

## **INDEPENDENT DIRECTORS (TERMS AND CONDITIONS OF APPOINTMENT)**

### **1. Appointment**

- The term “Independent Director” should be construed as defined under the Companies Act, 2013.
- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors as are consistent with the Companies Act, 2013. The Company is at liberty to disengage a Non-Executive Independent Director earlier subject to compliance of the relevant provisions of the Companies Act, 2013.
- Independent Directors are not liable to retire by rotation.

### **2. Committees**

As per the current evaluation, Independent Director will be a Member of the following Committees proposed to be constituted under the Companies Act, 2013:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee

The tasks of the aforesaid Committees will be mentioned in respective policy document. The Board may, if it deems fit, invite the Independent Director for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. The appointment on such Committee(s) will be subject to the applicable regulations

### **3. Time Commitment**

- Non-Executive Independent Directors are expected to bring objectivity and independence to the Board’s discussions and 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. They will be expected to attend the Board, the Board Committees and the Annual General Meetings and to devote sufficient time, as required for them to discharge their duties effectively.

By accepting the appointment, they confirm that they are in a position to allocate sufficient time to meet the expectations of their role to the satisfaction of the Board

### **4. Fiduciary Duties**

The role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and inter alia are as under:

- They shall act in accordance with the Company’s Articles of Association.
- They shall 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.
- They shall discharge their duties with due and reasonable care, skill and diligence.
- They shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company or bring discredit to it. Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders’ interests, must be avoided at all costs. Please refer to clause 7 for full explanation on conflict of interest.

- They shall not assign their office as Director and any assignments so made shall be void.

There are certain roles, functions duties prescribed for all Independent Directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. They shall abide by the said 'Code of Conduct for Independent Directors' as amended from time to time to the extent relevant and applicable to their role.

## 5. Status of Appointment And Remuneration

They will not be an employee of the Company and these terms and conditions shall not constitute a contract of employment.

They will be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees and Commission of Profits as may be decided by the Board and approved by the Members from time to time.

## 6. Reimbursement of Expenses

In addition to the remuneration described in paragraph 5, the Company will, for the period of their appointment, reimburse the reasonable expenses incurred in the discharge of their roles/duties including:

- Business class airfare to attend the Board or Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors, wherever applicable.
- Accommodation in a hotel of high standing during the days of the Board and Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors, and during the day prior to such meetings, as may be necessary.
- Out-of-pocket expenses like conveyance, food and incidentals that are incurred during the days of the Board and Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors.

## 7. Conflict Of Interest

- It is accepted and acknowledged that they may have business interests, memberships other than those of the Company. As a condition to their appointment commencing, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of their appointment.
- In the event that the circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that they are independent, this should be disclosed to both the Chairman and the Secretary.

## 8. Confidentiality

All information acquired during their tenure of directorship is confidential and should not be disclosed, either during their tenure or following termination (by whatever means) to third parties without prior clearance from the Chairman, unless required by law or by the rules of any stock exchange or regulatory body. In the latter case, they would be required to suitably inform the Chairman of such an event or disclosure. They should direct any media queries or approaches to the appropriate spokesperson within the Company. On reasonable request, they shall surrender any documents and other materials made available to them by the Company.

## 9. Evaluation

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and the Directors on an annual basis. The appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

## 10. Insurance

The Company has Directors' and Officers' liability insurance and it is intended that the Company will maintain such cover for the full term of their appointment.

## 11. Disclosure of Interest

It is expected that any interest they may have in any transaction or arrangement that the Company has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record their interest appropriately and our records are updated. A general notice that they are interested in any contracts with a particular person, firm or company is acceptable.

## 12. Termination

- They may resign from their position at any time and should they wish to do so, they are requested to serve a reasonable written notice to the Board.
- Continuation of their appointment is contingent on getting re-elected by the shareholders in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. They will not be entitled to any compensation if the shareholders do not re-elect them at any time.
- Their appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company.