

Terms and Conditions of Appointment of Independent Directors

[Pursuant to the provisions of Section 149 to the Companies Act, 2013 (“the Act”) and Regulation 25 of Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)]

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

1. Appointment

- 1.1. The appointment as an Independent Director on the Board will be effective from date of appointment and the maximum tenure if the Independent Director shall be as per the provisions of the Act.
- 1.2. The appointment of Independent Director shall be subject to the approval of shareholders by way of special resolution.
 - i. However, where a special resolution for the appointment of an independent director fails to get the requisite majority of votes but the votes cast in favour of the resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such an independent director shall be deemed to have been made.
 - ii. The independent director appointed in point (i.) above only if the votes cast in favour of the resolution proposing the removal exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution.
- 1.3. 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 is set up in the future in accordance with the applicable provisions of the Act and the listing regulations. The appointment on such Committee(s) will be subject to applicable law.

2. Resignation or removal:

- 1.1. 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.
- 1.2. 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 3 months from the date of such vacancy. resignation or removal, as the case may be. However in case of listed entity the vacancy shall be filled by the new independent director at the earliest but not later than the immediate next Board meeting or 3 months from the date of vacancy, whichever is later.
- 1.3. Where the company fulfills 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.

3. Code of Conduct and Roles, Duties & Responsibilities

- 3.1. Independent Director is expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective inputs in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance. Independent Director is also expected to observe and comply with applicable laws, the charter documents of the Company and the rules, regulations and policies of the Company, in relation to his/her directorship and the business of the Company.
- 3.2. The Company has relied on the declaration of the Independent Director that he / she meets the criteria of independence as provided in Section 149(6) of the Act as also in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- 3.3. The Independent Director will be required to abide by the guidelines as to professional conduct for independent directors as set out in Section 149(8) read with Schedule IV to the Act.
- 3.4. The Independent Director will be required to comply with applicable provisions of any code of conduct framed by the Board for all Board members and Senior Management of the Company under the Listing Regulations.

4. Remuneration

- 4.1. **Sitting Fees:** The Independent Directors of the Company may receive remuneration by way of sitting fees for attending the meeting of the Board of Directors or Committees thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 and rules framed thereunder or such amount as may be prescribed by the Central Government.
- 4.2. **Profit-linked Commission:** The profit-linked Commission may be paid within the monetary limit approved by the shareholders of the Company subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013 and rules framed thereunder.

In case the Company has no profits or its profits are inadequate, an independent director may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197, in accordance with the provisions of Schedule V of the Act.

- 4.3. **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company

5. Other Terms and Conditions

5.1. Evaluation

As a member of the Board, Independent Director's performance as well as the performance of the entire Board and its Committee shall be evaluated annually. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and shall be disclosed in the rt. The

Independent Director's appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

5.2. Termination

- i. The office of Independent Directors on the Board shall terminate or cease in accordance with the provisions of the Companies Act, 2013.
- ii. Independent Director may resign from his position at any time by serving a reasonable written notice on the Board stating out the reason for resignation. Further, appointment of Independent Director may be terminated in accordance with applicable law.
- iii. Continuation of appointment of Independent Director is contingent on his/her willingness to continue as an Independent Director, and getting re-appointed by the shareholders in accordance with applicable law. Independent Director will not be entitled to compensation in case the shareholders of the Company do not re-appoint him/her at any time.

5.3. Confidentiality

- i. All information in relation to the Company acquired by Independent Director during the appointment and tenure as an Independent Director is confidential and should not be disclosed to third parties unless required by law.
- ii. Independent Director is subject to and bound by the prohibition and restrictions against insider trading and disclosure of unpublished price sensitive information, as prescribed under the Act and the regulations issued by the Securities and Exchange Board of India ("SEBI"). Independent Director would have to strictly abide by the Code of Conduct for Prevention of Insider Trading of the Company under SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended or replaced from time to time).

5.4. Liability

Subject to applicable law, for any breach of duties, Independent Director will be liable to consequence prescribed under applicable law and in relation to the Company, Independent Director would be liable for such acts of omission or commission by the Company which had occurred with his/her knowledge, attributable through Board processes, and with his/her consent or connivance, or where Independent Director has not acted diligently.

6. Miscellaneous

- 6.1. The appointment of Independent Director is also subject to the maximum permissible directorships that one can hold under applicable law, including as per the provisions of "the Act" and "the LODR".
- 6.2. Independent Director will be invited to attend ongoing training and familiarization sessions, including briefings from management and site visits