

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

**[Pursuant to the provisions of Schedule IV to the Companies Act, 2013 ("the Act")]**

The broad terms and conditions of appointment of Independent Directors are reproduced hereunder:

#### **1. TERMS OF APPOINTMENT:**

- a. Appointment shall be for a tenure of 5 consecutive years subject to regularization by the Members at the ensuing Annual General Meeting, till that time he/she shall be regarded as Additional Independent Director.
- b. Either of the Party may discharge himself/herself by formal resignation letter addressed to the Company.
- c. Independent Director shall not be liable to retire by rotation.
- d. The Independent Director shall abide by Schedule IV- Code for Independent Directors of Companies Act, 2013 and rules made thereunder.
- e. Re-appointment as an Independent Director, after the first tenure of 5 consecutive years shall be subject to re-commendation of Nomination and Remuneration Committee, Board approval and approval by Shareholders.

#### **2. BOARD COMMITTEE:**

The Board may, if it deems fit, invite Independent Director for being appointed on one or more existing Board Committees or any such Committee that may be set up in the future. The appointment on such Committee(s) will be subject to the applicable regulations. The Independent Director shall attend meetings of the Board, Board Committees, to which he/she may be appointed and Shareholders' meetings and devote such time as deemed appropriate for discharge of their duties effectively.

#### **3. DUTIES AND RESPONSIBILITY:**

- a. As members of the Board, the Independent Director along with the other Directors will be collectively responsible for meeting the objectives of Board which includes:
  - Requirements under the Companies Act, 2013.
  - Accountability under the Director's Responsibility Statement.
- b. The Independent Director(s) shall submit a declaration
  - in the beginning of every financial year;
  - upon any change in circumstances which may affect his/her status as an Independent Director,under section 149(7) of the Companies Act, 2013 stating that he/she meets the criteria of Independence.

- c. The Independent Director shall ensure that during his/her tenure as an Independent Director of the Company, the number of Companies in which he/she holds office as a director or chairman or committee member will not exceed the limit stipulated under Companies Act, 2013.
- d. The Independent Director shall ensure that he/she shall not be disqualified to act as a director pursuant to the provisions of Section 164 of the Companies Act, 2013, during his/her tenure as an Independent Director of the Company.
- e. The Independent Director shall intimate and submit prescribed declarations under section 184 of the Companies Act, 2013 regarding interest in other entities and as and when any changes occur.
- f. The Independent Director shall abide by the Company's Code of Ethics and Business Principles to the extent applicable to Independent Director.
- g. The Independent Director shall devote such time as is prudent and necessary for the proper performance of his/her role, duties and responsibilities as such.

#### **4. PERFORMANCE APPRAISAL / EVALUATION PROCESS:**

As a member of the Board, the performance of Independent Director shall be evaluated annually. Evaluation shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

#### **5. REMUNERATION:**

- a. The Independent Director may be paid sitting fees for attending the meetings of Board and the Committees of which he/she is a member, as may be decided by the Board. The sitting fees for attending each meeting of Board and its Committees would be as determined by the Board from time to time. In accordance with the resolution passed by the shareholders at the meeting held on 10 November 2020, commission payable to the Independent Directors shall not exceed 1% per annum of the Company's profits, calculated in accordance with Section 198 of the Companies Act, and shall be paid to the extent approved by the Board of Directors.
- b. Further, the Company may reimburse such expenditure as may have been incurred by the Independent Director while performing his/her role as an Independent Director of the Company.

#### **6. TERMINATION**

- a. The Independent Director may resign at any time by giving a reasonable written notice to the Board of Directors. The Independent Director, may, forward to the Registrar of Companies in the prescribed e- form a copy of the resignation letter with reasons for the resignation.
- b. Continuation of your appointment shall be governed by the provisions of the Companies Act, 2013 or any other applicable law, as in force from time to time.