



**TERMS AND CONDITIONS OF
APPOINTMENT OF
INDEPENDENT DIRECTORS**

Version 1.0

The terms and conditions of appointment of the Independent Directors of the Company are subject to the extant provisions of:

- (i) The Companies Act, 2013 ('the Act') (as amended from time to time); and
- (ii) The Articles of Association of the Company.

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

1. Term

The appointment of Independent Directors will be in accordance with the provisions of the Companies Act, 2013 and for a period mentioned in the resolution passed for their appointment.

During their tenure as Independent Directors, they are required to submit a declaration at the beginning of every Financial Year under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence as set out in the Companies Act, 2013.

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

During their term as Independent Directors of the Company, the number of companies in which they can hold office as Director and/or Chairman/ Committee member shall not exceed the limit stipulated under the Act.

During their term, they shall ensure that they do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.

They shall ensure compliance with other provisions of the Act as applicable to them as an Independent Director.

2. Committees

The Board of Directors (the Board) may, if it deems fit, invite them 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. Time Commitment

They are expected to bring an independent view to the Board discussions and help in ensuring a high standard of corporate governance. They are also requested to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as Independent Directors.

They are requested to dedicate sufficient time and attention towards the business affairs of the Company and participate actively/constructively in:

- All meetings of the board
- All meetings of the Committees of which they are a member or Chairperson
- General Meetings of the Company; and
- Annual meeting of the Independent Directors.

4. Role and Duties

Their role and duties will be those which are 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 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 is in force and as may be amended from time to time.

5. Responsibilities

Their role shall be to effectively represent and promote the interests of shareholders with a view to add long-term value to the Company by contributing to the following:

- establishing policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Company's financial statements are true and fair and otherwise conform with law;
- ensuring that the Company adheres to high standards of ethics and corporate behavior; and
- ensuring that the Company has appropriate risk management/ regulatory compliance policies in place.

However, in the normal course of events, day to day administration of the Company is left to the Management.

6. Code of Conduct for Independent Directors

All the Independent Directors are required to abide by the Code for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013.

7. Provision for Directors' and Officers' Insurance

The Company provides all its directors with, and pays the premiums for, indemnity and insurance cover while acting in their capacities as directors.

8. Conflict of Interest

It is accepted and acknowledged that they may have business interests other than those of the Company.

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. Further, during the Term, they shall 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.

In the event that their 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.

9. Disclosure of Interest

The Company shall 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 their interest appropriately and the Company's records are updated. A general notice that they are interested in any contracts with a particular person, firm or company is acceptable.

10. Induction and Development

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

11. Performance Evaluation

As a member of the Board, their performance shall be evaluated annually. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential with the Chairman and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

Their re-appointment or extension of term and their remuneration will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance evaluation carried out by the Chairman. If, in the interim, there are any matters arising in connection with their role as a Non-Executive Independent Director which cause them concern, they may discuss with the Chairman as soon as it is appropriate.

12. Remuneration

They may be paid such remuneration by way of sitting fees for attending the meetings of the Board and the Committees as may be decided by the Board from time to time, subject to approval of the shareholders, if required.

Further, the Company may pay or reimburse to them such fair and reasonable expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company.

Pursuant to applicable law, they shall not be entitled to any stock options.



13. Termination

The Company may disengage Independent Directors prior to completion of the term subject to compliance of relevant provisions of the Act.

Independent Director may resign from the Directorship of the Company by giving a notice in writing to the Company stating the reasons for his 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 the Director in the notice, whichever is later.

If at any stage during their term, there is a change that may affect their status as an Independent Director as envisaged under Section 149(6) of the Companies Act, 2013, they shall promptly submit their resignation to the Company with effect from the date of such change.

14. Confidentiality

All information acquired during their appointment is confidential to the Company and should not be released, either during their 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. If any Confidential Information is required to be disclosed by them in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure shall be made by them, to the extent possible, with the prior consent of the Board.