

**TERMS AND CONDITIONS OF THE APPOINTMENT OF AN INDEPENDENT DIRECTORS
AS PER SECTION 149 AND SCHEDULE IV OF THE COMPANIES ACT 2013**

1. APPOINTMENT:

The Independent Directors shall serve on the Board for [•] years each on the Board of the Company as per the provisions of the Companies Act, 2013.

Office of an Independent Director shall not be liable to determine by rotation. The appointment is subject to the maximum permissible Directorships that one can hold as per the provisions under Section 165 of the Companies Act, 2013 and as per Article of Association of the Company.

2. TIME COMMITMENT:

As an Independent Director, the incumbent is expected to bring objectivity and independence of view to the Board's discussions. The Board meets at least four times in a year. You will be expected to attend Board Meetings and Shareholders meetings and to devote such time to duties, as deemed appropriate to discharge your duties effectively.

Independent Directors should hold at least one separate meeting in a year, without the attendance of non-independent directors and members of management.

By accepting this appointment, you confirm that you will allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

3. ROLE AND DUTIES:

The Independent Director shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Companies Act, 2013 (copy enclosed), and duties of directors as provided in the Companies Act, 2013.

Apart from attending Board and Committee Meetings, other role and duties will be those normally required of a Non-Executive Independent Director under the Act. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and the same are specified under Section 166 of the Act, which inter alia are as under:

- i. To act in accordance with the Company's Articles of Association.
- ii. To comply with all the terms and conditions of the Company's Policy Manual
- iii. To 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.
- iv. To discharge your duties with due and reasonable care, skill and diligence.
- v. Not to involve yourself 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.
- vi. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- vii. You shall not assign your office as Director and any assignments so made shall be void.

viii. There are certain roles, functions and duties prescribed for all Independent Directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. You shall abide by the said 'Code of Conduct for Independent Directors' as amended from time to time to the extent relevant and applicable to your role.

In addition to the above requirements applicable to all Directors, the role of an Independent Director has the following key elements:

Strategy: Independent Directors should constructively challenge and help develop proposals on strategy;

Performance: Independent Directors should scrutinise the performance of management in meeting agreed goals and objectives;

Risk: Independent Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;

People: Independent Directors are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointment and determining terms of appointment of Executive Directors and in succession planning;

Reporting: Independent Directors take responsibility for the processes for accurately reporting on performance and the financial position of the Company; and

Compliance: Independent Directors should keep governance and compliance with the applicable legislation and regulations under review and the conformity of Company practices to accepted norms.

Stakeholders: Independent Directors should balance the conflicting interest of the stakeholders, including minority shareholders. In the event of any conflict, they shall moderate and arbitrate in the interest of the Company as a whole.

The Independent Director may be nominated on one or more committees of the Board and in such event, will be provided with the relevant committee's terms of reference and any specific responsibilities

4. STATUS OF APPOINTMENT AND REMUNERATION:

The Independent Directors shall not be an employee of the Company.

The Independent Director will be paid a remuneration by way of fixed fees for attending the meetings of Board of Directors and other committee meetings, subject to an aggregate maximum amount of INR [●] (Rupees [●] Only) per board meeting and INR [●] (Rupees [●] Only) per committee meetings. Fees can be paid monthly/quarterly/yearly or by mutual understanding between both the parties.

5. CONFLICT OF INTEREST:

It is accepted and acknowledged that the incumbent may have business interests other than those of the Company. As a condition to the appointment commencing, you 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.

During the term as a Director of the Company, the Independent Director agree to promptly notify the Company of any change in directorships and provide such other disclosures and information as may be required under the Companies Act 2013, AOA, Company's Policy Manual or under any other regulation, whether existing or which may come in force during your tenure as Independent Director of the Company. You also agree that upon becoming aware of any potential conflict of interest with your position as a Director of the Company, you shall promptly disclose the same to the Board of Directors and the Company Secretary.

The Independent Director agrees to promptly provide any such declaration/disclosure, as may be required under the Companies Act 2013, AOA, Company's Policy Manual or under any other regulation, whether existing or which may come in force during your tenure as Independent Director of the Company.

6. CONFIDENTIALITY:

All information acquired during the term of appointment is confidential to the Company and should not be released, either during your appointment tenure or post termination of your office (by whatever means) to third parties without prior clearance from the board of directors, unless required by law or by the rules of any regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

7. CHANGES OF PERSONAL DETAILS:

During the term, the Director 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.

8. 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 into. 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.

9. DISENGAGEMENT/ RESIGNATION:

Director may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. 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. Your directorship on the Board of the Company shall cease in accordance with prevailing law. The Company may disengage Independent Directors prior to completion of term upon violation of Code of Conduct as applicable to Non-Executive Directors.

If at any stage during the Term, there is a change that may affect your status as an Independent Director as envisaged in Section 149(6) of the 2013 Act read with the rules framed thereunder, you agree to promptly submit your resignation to the Company with effect from the date of such change.

10. GOVERNING LAW:

This letter is governed by and will be interpreted in accordance with Indian laws and your engagement shall be subject to the jurisdiction of the courts at New Delhi.

11. ACCEPTANCE OF APPOINTMENT:

We are confident that the Board and the Company will benefit immensely from your rich experience.

We welcome you on the Board and look forward for your valuable contribution.

Encl: Annexure-A

Annexure-B

SCHEDULE IV TO THE COMPANIES ACT, 2013

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

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.

III. Duties:

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) 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) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

- (5) strive to attend the general meetings of the company;
- (6) 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;
- (7) keep themselves 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) 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;
- (10) 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) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) 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.

IV. Manner of appointment:

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in

the Act and the rules made thereunder and that the proposed director is independent of the management

- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :
 - a) the term of appointment;
 - b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d) provision for Directors and Officers (D and O) insurance, if any;
 - e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - f) the list of actions that a director should not do while functioning as such in the company; and
the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. 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 informationbetween the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
 - (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.
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DUTIES OF DIRECTORS AS PER SECTION 166 OF COMPANIES ACT,2013

- (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
 - (2) A director of a company shall 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 interests of the company, its employees, the shareholders, the community and for the protection of environment.
 - (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
 - (4) A director of a company shall not 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.
 - (5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
 - (6) A director of a company shall not assign his office and any assignment so made shall be void.
 - (7) If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one as prescribed under the Act.
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