

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

### **1. Terms of appointment:**

- 1.1. The term of office as an Independent Director (ID) is upto five years and shall be eligible for re-appointment of one more term of 5 (five) years, subject to compliance of other conditions and the approval of the shareholders of the Company by passing Special Resolution;
- 1.2. Director shall not hold office for more than two consecutive terms of 5 years each, but shall be eligible for appointment after the cooling period of three years, provided he/she shall not during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.
- 1.3. This directorship is not subject to retirement by rotation during the term, as per the relevant provisions of the Act;
- 1.4. Director is aware of the maximum permissible directorships that one can hold as per the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and we presume that this appointment will be within those limits;
- 1.5. In case, Director resigns from directorship of the Company for any reason, it can be done at any time by giving a letter of resignation. While forwarding intention to resign or not to seek re-appointment, it will be preferable if Director give the Chairman reasonable time so that the Company can plan suitable succession to the Board;
- 1.6. Directors performance evaluation as an ID shall be made by entire Board during your tenure with the Company in accordance with the processes established by the Board from time to time and on the basis of the report of performance of evaluation, it shall be determined whether to extend or continue the term of your appointment as an ID of the Company.

### **2. The expectations of the Board from the appointed Director:**

The commitments that are expected from you as an ID in relation to your functions are as follows:

- 2.1. As an ID, Director is expected to devote such time as necessary for the proper performance of his/her duties and balanced decision making and also to involve in Board and Committee meetings each year;

- 2.2. He/She should satisfy that the financial information is accurate and that financial controls and systems of risk management are robust and defensible;
- 2.3. He/She should strive to attend all the scheduled quarterly Committee Meetings, Board Meetings, General Meetings and other meetings held from time to time;
- 2.4. He/She should strive to hold and/or be present in at least one meeting in a year without the presence of Non-Independent Directors (N-ID) and members of management with the sole objective of:
  - a) reviewing the performance of N-ID and the Board as a whole;
  - b) reviewing the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
  - c) assessing the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- 2.5. By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role.

### **3. Appointment in Board-level Committees:**

As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board established by the Company. Currently, the Company has established the following Committees:

- (A) Audit Committee
- (B) Nomination and Remuneration Committee
- (C) Stakeholders' Relationship Committee

### **4. The fiduciary duties that come with such appointment along with accompanying liabilities:**

- 4.1. As a director of the Company, he/she has to familiarize with the relevant directors' duties, roles and responsibilities as set out in the Code for Independent Directors under Schedule IV of the Act.
- 4.2. He/She shall disclose interest in any of the contract or arrangements and also disclose the interest on periodical basis as required under law;
- 4.3. As a director of the Company, he/she will have all legal duties and obligations under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, including attendance at Board Meetings, Annual General Meetings, Meetings of IDs and such other additional duties, as may be assigned to from time to time;
- 4.4. As an ID, your liability will be in respect of such acts of omission or commission by the Company, which had occurred with your knowledge, attributable through Board processes, and with your consent or connivance or where you had not acted diligently;

- 4.5. By accepting this appointment, you are deemed to have confirmed that any other position you hold including your directorships in other organizations will not give rise to any 'conflicts of interest' in relation to your appointment as an ID of the Company. Should you become aware of any conflict or potential conflict during the period of your appointment, you are expected to notify the same to the Board from time to time.

## **5. The Code of Business Ethics:**

Director will be required to abide by the Company's "Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by Insiders" as per SEBI (Prohibition of Insider Trading) Regulations, 2015, Code of Conduct of Board of Directors and Senior Management Personnel as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, besides Code for Independent Directors, as framed by the Company from time to time.

## **6. The list of actions that a director should not do while functioning as such in the company:**

As an Independent Director of the Company, you shall not –

- i. misuse the information in your possession for personal gains;
- ii. engage in any ways (both directly or indirectly) with the competitors;
- iii. in any way indulge in activities which may be construed as conflict of interest;
- iv. break any law of the land or indulge or provoke the co-directors or employees to do the same; and
- v. enter in to any contract or arrangements wherein you are directly or indirectly interested.

The above list is only indicative and not exhaustive.

## **7. Directors' fees / remuneration:**

- 7.1. Sitting fee will be paid to you for each meeting of the Board/committees attended by you, as may be fixed by the Board from time to time;
- 7.2. Director will be entitled to claim reimbursement of all your travelling, hotel and other incidental expenses incurred by you in performance of your duties;
- 7.3. IDs are not entitled to any 'stock option' and will not be covered by any pension scheme.

## **8. Disclosures:**

- 8.1. Director will have to submit such information in the prescribed forms periodically to the Board as may be required from time to time;

- 8.2. Director will be required to disclose to the Company your interests and any matters (excluding those matters, which may be subject to legal professional privilege), which affect your independence; and
- 8.3. Director will be required to give a declaration that you meet the criteria of independence every financial year, as provided under Section 149 of the Act in the prescribed format.

**9. Acceptance of Appointment:**

We are confident that the Board and the Company will benefit immensely from your rich experience and we are eager to have you as an integral part of the growth of our Company. If these terms of appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.