

Terms and Conditions of Appointment of Independent Directors

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 (“the Act”) and Regulation 46 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015]

Appointment

1. The appointment as a Non-Executive Independent Director on the Board of Director of the Company is subject to the provision of Companies Act, 2013.
2. In compliance with provisions of section 149(13) of the Companies Act, 2013, Independent Directors are not subject to retirement by rotation.
3. The re-appointment of independent director shall be on the basis of report of performance evaluation.

Role and Duties

The independent directors shall—

1. 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;
2. bring an objective view in the evaluation of the performance of board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;
7. 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;
8. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder’s interest.

Additionally the Independent Directors shall-

9. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
10. 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;
11. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
12. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
13. strive to attend the general meetings of the company;
14. where they 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;
15. keep themselves well informed about the company and the external environment in which it operates;

16. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
17. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
18. 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;
19. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
20. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
21. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Remuneration and Reimbursement of Expenses

1. ID will be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees as may be decided by the Board from time to time in compliance with applicable law. Further, ID may also be paid remuneration by way of profit related commission. The remuneration shall be subject to applicable taxes and the Company may withhold there from any amounts as are required to be withheld pursuant to applicable law. Any tax liability arising in respect of payments made pursuant to remuneration to ID shall be borne solely by him/her.
2. In addition to the remuneration described above the Company will, for the period of appointment, reimburse ID for travel, hotel and other incidental expenses incurred by him/her in the performance of his/her role and duties.

Separate meetings:

1. The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
2. All the independent directors of the company shall strive to be present at such meeting;
3. The meeting shall:
 - (a) review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - (c) assess 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.

Confidentiality

1. The Independent Directors have been informed that all the information acquired by them during their tenure of appointment is confidential to the Company and should not be released, either during the appointment or following termination / resignation (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. On reasonable request, they are supposed to surrender any documents and other materials made available to them by the Company.

2. The Independent Directors are informed of the applicable insider trading regulations and the Company's Insider Trading Code which requires the disclosure of price sensitive information and dealing in the securities of the Company. Independent Directors are supposed to avoid making any statements or performing any transaction that might risk a breach of applicable insider trading regulations requirements without prior clearance from the Chairman or the Company Secretary.

Conflict of Interest

1. It is accepted and acknowledged that ID may have business interests other than those of the Company. As a condition precedent to commencement of the appointment, ID is required to declare to the Company any such directorships, appointments and interests to the Board. Thereafter ID is required to declare to the Company whenever there is any change in the circumstances which may affect your status as an ID.

Other Terms and Conditions

2. Evaluation
The performance of ID will be evaluated as per the requirements of the Act and the SEBI (LODR), 2015.
3. Termination
 - (i) ID may resign from his/her position at any time by serving a reasonable written notice on the Board stating out the reason for resignation. Further, appointment of ID may be terminated in accordance with applicable law.
 - (ii) Continuation of appointment of ID is contingent on his/her willingness to continue as an ID, and getting re-appointed by the shareholders in accordance with applicable law. ID will not be entitled to compensation in case the shareholders of the Company do not re-appoint him/her at any time.

This policy is subject to amendments as may be brought under Companies Act, 2013 or SEBI (LODR) Regulations, 2015 or by approval of the Board of Directors.

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