



Terms and conditions of Appointment of Independent Directors

1. Appointment

The appointment as an Independent Director (ID) on the Board will be effective from <date of appointment>, for a period of <terms of appointment>.

An Independent Director will not be liable to retire by rotation and appointment, re-appointment, or removal shall be subject to the approval of the shareholders of the Company by way of a Special Resolution. In accordance with Regulation 25(2A) of the SEBI (LODR) Regulations, the Company shall ensure that such shareholder approval is obtained at the next general meeting or within a period of three months from the date of your appointment by the Board, whichever is earlier.

The terms of appointment, as set out in this, are subject to the extant provisions of the (i) applicable laws, including the Act and the Listing Regulations (as amended from time to time) and (ii) Articles of Association of the Company (**"AOA"**).

2. Role, duties and responsibilities

- A. As a member of the Board, ID along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:
- Requirements under the Companies Act, 2013,
 - Responsibilities of the Board as outlined in the Listing Regulations,
 - Accountability under the Directors' Responsibility Statement.
- B. ID shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act, and the duties of directors as provided in the Act (including Section 166) and in Regulation 4(2)(f) of the Listing Regulations.
- C. ID will provide guidance in his/her area of expertise.

3. Role and Function of Independent Directors

As an Independent Director, he/she shall:

- i. 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;
- ii. bring an objective view in the evaluation of the performance of the Board and the Management;



- iii. scrutinize the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance;
- iv. satisfy yourself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. safeguard the interests of all stakeholders, particularly the minority shareholders;
- vi. balance the conflicting interest of the stakeholders;
- vii. 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;
- viii. Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between Management and shareholder's interest.

4. Duties

As an Independent Director, he/she shall:

- i. In accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, ID shall confirm that his/her name is included in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs (IICA). ID shall undertake to pass the online proficiency self-assessment test conducted by the IICA within the prescribed timelines, unless specifically exempted under the applicable law. Failure to comply with these requirements may result in the automatic vacation of your office
- ii. undertake the appropriate induction into the Board and regularly update and refresh skills, knowledge and familiarity with the Company;
- iii. seek appropriate clarifications and, where necessary, seek and follow appropriate professional advice from external experts at the expense of the Company;
- iv. strive to attend every meeting of the Board and of the Board committees of which ID is a member;
- v. actively and constructively participate in the Board and Committees of the Board



in which ID may be a member or the Chairperson;

- vi. strive to attend the general meetings of the Company;
- vii. ensure that any concerns that ID may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- viii. keep yourself well informed about the Company and the external environment in which it operates;
- ix. not unfairly obstruct the functioning of an otherwise proper Board or committee;
- x. ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- xi. ensure that the whistleblower function of the Company is functioning adequately;
- xii. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics;
- xiii. within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- xiv. not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.

5. Board Committees

The Board may, if it deems fit, invite ID 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 applicable law.

6. Time Commitment

Considering the nature of the role of a director, it is difficult for the Company to lay down specific parameters on time commitment. ID agrees to devote such time as is prudent and necessary for the proper performance of role, duties and responsibilities as an Independent Director.

7. Remuneration

As an Independent Director you will be paid sitting fees for attending the meetings of the Board and the Committees of which you are a member. The sitting fees for



attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

In addition to the sitting fees, commission may also be paid. Such Commission shall be recommended by the Nomination and Remuneration Committee subject to approval of Board of Company.

Further, the Company may pay or reimburse such expenditure that may be incurred by ID while performing the role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by ID 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, participating in induction and training programmes (organized by the Company for Directors) and/or obtaining professional advice (subject to the expense being reasonable) from independent advisors in the furtherance of your duties as an Independent Director.

8. Insurance

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of your appointment and shall be maintained for all the actions taken by you while discharging your role as independent director even after expiry of your term.

9. Training and Development

the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc; through various programmes. The training programmes may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations,
- Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

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 full Board.



10. Disclosures, other directorships and business interests

It is accepted and acknowledged that ID have business interests other than those of the Company and have declared conflicts, if any that are apparent at present. In the event that ID become aware of any potential conflict of interest with position as Director of the Company, ID shall promptly disclose the same to the Chairman and the Company Secretary and provide such other disclosures and information as may be required under the applicable laws.

Upon any change in circumstances which may affect your status as an Independent Director, you agree to promptly provide a declaration under Section 149(7) of the Act.

11. Memberships of other boards

It is expected that you will not serve on the boards of competing companies. Apart from the applicable law and good corporate governance practices, there are no other additional limitations.

12. Independent Directors' discussion

Annually and when required, the Independent Directors meet without the presence of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors *inter alia* evaluate the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluate the performance of the Chairman of the Board and discuss aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

13. Retirement policy

The Nomination and Remuneration Committee may, at its discretion, determine their continuation as members of the Board upon superannuation/retirement. The age of retirement for Independent Directors is 75 years.

14. Changes in personal details

During the Term, ID 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.

15. Disengagement

You may resign as Director of the Company by giving notice in writing to the Company stating the reasons for resignation along with the detailed reason and certificate of material reason. The resignation shall take effect from the date on



which the notice is received by the Company or the date, if any, specified by you in the notice, whichever is later.

16. Extension of Term

Upon the expiry of First Term and subject to ID's eligibility under the relevant provisions of the Act, Rules, Listing Regulations and other applicable laws, as prevailing from time to time and subject to annual performance evaluation and recommendations of the Nomination and Remuneration Committee, the Board may, at its discretion, recommend to the shareholders renewal of your term.

17. Miscellaneous

The terms of appointment contained in this letter along with your detailed profile shall be disclosed on the website of the Company and the relevant stock exchanges.