

TERMS AND CONDITIONS OF APPOINTMENT OF AN INDEPENDENT DIRECTOR

Terms of Appointment, subject to the Companies Act, 2013, SEBI Laws and Articles of Association of the Company.

Appointment:

The appointment of an Independent Director will be for a maximum two terms of upto five consecutive years, subject to the approval of the shareholders and annual performance evaluation in the Board. The Independent Director shall not be liable to retire by rotation.

During the tenure, the Independent Director may be requested to serve on one or more of the committees of the Board. Copies of the terms of reference for each of those committees will be provided at the appropriate time.

The Independent Director is requested to kindly peruse the Articles of Association to understand certain circumstances under which the appointment may cease.

Preliminary:

Your appointment is subject to the following:

1. During your tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Act stating that you meet the criteria of Independence.
2. 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 shall not exceed the limit stipulated under the Act and the SEBI Listing Regulations, 2015.
3. So long as you are an Independent Director of the Company, you will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.

4. You will ensure compliance with other provisions of the Act and the SEBI Listing Regulations, 2015 as applicable to you as an Independent Director.

Expectations of the Board of Directors:

As per the Articles of Association of the Company, the powers of management of the Company are vested in the Board of Directors. The Board recognises the high level of knowledge, skills and experience that they possess and it is therefore expected that they, as member of the Board of Directors, will perform their duties efficiently and diligently while deliberating on any business placed before them for decision.

Committees of the Board of Directors:

The Company being a listed company, has to constitute Committees of the Board of Directors, as prescribed under the Act as also the Listing Regulations. As such, the Independent Directors may be requested to serve on any Committee(s) within the statutory limit laid down in the Act and the Listing Regulations. They may also be requested to serve on any non-statutory Committee of the Board formed for a specific purpose, as may be deemed appropriate from time to time.

Confidentiality:

They will not at any time (a) retain or use for their benefit, purposes or account any information (b) disclose divulge, reveal, communicate, share, transfer or provide access to any person outside the Company (other than its professional advisers who are bound by confidentiality obligations), any non-public, proprietary or confidential information - including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals - concerning the past, current or future business, activities and operations of the Company, its subsidiaries or affiliates. Upon end of the term or termination of their directorship with the Company for any reason, they shall (a) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in their possession or control (including any of the foregoing stored or located in their office, home, laptop or

other computer, whether or not Company property). Their obligation of confidentiality shall survive cessation of their respective directorships with the Company. Additionally, they shall not participate in any business activity which might impede the application of their independent judgement in the best interest of the Company

Dealing with Price Sensitive Information:

They shall maintain the confidentiality of all Price Sensitive Information available with them. They shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities. They shall ensure compliance with the Code of Conduct for Prevention of Insider Trading adopted by the Company pursuant to the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 1992 and shall also ensure compliance with Section 195 of the Act.

CODE FOR INDEPENDENT DIRECTORS

(As per Schedule IV of Companies Act 2013)

This Code is a guide to professional conduct for Independent Directors. It is felt that adherence to these standards by Independent Directors and fulfillment of their responsibilities accordingly, will promote confidence of the investment community, the minority shareholders and regulators in the institution of Independent Directors.

I. Guidelines of professional conduct:

An Independent Director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his/ her duties;
- (3) exercise his/ her responsibilities in a bona fide manner in the interest of the Company;
- (4) devote sufficient time and attention to his/ her professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his/ her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring or dissenting from the collective judgment of the Board in its decision making;

- (6) not abuse his/ her 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;
- (7) refrain from any action that would lead to loss of his/ her independence;
- (8) where circumstances arise which make an Independent Director lose his/ her independence, the Independent Director must immediately inform the Board accordingly;
- (9) assist the Company in implementing the best corporate governance practices.

II. Role and functions:

Independent Directors shall:

- (1) help in bringing an independent judgment to bear on the deliberations of the Board, specially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of all stakeholders;
- (7) determine appropriate levels of remuneration of executive directors and key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive director, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

Independent Directors shall:

- (1) undertake appropriate induction and regularly update their skills, knowledge and familiarity with the Company;

- (2) 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;
- (3) strive to attend all meetings of the Board of Directors and Committees of the Board of which he/she is a member;
- (4) participate constructively and actively in the committees of the Board, where nominated;
- (5) strive to attend the annual/special general meetings of the Company;
- (6) ensure that his/her concerns about the running of the Company or a proposed action are addressed by the Board. If not resolved, the concerns be recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the Company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) 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;
- (11) report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct or ethics policy;
- (12) Act within his/ her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- (13) 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.

IV. Manner of appointment:

- (1) Appointment process of Independent Directors shall be independent of the Company management. While selecting Independent Directors, the Board shall ensure that there is balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of Independent Director(s) of the Company shall be approved by the shareholders.
- (3) The explanatory statement attached to the notice for approving the appointment of independent director shall include a statement that in the opinion of the Board,

the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder, and that the proposed director is independent of the management.

(4) The appointment of Independent Directors shall be formalised through a letter of appointment, which shall set out:

- a) the term of appointment;
- b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
- c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
- d) provision for Directors and Officers (D and O) insurance, if any;
- e) the Code of Business Ethics that the Company expects its directors and employees to follow;
- f) the list of actions that a director should not do while functioning as such in the Company; and
- g) remuneration, periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) The terms and conditions of appointment of Independent Directors shall be open for

inspection at the registered office of the Company during normal business hours.

(6) The terms and conditions of appointment of Independent Directors shall also be posted on the Company's website.

V. Re-appointment:

The re-appointment of Independent Director shall be based on annual performance evaluation.

VI. Resignation or Removal:

(1) Resignation or removal of an independent director shall be as provided in sections 168 and 169 of the Companies Act.

(2) An Independent Director who resigns, or is removed, from the Board shall be replaced by a new Independent Director within such time as prescribed in applicable law.

(3) Where the Company fulfils the requirement of Independent Directors in its Board without having to fill the vacancy created by such resignation/removal, the requirement of replacement by a new Independent Director shall not apply.

VII. Separate Meetings:

- (1) Independent Directors of the Company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and other members of management;
- (2) All Independent Directors of the Company shall strive to be present at such meeting;
- (3) The meeting shall:
 - a) review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the Company after taking into account the views of the executive directors and non-executive directors;
 - (c) assess the quality, quantity and timings of the flow of information between the Company management and the Board so that the Board and its members can perform their role effectively.

VIII. Evaluation Mechanism:

- 1) The performance evaluation of Independent Directors shall be done by the entire Board of Directors (excluding the Director being evaluated).
- 2) On the basis of the performance evaluation, the Board will decide whether to extend or continue the term of appointment of the Independent Director.