

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The terms of the appointment of Independent Directors are subject to applicable laws including the Companies Act, 2013 and the rules thereunder (the “Companies Act”) read with Articles of Association of the Company.

Following are the general terms and conditions on which Independent Directors have been appointed by the Company and the same have been formalised through a Letter of Appointment extract of which is reproduced below.

“Appointment

1. *The Appointment will be subject to applicable laws including the Companies Act and the Company’s Articles of Association and any necessary resolution(s) of the Board and the shareholders.*
2. *Notwithstanding the other provisions of this letter, the Appointment may be terminated at any time by the Company in accordance with the Company’s Articles of Association and the Companies Act, or that you resign by written notice. It is desirable that you give the Company reasonable forewarning of your intention to resign so that the Company can plan for succession of skills and experience on the Board. Upon such termination or resignation for any reason, you shall not be entitled to any damages for loss of office and no fee will be payable to you in respect of any unexpired portion of the term of the Appointment.*
3. *During the Appointment you may be asked to serve on one or more of the Board committees including the Audit Committee, Nomination and Remuneration Committees, Corporate Social Responsibility Committee, and you have been provided with copies of the terms of reference for each of those Board committees.*
4. *You are considered to be an Independent Director and will be identified as such in the annual report and other documentation. If circumstances change and you believe that your independence may be in doubt, you should discuss this with the Chairman as soon as possible and also inform the Company about your change in status and update your declarations made to the Company.*

Expectation of the Board

5. *You will hold a very important position in our Company and therefore the Board and the Company are extremely fortunate to benefit from your wisdom and experience. So that we derive optimally from your rich experience, we expect that you will:*
 - (i) *keep in mind the best interests of the Company, its stakeholders, its employees, the community and for the protection of the environment;*
 - (ii) *always demonstrate high ethical standards and integrity in your personal and professional dealings;*

- (iii) *as necessary and appropriate, communicate with the Chairman between meetings;*
- (iv) *in case you decide to change your present position, employment or job responsibility, inform the Board of any such change that would impact your independence.*
- (v) *Be privy to confidential information and know how about the Company. It will therefore, be your responsibility to avoid any conflict of interest and to safeguard the interests of the Company at all times.*
- (vi) *make the appropriate disclosures to the Company so that the necessary procedures can be followed at the time of entering into transactions and the Company has knowledge of the real position regarding your concern and interest in other entities; and*
- (vii) *Comply with all duties, functions, roles and obligations under applicable laws including the Companies Act, 2013 and the rules thereunder.*

Time Commitment

- 6. *It is difficult to be precise about the time commitment that may be required but the Company anticipates a commitment of sufficient time and attention as necessary in order to perform your duties under the Appointment. This will include attendance at regular and emergency Board meetings, separate meeting of Independent Directors of the Company and any Annual/Extraordinary General Meeting. You may also be required to attend regular meetings of any Board committee of which you are a member. In addition, you will be expected to devote appropriate preparation time ahead of each meeting.*
- 7. *By accepting the Appointment, you confirm that you are able to allocate sufficient time to perform the expectations from your role for the benefit of the Company.*

Role and Functions

- 8. *As an Independent Director you will have to fulfil all duties required to be fulfilled by a director of the Company including all the fiduciary duties of the Companies Act.*

Duties

- 9. *You, as an Independent Director must also fulfil the following duties:*
 - (a) *undertake appropriate induction and regularly update and refresh your skills, knowledge and familiarity with the Company;*
 - (b) *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;*
 - (c) *strive to attend all meetings of the Board of Directors and of the Board committees of which you are a member;*

- (d) participate constructively and actively in the committees of the Board in which you are chairperson or member;*
- (e) strive to attend the general meetings of the Company;*
- (f) where you 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 your concerns are recorded in the minutes of the Board meeting;*
- (g) keep yourself well informed about the Company and the external environment in which it operates;*
- (h) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;*
- (i) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure yourself that the same are in the interest of the Company;*
- (j) 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;*
- (k) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;*
- (l) while acting within your authority, assist in protecting the legitimate interests of the Company, its shareholders and employees; and*
- (m) 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.*

Liability

- 10. Your position as an Independent Director will also include the accompanying liabilities which are associated with such position. Non-compliance with any applicable law including the Companies Act could attract punishment and liabilities under the Companies Act including with respect to the provisions of Section 166 of the Companies Act may be punishable fine which shall not be less than Rupees 100 Thousand (INR 100,000) but which may extend to Rupees 500 Thousand (INR 500,000).*
- 11. As per the provisions of the Companies Act, you shall be held liable, only 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.*

Training

12. *The Company shall provide you suitable training to familiarize you with the Company, your role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.*

Re-appointment

13. *Your re-appointment shall be on the basis of the report of performance evaluation and will be subject to applicable laws including the Companies Act and the Company's Articles of Association (a copy of which has been provided to you) and any necessary resolution(s) of the Board and the shareholders.*

Fees and Expenses

14. *Apart from receiving director's remuneration (i.e. sitting fee), you will not have any pecuniary relationships or transactions with the Company, its holding, subsidiaries or associate companies or their promoters or directors or the senior management of the Company during the tenure of your Appointment.*
15. *The sitting fee shall be Rs. 40,000/- per meeting of the Board or committees thereof, and may be amended from time to time by approval by the Board and the shareholders. The expenses reimbursed shall be on the basis of actual expenses incurred, if any.*

Other directorships or Business Interests

16. *During the Appointment, wherever there is a change in the disclosures already made, you will disclose your concern or interest in any company or companies or bodies corporate or any other directorship or any major external appointment (whether paid or unpaid) including shareholding.*

Code of Conduct

17. *During the Appointment you will comply with any relevant regulations as may be issued by various authorities that may be applicable to the Company including any model code of conduct for directors under Schedule IV of Companies Act and such other requirements as the Board of Directors may from time to time specify.*

Confidentiality

18. *You must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which you come into contact with by virtue of your position as an Independent Director of the Company.*
19. *On termination of the Appointment you will deliver to the Company all books, document, papers and other property of or relating to the business of the Company which are in your possession, custody or power by virtue of your position as an Independent Director of the Company. The Company is able to arrange the disposal of papers that you no longer require.*

Insurance

20. *The Company will use its best endeavors to maintain appropriate directors' and officers' liability insurance (including ensuring that premiums are properly paid) for your benefit: (i) during the Appointment; and (ii) after the Appointment, in each case in respect of any matter occurring or alleged to have occurred while you are or were a director of the Company.*

Performance Review Process

21. *Your performance evaluation shall be done by the entire Board of Directors, excluding you and 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.*

General

22. *This letter shall be open for inspection at the registered office of the Company by any member during normal business hours. Further, your terms and conditions of appointment shall also be posted on the Company's website.*
23. *This letter is governed by the laws of India and any dispute arising out of this Appointment shall be subject to the exclusive jurisdiction of the Courts of India.*
24. *Please confirm your agreement to the above by signing and returning to us the enclosed duplicate of this letter."*