# TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

**Introduction:**

The terms and Conditions of the appointment, which shall, in any event be subject to the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Articles of Association of the Company, are set out below.

The broad terms and conditions of their appointment as Independent Directors are reproduced hereunder:

**Terms of Appointment:**

1. The appointment will be for the period mentioned against their respective names ("Term"). The Company may remove Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the Companies Act 2013 and Articles of Association of the Company.

2. Appointment process of independent directors shall be independent of the company management, while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

3. In compliance with provision Section 149(13) of the Companies Act, 2013, Independent Directors are not liable to retire by rotation.

4. Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The re- appointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria.

5. The directors may be requested to be a member / Chairman of any one or more Committees of the Board which may be constituted from time to time.

6. The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) or Listing Regulations or on the occurrence of any event as defined in section 167 of the Companies Act, 2013. Upon termination or upon resignation for any reason, duly intimated to the Company, Independent Directors will not be entitled to any compensation for loss ofoffice.

**Resignation:**

Independent Directors may resign from their position at any time and should they wish to do so, they are requested to serve a reasonable written notice on the Board. In terms of provisions of the Companies Act, 2013, they are required to file a copy of their resignation letter with the Registrar of Companies.

**Time commitment:**

Independent Directors agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as Independent Director.

**Role, duties and responsibilities:**

As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

a. Requirements under the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 to section 149(8) of the Act, and duties of directors as provided in the Act (including Section 166).

b. "Responsibilities of the board of directors" as outlined in the Listing Regulations,

c. Accountability under the Director's Responsibility Statement.

d. They are particularly requested to provide guidance in their area of expertise.

**Status of Appointment and Remuneration:**

Independent Directors will not be employees of the Company and their appointment letter shall not constitute a contract of employment. They will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board. 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, supported by the Nomination and Remuneration Committee, may consider performance of the Company and their performance as evaluated by the Board.

**Reimbursement of Expenses:**

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.

**Independent Professional Advice:**

There may be occasions when Independent Directors consider that they need professional advice in furtherance of their duties as Director and it will be appropriate for them to consult independent advisers at the Company's expense. The Company will reimburse full cost of expenditure incurred in accordance with the Company's policy.

**Training and Development:**

The Company may, if required, conduct formal training program for its Independent Directors. The Company may, 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 will fund/arrange for training on all matters which are common to the whole Board.

**Conflict of Interest:**

1. It is accepted and acknowledged that Independent Directors may have business interests other than those of the Company. As a condition to appointment, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of appointment.

2. In the event that 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 they are independent, this should be disclosed to both the Chairman and the Company Secretary.

3. They shall not participate in any business activity which might impede the application of their independent judgement in the best interest of the Company.

**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 evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

**Disclosure of other directorships and business interests:**

1. During their Term, Independent Directors 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 Independent Directors of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary.

2. During their Term, Independent Directors agree to promptly provide a declaration under Section 149(7) of the Companies Act, 2013 and Listing Regulations, upon any change in circumstances which may affect their status as an Independent Director.

**Changes of personal details:**

During the Term, Independent Directors shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

**Confidentiality:**

1. All information acquired during appointment is confidential to the Company and shall not be released, either during appointment or following termination (by whatever means) to third parties without prior clearance from the Company unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, Independent Directors shall surrender any documents and other materials made available to them by the Company.
2. Attention is also drawn to the requirements under the applicable regulations and the Company's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently Independent Directors should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

**General:**

The appointment of Independent Directors and any non-contractual obligations arising out thereof shall be governed by and be construed in accordance with, the laws of India.

**********