

## **TERMS OF APPOINTMENT OF INDEPENDENT DIRECTOR**

### **1. Appointment:**

Independent Director's appointment on the Board of Directors of the Company shall be with effect from such date as may be decided by the Board. Such appointment will be subject to the maximum permissible Directors hips that one can hold as per the provisions of the Companies Act, 2013 and Rules made thereunder.

The term Independent Director should be construed as defined under the Companies Act, 2013. As Independent Directors, they will not be liable to retire by rotation. The Appointment shall be for a period of 5 years.

### **2. Committees:**

The Independent Director may be appointed as Member/Chairman of the following Committees of the Board:

- (i) Audit Committee
- (ii) Nomination & Remuneration Committee
- (iii) Any other committee, existing or future if found suitable

### **3. Time Commitment:**

As a non-executive director, he/she is expected to bring objectivity and independence of view to the Board 's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board meets at least four times in a year. The Audit Committee also meets four times in a year. Besides, there are other Committee meetings like Nomination & Remuneration Committee Meetings which are ordinarily convened twice in a year. Independent Director is expected to attend Board Meetings, Meetings of Board Committees to which he/ she may be appointed and Shareholders meetings and to devote such time to their duties, as appropriate for them to discharge their duties effectively.

### **4. Roles & Duties:**

The roles and duties of the Independent Director will be those those as prescribed under the Companies Act, 2013 including Rules and Regulations made there under, Guidelines/Circulars issued by SEBI/Exchanges, as modified, amended or substituted from time to time and as may be applicable.

The provisions of sec 166 of the Companies Act 2013, enlists the following specific fiduciary duties for all directors both Executive and Non-Executive:

- To act in accordance with the Articles of the Company;
- To act in good faith to promote the objects of the Company for the benefits of its Members as a whole;
- To exercise their duties with due and reasonable care, skill and diligence, and independent judgment;
- Not to involve in a situation in which he may have a direct or indirect interest that

conflicts, or possibly may conflict, with the interest of the Company;

- Not to achieve or attempt to achieve any undue gain or advantage and
- Not to assign his office.

In addition to the above requirements applicable to all Directors, role of the Independent Directors shall also include duties as prescribed in Schedule IV of the Companies Act, 2013.

#### **5. Status of Appointment:**

Independent Director will not be an employee of the Company and this Letter shall not constitute a contract of employment.

#### **6. Remuneration:**

A sitting fee will be paid for attending each meeting of the board as well as the Committee Meeting attended, as may be decided by the Board from time to time in accordance with the limits prescribed under the Companies Act, 2013 and rules made thereunder.

#### **7. Reimbursement of Expenses:**

In addition to the remuneration described in paragraph 6 the Company will, for the period of their appointment, reimburse them for travel, hotel, telephone, internet, fuel and other incidental expenses incurred by them in the performance of their role and duties.

#### **8. Code of Conduct and Business Ethics for Board of Directors and Insider Trading Code:**

The Board has put in place a Code of Conduct and Ethics for Board of Directors (Code). Independent Directors shall abide by the Code. An annual affirmation of compliance is required to be provided by the Independent Directors on the same. Directors shall also comply with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Code of Conduct for Prevention of Insider Trading of the Company. The directors shall not make use of unpublished price sensitive information.

#### **9. Confidentiality**

All information acquired during the appointment is confidential to the Company and should not be. The Independent Director agrees that both during and after the term of appointment, he will not use for his own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, subsidiary or any group or associate companies of the Company, which he may acquire by virtue of his position as an Independent Director, including without limitation, any information about the deliberations of the Board. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of his term), become available to the public generally.

#### **9. Conflict of interest:**

As a condition to their appointment commencing, Independent Directors are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

In the event of 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 Chairman & Company Secretary.

#### **10. Performance evaluation of Independent Directors:**

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The re-appointment of independent director shall be on the basis of report of performance evaluation.

**11. Insurance:**

The Company has Directors' and Officers' ("D&O") liability insurance, and it is intended to maintain such cover for the full term of the Appointment. The Independent Director may obtain details of such insurance from the Company Secretary.

**12. Indemnity:**

The directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their office, to the extent permitted by law.

**13. 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. 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 they are interested in any contracts with a Particular Person, Firm or Company is acceptable.

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