive to be present at such meeting;

**F. Evaluation**

1. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

**G. Law**

1. Your engagement with the Company is governed by and shall be construed in accordance with the Indian Laws and your engagement shall be subject to the jurisdiction to the courts of India.
2. This letter constitutes the entire terms and conditions of your appointment and no waiver or modification shall be valid unless in writing and signed by both the parties.
3. Please confirm your acceptance by signing and returning to me the enclosed copy of letter.

**For SWELECT ENERGY SYSTEMS LIMITED**

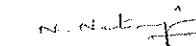


**R. Chellappan**  
Managing Director



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

Place: Chennai  
Date: 31.07.2014

  
N. Natarajan

