

Terms and conditions of appointment/re-appointment of Independent Directors

This document sets out the terms and conditions of appointment/ re-appointment of Independent Non-Executive Directors (IDs). Their relationship with the Company will be that of office-holders and not one of contract for employment in the Company.

The terms of Independent Director's appointment, as set out in this document, are subject to the extant provisions of the:

- i. Applicable laws, including the Companies Act, 2013 ("the Act") along with the Rules and Schedules thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time (Listing Regulations) and other applicable Regulations of SEBI and other authorities.
- ii. Articles of Association of the Company.

1. Appointment and term thereof:

In compliance with provisions of Section 149(13) of the Companies Act, 2013, their directorship is not subject to retirement by rotation.

As an Independent Non-Executive Director they are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.

The Company has adopted the provisions with respect to appointment and term of Independent Directors, which is consistent with the Act and the Listing Regulations. The Board may, if it deems fit, invite the Independent Directors for being appointed on one or more existing Board Committees or any such Committee that may be set up in future. Their appointment on such Committee(s) will be subject to the applicable regulations.

IDs are expected to attend the meetings of the Board/ Board Committees, to which they may be appointed and Shareholders' meetings and to devote such time to their duties as deemed appropriate for discharge of their duties effectively.

Recommendations/ Minutes of the Meetings of the Committees are submitted to the Board for approval.

By accepting the appointment, they confirm that they are able to allocate sufficient time to meet the expectations from their role to the satisfaction of the Board.

2. Role Duties and Responsibilities:

Their role and duties will be those normally required of Independent Directors under the Act and the Listing Regulations. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and the same are specified under Section 166 of the Act.



In addition to the above requirements, they are also required to discharge the duties, roles and functions as applicable to Independent Directors as stated under Schedule IV to the Act, as in force and as may be amended from time to time. While performing such duties, roles and functions, they will be required to abide by the 'Guidelines of Professional Conduct' as stated under the said Schedule.

They are also required to comply with the obligations as specified in the Regulation 25 of Listing Regulation.

3. Directors & Officers (D&O) Insurance:

The Company maintains a Directors and Officers insurance policy (D&O policy) to pay for the personal liability of directors and officers for claims made against them while serving on the Board and/ or as an officer of the Company.

4. Code of Conduct / Excluded Actions:

The Independent Directors will follow the Code of Conduct of the Company and furnish annual affirmation of the same.

They will apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after cessation) any confidential information concerning the Company including any subsidiary or associate thereof, if any, with which they come into contact by virtue of their position as a Director, except as permitted by law or with prior clearance from the Chairman of the Board.

We would also like to draw their attention to the applicability of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; the Company has formulated a Code of Conduct under Insider Trading Regulations. The said Code *inter-alia* prohibits disclosure or use of unpublished price sensitive information. They should not make any statement(s) that might risk a breach of the requirements specified under the said statute unless the same is required under any law or the same is required for the purpose of compliance of any direction, order, etc. issued/given by any judicial authority. Additionally, they shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

5. Induction and Development:

The Company shall, if required, conduct formal induction program for its Independent Directors.

The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its business. The Company has a Familiarization Programme under which it organizes several sessions for Independent Directors for their knowledge updation and capacity building. The Company will fund/arrange for training on all matters which are common to the whole Board.

6. Performance Appraisal / Evaluation Process:

The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. The Independent Director's appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and 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.

7. Disclosures, other Directorships and Business Interests:

During their tenure, they 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. They also agree that upon becoming aware of any potential conflict of interest with their position as an Independent Directors of the Company, they shall promptly disclose the same to the Company. During their tenure, they agree to promptly provide a declaration under Section 149(7) of the Act and Regulation 16 of Listing Regulations, upon any change in circumstances which may affect their status as Independent Directors.

8. Changes of Personal Details:

During their tenure, IDs shall promptly intimate the Company and the Registrar of Companies about any change in their address or other contact/ personal details provided earlier to the Company, in the prescribed manner.

9. Fees / Remuneration:

They will be paid such remuneration by way of sitting fees for attending the Meetings of the Board and the Committees. Further, they will also be entitled to Commission on Profits at a rate not exceeding the rate prescribed under the Companies Act, 2013 (as amended from time to time) and within such limit fixed by the Board and approved by the shareholders. The Commission amount for each financial year will be determined by the Board within the limits specified above and the payment will be made after the financial statements are adopted by the shareholders. In addition, the Company may pay or reimburse them such fair and reasonable expenditure, as may have been incurred by them while performing their role as Independent Directors of the Company. Any payment made in addition to the above, shall be subject to the provisions of the Companies Act, 2013 or any other law (for the time being in force) applicable to the Independent Directors.

10. Termination:

Their Directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Act, their Directorship may be terminated for violation of any provision of the Code of Conduct of the Company.



They may resign from the Directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by them in the notice, whichever is Later.

If, at any stage during the Term, there is a change that may affect their status as Independent Directors as envisaged in Section 149(6) of the Act, or if they fail to meet the criteria for “independence” under the provisions of Regulation 16 (1) (b) of the Listing Regulations, they agree to promptly submit their resignation to the Company with effect from the date of such change.

11. Co-operation:

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on their part during their tenure, they agree to render all reasonable assistance and co-operation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

12. Governing Law:

This document is governed by and will be interpreted in accordance with Indian Law and their engagement shall be subject to the jurisdiction of the Indian courts.

13. Miscellaneous:

This document represents the entire understanding and constitutes the whole agreement, in relation to IDs appointment and supersedes any previous agreement between them and the Company with respect thereto and without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

No waiver or modification of this document shall be valid unless made in writing and signed by the ID and the Company.

As per the provisions of Listing Regulations, if applicable, this document along with IDs detailed profile shall be disclosed on the website of the Company and the relevant Stock Exchange.
