

TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTOR

Following are the general terms and conditions of applicable to all the Independent Director.

1. Appointment

1.1 The appointment as a Non-Executive Independent Director on the Board of Directors of the company will take effect from the date of passing resolution by the board for the appointment of the concerned independent director . The appointment shall be governed by the provisions of the Companies Act, 2013 and the Listing Regulations, 2015. The appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Listing Regulations, 2015.

1.2 The term ‘Independent Director’ should be construed as defined under the Companies Act, 2013 and the Listing Regulations, 2015.

1.3 The provisions contained in the Companies Act, 2013 and the Listing Regulations, 2015 will apply as regards performance evaluation of Independent Directors is concerned. The performance of Independent Directors shall be evaluated by the entire Board of Directors, excluding the Director being evaluated. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of your appointment as an Independent Director.

1.4 The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

2. Committees

The Board of Directors (the Board) may, if it deems fit, invite any independent non-executive director for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Their appointment on such Committee(s) will be subject to the applicable regulations.

3. Role and functions:

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board’s deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) 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;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder’s interest.

4. Duties :

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) 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;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they 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;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) 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;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) not disclose confidential information, including 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.

The Non- Executive Independent Directors are also required to abide by the provisions of 'Code for Independent Directors' as provided in Schedule IV of the Companies Act, 2013.

5. Status of Appointment

5.1 The letter of appointment provided shall not constitute a contract of employment. The independent directors will be paid remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders from time to time.

6. Reimbursement of Expenses

In addition to the remuneration described in paragraph 5, the Company will, for the period of the appointment, reimburse for travel, hotel and other incidental expenses incurred by person in the performance of their role and duties.

7. Conflict of Interest

- 7.1 It is accepted and acknowledged that the director may have business interests other than those of the Company. As a condition to the appointment commencing, the person is required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of their appointment.
- 7.2 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 judgement that you are independent, this should be disclosed to both the Chairman and the Secretary.

8. Confidentiality

All information acquired during the appointment is confidential to and should not be released, either during the appointment 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. On reasonable request, you shall surrender any documents and other materials made available to you by the company.

9. Performance Appraisal / Evaluation Process

As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nominations 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. An indicative list of factors that may be evaluated as part of this exercise is:

- i. Participation and contribution by a director,
- ii. Commitment (including guidance provided to senior management outside of Board / Committee meetings),
- iii. Effective deployment of knowledge and expertise,
- iv. Effective management of relationship with stakeholders,
- v. Integrity and maintenance of confidentiality,
- vi. Independence of behaviour and judgment, and
- vii. Impact and influence.

10. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

11. Termination

- a. The director may resign from the position at any time and should serve a reasonable written notice to the Board.
- b. The appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.