

Terms and conditions of appointment of Independent Director

1. Appointment

Your appointment as an Independent Director shall be for a term of _____ years till _____. Your office will not be liable to retire by rotation. Your appointment is subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013. Your office will get vacated in case you incur any of the disqualifications mentioned in the Companies Act, 2013.

2. Board Committees

You, while being a member of Board of Directors, may be invited/ nominated for appointment on various committees of the Board of Directors, as setup from time to time, currently, following are the committees of Board of Directors

- Audit Committee
- Nomination and Remuneration Committee

3. Duties

Your duties as an Independent Director are enlisted below:

1. To undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
2. To 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. To strive to attend all meetings of the Board of Directors and of the Board committees of which you are a member;
4. To participate constructively and actively in the committees of the Board in which you are chairperson or member;
5. To strive to attend the general meetings of the company;
6. Where you 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. To keep yourselves 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. To pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure that the same are in the interest of the company;
10. To 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. To report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. To act within your authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. Not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless the Board expressly approves such disclosure or required by law.

4. Expectation of the Board

1. Be Independent in your view while transacting any matter at the meeting of the Board and its committees.
2. Take decisions objectively in the interests of the Company.
3. Adhere to the enclosed Code of Business Ethics the Company has developed.
4. Act in accordance with the Company's Articles of Association.
5. 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 interest of the Company.
6. Exercise your duties with due and reasonable care, skill and diligence and exercise independent judgment.
7. Do not get involved in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
8. Do not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners, or associates.

5. Training of the Board

Every independent director inducted on the Board is provided with a programme done by senior expert(s) in the management team for familiarization on the vision, mission, strategy, goals and objectives of the organization.

This programme helps the director to build a good professional, purposeful rapport with the senior leadership team in addition to understanding the overall structure of the organization.

Further, the Company continues to organize programmes on a periodical basis to develop their attitude, knowledge and skill sets on all matters which are common to the whole Board.

6. Code of conduct

You are required to comply with the Company's code of Business conduct and Ethics, a copy of which is enclosed herewith. (Annexure I)

7. Evaluation

The performance evaluation shall be done by the entire Board of Directors excluding the director being evaluated.

The performance of the Non-Executive Independent Directors shall be reviewed and evaluated by the Board of Directors/Nomination and Remuneration Committee, if any on an Annual Basis which includes the following factors:

- Participation by the directors during the discussion of the Board.
- Integrity and maintenance of confidentiality.
- Independence of behavior and judgment.
- Effective development of knowledge and expertise.

8. Remuneration

Sitting fees:

Subject to the limits provided under the laws/regulations, as an Independent Director you shall be paid a sitting fee for attending the meetings of the Board and the Committees of which you are a member.

Commission:

In addition to the sitting fees, profits related commission may also be payable to you. In determining the amount of this commission, the nomination and remuneration Committee/Board of Directors may consider various factors as disclosed in the remuneration policy.

Commission shall be paid out of the net profits of the Company subject to an overall aggregate of 1% of the net profits of the Company for each financial year and subject to such limits as may be determined from time to time by the Board of Directors on the recommendation by the Nomination and Remuneration Committee, if any.

Commission payable is considered and approved at the Board Meeting in which the Annual Financial Statements are approved and payment of the same is made on the approval of the financials by the shareholders at the Annual General Meeting.

Reimbursement of expenses:

To enable Independent Directors to contribute more and participate in person, the Company encourages the practice of reimbursement of the actual expenses incurred in travelling, boarding and lodging at the time of their attending the meetings of the Board and its committees.

All expenses incurred by the Board of Directors for attending the meetings and events of the Company are reimbursed at actuals. Wherever the actual bills are not directly attributed to the expenses for the purpose of attending the event /meeting, the “best fare” practice is adopted to reimburse such expenses.

9. Disclosures to the Company

Under the provisions of the Companies Act, 2013 you are required to disclose the requisite information on a periodical and event basis.

10. Confidentiality

All information acquired during your tenure as Director is confidential to the Company and should not be disclosed either during your tenure or following termination (by whatever means) to third parties except as permitted by law.

11. Termination

The directorship position will be terminated in accordance with the Companies Act, 2013, and other applicable regulations. The Company may terminate the appointment with immediate effect in case of any serious or repeated breach or non-observance of your obligations as a Director to the Company or in the case of breach of the code of conduct prescribed by the Company. The director can voluntarily resign on submission No of notice of resignation with sufficient reasons to the Board of Directors of the Company.

Annexure I

Code of Business Conduct and Ethics

Preamble

The Board of Directors have decided to codify the existing best practices in the Company including value system, business integrity, probity and honesty and this has resulted in formulating the code of business conduct and ethics. The objective of this code is to ensure strict adherence to company's best practices and consistently improve upon them.

Code of Conduct:

- I. Directors shall ensure that the company's assets, properties and services are properly safeguarded and put to use for official purposes only and no part of the assets are used for private purposes.
- II. Directors shall demonstrate trust and honesty. They shall act in accordance with the highest standards of personal and professional integrity and ethical conduct on all occasions while representing the company.
- III. They shall not receive directly or indirectly any benefit from the company's business associates, which is intended or can be perceived as being given to gain favour for dealing with the company.
- IV. They shall ensure at all times the security of all confidential records / information made available to them in the course of their duties. They shall not exploit for their own personal gain, opportunities that are discovered through the use of corporate proprietary, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and consent obtained from the Board which shall ensure that such consent is not given which is prejudicial to the interest of the company.
- V. No directors other than the designated spokespersons shall interact with any member of press and media in matters concerning the company. In such cases, they should direct the request to the designated spokespersons.
- VI. The Directors shall not engage in any material business relationship or activity, which conflicts with their duties and the Company's interest
- VII. Independent Directors in addition to the norms specified in this code should adhere to the duties as stated out in the Companies Act, 2013.
- VIII. The Board of Directors and the Directors shall not give any room for allegation of sexual abuse.
- IX. They shall not, without the prior approval of the Board of the company, accept any assignment with any competing organization for remuneration or any benefit. This restriction shall equally apply to the spouses of the Directors.
- X. The Directors shall disclose information about their relatives (Spouse, children and parents) employed in the company or with its competitors.
- XI. The Directors shall follow all prescribed safety and environment-related norms.
- XII. The Directors shall adhere to the existing local, state, national and international laws.
- XIII. This Code is in addition to the standing orders, contract / terms of employment and not in substitution thereof.
- XIV. All Directors shall affirm compliance with this code on an annual basis as at the end of each financial year.
- XV. They should sign the attached acknowledgement form and return it to the Company indicating that they have received, read and understood, and agree to comply with the Code.