

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:

A. Appointment

The appointment of an Independent Director on the Board will be for a consecutive period of 5 years.

The Board may, if it deems fit, and in compliance various laws applicable on the Company, invite Independent Director for being appointed on one or more existing Board Committees or any such Committee that will be set up in the future.

The appointment on such Committee(s) will be subject to applicable law.

B. Role, Duties and Responsibilities

As member of the Board along with other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013 (hereinafter referred to as “Act”), Schedule IV of the Act and the Rules made thereunder;
- Responsibilities of the Board as outlined in the Corporate Governance requirements;
- Accountability under the Director’s Responsibility Statement and
- Overseeing the maintenance of high standards of Code of Conduct of the Company

Independent Director shall abide by the ‘Code for Independent Directors as outlined in Schedule IV of the Act and duties of directors as provided in the Act.

Independent Director will also be responsible for providing guidance in the area of his/her expertise.

Independent Director are expected to stay updated on how best to discharge his/her roles, responsibilities, and duties and liabilities as an Independent Director under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.

Independent Director is expected to:

- (i) Act in accordance with the Articles of Association of the Company;
- (ii) Take decisions and make recommendations objectively and solely in the interests of the Company;
- (iii) Facilitate Company’s adherence to high standards of ethics and corporate behavior;
- (iv) Guide the Board in monitoring the effectiveness of the Company’s governance practices and to recommend changes, required if any;
- (v) Guide the Board in monitoring and managing potential conflicts of interest of management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions;
- (vi) Guide the Board in ensuring the integrity of the Company’s accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

C. Remuneration and Reimbursement of Expenses

Remuneration to an Independent Director will be as under:

- (a) Sitting fees of INR 70,000 for attending each meeting of the Board and its Committees if both meetings fall on same day;
- (b) Sitting fees of INR 35,000 for attending each Committee meeting if such meeting is not held on the same day as meeting of the Board is held;
- (c) Air ticket and stay arrangements in case meeting of the Board is held outside Delhi NCR;
- (d) Any other fee subject to the provisions of the Companies Act 2013 and as per the Company's policy as amended from time to time.

The Company has Directors' and Officers' liability insurance and it is intended that the Company will assume and maintain such cover for the full term of 5 years of appointment.

D. Performance Appraisal / Evaluation Process

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and the Directors on an annual basis. Any appointment and reappointment on the Board shall be subject to the outcome of the yearly evaluation process.

The criteria for evaluation shall be determined by the Audit, Risk and Compliance Committee of the Board.

An indicative list of factors that may be evaluated as a part of this exercise is:

- Participation and contribution of the Independent Director,
- Commitment (including guidance provided to senior management outside of Board /Committee meetings),
- Effective deployment of knowledge and expertise,
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality
- Independence of behavior and judgment, and
- Impact and influence.

E. Disclosures, other directorships and business interests

During the term, Independent Director need to promptly notify the Company of any change in their directorships and provide such other disclosures and information as may be required under the applicable laws. Independent Director should upon becoming aware of any potential conflict of interest, Independent Director should promptly disclose the same to the Company.

Independent Director will have access to confidential information and shall use reasonable efforts to keep it confidential and to not disclose to any third party.

During the term, Independent Director shall promptly, intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

F. Termination

Any termination or cessation shall be in accordance with the Act.

Independent Director may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by them in the notice, whichever is later.

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