

## **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. APPOINTMENT**

The appointment of an Independent Director will be for a period of 5 consecutive years and further period of extension, if any, shall be in accordance with the Companies Act, 2013.

Their directorship is not subject to retirement by rotation.

Their appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in section 149(6) or on failure to perform duties as defined under Section 167 of the Companies Act, 2013.

The term Independent Director is construed as defined under the Companies Act, 2013.

They will not be considered to be an employee of the Company their letter of appointment does not constitute a contract of employment with the Company.

The Board of Directors (the Board) may, if it deems fit, invite them for being appointed on one or more Committees of the Board of Directors. Their appointment on such Committee(s) will be subject to the provisions of the Companies Act, 2013.

### **2. TIME COMMITMENT**

As an Independent Director they are expected to bring objectivity and independence of view to the Board's discussions and to help provide 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 normally meets 4 times a year with at least one meeting every 120 (one hundred and twenty) days and will otherwise meet on an ad-hoc basis as required. Apart from the Board Meeting there would be meetings of the Committees of the Board of Directors, which they may be required to attend, in case they are nominated to such Committees. They will be expected to devote such time to their duties, as appropriate for them to discharge their duties effectively. In addition, all 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 the management and all the independent directors shall strive to be present at such meeting.

By accepting their appointment, they confirm that they are able to allocate sufficient time to meet the expectations from their role to the satisfaction of the Board.

### **3. SITTING FEES**

As an Independent Director they will receive Sitting fees as may be determined by the Board of Directors as per the prescribed limits under the Companies Act, 2013, for attending the meeting of the Board of Directors and the committees of the Board of Directors in which they may be nominated as a member.

In addition to the sitting fees described above, the Company will during the term of their appointment, reimburse them for travel, hotel and other incidental expenses incurred by them in the performance of their role and duties as an Independent Director.

#### **4. ROLES AND DUTIES**

Without prejudice to the generality of their responsibilities set out in Clause 2 and 3 above, their role and duties will be those normally required of an Independent Director as prescribed under the Companies Act, 2013.

##### **Code of Business Ethics**

As an Independent Director they are required to abide by the provisions of “Code for Independent Directors” (“Code”) specified in schedule IV of Companies Act, 2013, as amended from time to time. Compliance with the Code would inter alia require them to:

- (i) uphold ethical standards of integrity and probity;
- (ii) act objectively and constructively while exercising their duties;
- (iii) exercise their responsibilities in a bona fide manner in the interest of the Company;
- (iv) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (v) not allow any extraneous considerations that will vitiate their 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;
- (vi) not abuse their 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;
- (vii) refrain from any action that would lead to loss of their independence;
- (viii) where circumstances arise which result in loss of independence, inform the Board immediately;
- (ix) assist the Company in implementing the best corporate governance practices.

#### **5. CONFIDENTIALITY**

All information acquired during their appointment is confidential to Company and should not be released, either during their appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman of the Company unless required by law or any other regulatory body. On reasonable request, they shall surrender any documents and other materials made available to them by the company.

Any confidential information which may come to their knowledge in the performance of their duties as a director of the company must not be divulged, except so far as:

- a. May be necessary in connection with the proper performance of their duties as an Independent Director to the Company;
- b. The Company may from time to time authorize them to disclose such information as may be required by them with the condition that they will take all reasonable precautions as may be necessary to maintain the secrecy and confidentiality of all confidential information of the Company; or
- c. They may be required to disclose under any law / or requirements by any regulatory body provided the Company to be intimated in advance.

## **6. DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS**

During the term of their appointment, they agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and other information as may be prescribed under the Companies Act, 2013 and the rules made thereunder.

Further, any material interest that they may have in any transaction or arrangement that the Company has entered into should be disclosed not later than, when the transaction or arrangement comes up at the Board meeting, so that the Company may record their interest appropriately. Further, they are required to give a general notice of Interests as per the format prescribed under the Companies Act, 2013 and the rules made thereunder in the first Board Meeting of each Financial Year.

During their term as an independent director they are required to give a declaration that they meet the criteria of independence prescribed under Section 149(6) of the Companies Act, every financial year as provided under section 149(7) of the Companies Act, 2013.

During their appointment they are required to comply with provisions as contained in Schedule IV under the Companies Act, 2013, including the following codes of conduct of the Company:

- i. Code of Conduct for Board of Directors and Senior Management and;
- ii. Code of Conduct for Securities and Exchange of India (Prohibition of Insider Trading) Regulations, 1992.

## **7. CONFLICT OF INTEREST**

By accepting this appointment they will be deemed to have confirmed that any other position they hold including their directorships on other organizations, shall not give rise to any conflicts of interest in relation to their appointment as an Independent Director of the Company.

In the event that their circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that they are independent; this should be disclosed to the Company Secretary.

## **8. TERMINATION**

They may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. In terms of provisions of the Companies Act, 2013, they are required to file a copy of their resignation letter with the Registrar of Companies, Maharashtra.

If at any stage during the term, there is a change that may affect their status as an Independent Director as envisaged in Section 149(6) of the Companies Act, 2013, they agree to promptly submit their resignation to the Company with effect from the date of such change.

Their appointment may also be terminated in accordance with provisions of the Articles of Association of the Company from time to time in force or in the event they are disqualified for being a Director under the provisions of the Companies Act, 2013.

On termination of the appointment they shall only be entitled to such fees and remuneration as may have accrued up to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date.

They are not entitled for any compensation for loss of office as an Independent Director, or as consideration for retirement /resignation/termination from such office or in connection thereto.

#### **9. GOVERNING LAW**

Their appointment letter and any obligations arising out of or in connection with the said Letter shall be governed by, and shall be construed in accordance with the laws of India, and the parties agree to submit to the exclusive jurisdiction of the Courts of Mumbai.