

## **Letter of Appointment and Terms & Conditions of Independent Directors**

Date :

To,

**(Name of Independent Director)**

**(Address)**

### **TERMS & CONDITIONS OF APPOINTMENT FOR INDEPENDENT DIRECTORS**

In accordance with the provision of the Companies Act, 2013 and other applicable laws, you will be appointed as a Non-executive Independent Director of the Company subject to shareholders' approval. You shall not be liable to retire by rotation as per the relevant provisions of the Companies Act, 2013 and the Listing Agreement.

Your terms of appointment should be construed as defined under the Companies Act, 2013 and the Listing Agreement.

### **COMMITTEES**

The Board of Directors (the Board) may, if it deems fit, invite you to serve on one or more of the Board Committees. Your appointment on such Committee (s) will be subject to applicable regulations and charter of the respective committee.

### **EXPECTATIONS OF THE BOARD**

- **Time Commitment:** You are expected to bring objectivity and independence of view to the Board's discussions and to help in providing 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 atleast four times in a year. Whereas other Committees like Audit & Risk Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee meetings are also ordinarily convened four times in a year or as may be decided from time to time. You will be expected to attend Board, Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively.
- **Disclosure of Interest:** You should give us required disclosure as prescribed under the status. The Company Secretary will co-ordinate with you for getting such disclosures

from time to time. Further furnish us the annual declaration that you meet the criteria of Independence as per Companies Act, 2013 and Listing agreement. Further update promptly, wherever there is change in circumstance which may affect your status of Independence.

- **Confidentiality:** You must apply the highest standard of confidentiality and not disclose to any person or Company, whether during the course of Appointment or at any time after that, any confidential information concerning the Company and any group Companies with which you come into contact by virtue of your position.

## **ROLE, RESPONSIBILITIES AND DUTIES ALONG WITH ACCOMPANYING LIABILITIES**

As a Non-Executive Independent Director of the Company you shall act in accordance with the provisions of the Companies Act, 2013, the listing agreement and in accordance with the Articles of Association of the Company.

The fiduciary duties of Executive and Non-Executive directors are as under:

- 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.
- Exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
- Not involve in a situation where there is a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- Not achieve or attempt to achieve any undue gain or advantage either to himself or to your relatives, partners, or associates
- Not to assign your office as Director.
- So long as you are an Independent Director of the Company, the number of Companies in which you hold office as a Director or a Chairman or Committee member will not exceed the limit stipulated under the Act and the SEBI (LODR) Regulations.
- You will not hold office as a Director or any other office in a competing entity / firm.

In addition to the above, the role of the Non-Executive Independent Director has the following key elements:

**Strategy:** You will constructively contribute in the development of the Company strategy.

**Performance:** You should scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

**Risk:** You should satisfy yourself that financial information is accurate and that financial

controls and systems of risk management are robust and defensible.

If as a Director of the Company you contravene any provisions of the Companies Act, you shall be punishable with fine under the statute and may also be exposed to Civil Action, Criminal Action or Class Action Suit by the Shareholders.

## **FEES AND REMUNERATION**

You will be paid such remuneration by the way of sitting fees and reimbursement of expenses for attending meetings of the Board and its Committees that may be determined by the Board and Shareholders from time to time.

## **DIRECTORS AND OFFICERS (D&O) INSURANCE**

Directors and Officers (D&O) Insurance policy which intend to cover personal liability claim made against the directors while serving on the Board of the Company.

## **CODE OF ETHICS AND BUSINESS CONDUCT**

The Company has formulated and adopted a “Code of Ethics and Business Conduct” for all the Board members, senior officers and employees. The Code of Conduct is also posted on the Company’s website. You shall annually affirm, in writing, the compliance with the code.

## **EVALUATION OF BOARD**

As a Non-Executive Independent Director you should strive to hold and attend one meeting of the Independent directors in a year, without the presence of Non- Independent Directors and member of the management team with the sole objective of:

- review the performance of Non-Independent Directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- 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.

Your reappointment or extension of term and your remuneration will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to the performance evaluation carried out by the Board.

## **RESIGNATION**

You may resign any time from the position of Non-Executive Independent Director by a written

notice. It is desirable that you inform Chairman in advance of your intention to resign or not to seek re-appointment which will help to fill the vacancy.

**Yours faithfully,**

**Sd/-**

**Chairman**