

TERMS AND CONDITIONS
OF APPOINTMENT OF
INDEPENDENT DIRECTORS

APPOINTMENT CRITERIA AND QUALIFICATIONS

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

TERM/TENURE

1. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
2. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
3. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
4. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

DUTIES AND RESPONSIBILITIES

1. The Independent Director will abide by the duties and responsibilities set out at **Annexure-A** hereto, as stipulated by applicable law.
2. The Independent Director will abide by the Code of Conduct and the Code of Business Ethics of the Company.

3. The management expects its independent directors to :

- i. take decisions objectively and solely in the interests of the Company ;
- ii. facilitate Company's adherence to high standards of ethics and corporate behaviour;
- iii. facilitate existence of appropriate risk management /regulatory compliance policies;
- 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 shareholders, 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;
- vii. act on a fully informed basis , in good faith, with due diligence and care, and in the best interest of the Company and the shareholders; and
- viii. comply with his/her duties and obligations under applicable law, particularly the Act and the equity listing agreement .

EVALUATION

The Independent Director's term extension will be recommended by the Nomination and Remuneration Committee to the Board, pursuant to the performance evaluation carried out by the entire Board.

REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, subject to the provisions and compliance of the said Act, rules and regulations.

REMUNERATION

Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

MISCELLANEOUS

1. The Independent Director will recognize that he could have access to confidential information, whether or not the information is marked or designated as "confidential" or "proprietary", relating to the Company and its business(es) including legal, financial, technical, commercial, marketing and business related records , data, documents, reports, etc., client information, intellectual property rights (including trade secrets), (**"Confidential Information"**).
2. The Independent Director undertakes to use reasonable efforts to keep confidential and to not disclose to any third party, such Confidential Information.
3. The provisions of the Companies Act, 2013 and rules thereto and Listing Agreement (including any amendment thereto from time to time) to the extent applicable, shall apply on the appointment of Independent Directors. And these are general terms and conditions of appointment of Independent Directors which are subject to modification/amendment.

Annexure - A **Duties and Responsibilities**

The Independent Director's duties and responsibilities are as under:

- i. Uphold ethical standards of integrity and probity.
- ii. Act objectively and constructively while exercising your duties.
- iii. Exercise responsibilities of an Independent Director in a bona fide manner in the interest of the Company.
- iv. Devote sufficient time and attention to his professional obligations for informed and balanced decision making.
- v. Not allow any extraneous considerations that will vitiate his 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 his 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 Independent Directorship.
- viii. Assist the Company in implementing the best corporate governance practices.
- ix. Assist in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- x. Bring an objective view in the evaluation of the performance of Board and management.
- xi. Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- xii. Satisfy himself on the integrity of financial information and that financial controls and systems of risk management are robust and defensible.
- xiii. Safeguard the interests of all stakeholders, particularly the minority shareholders.
- xiv. Balance the conflicting interest of the stakeholders.
- xv. Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management.
- xvi. 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.
- xvii. Strive to attend all meetings of the Board and of the Board committees of which he is a member.
- xviii. Participate constructively and actively in the committees of the Board in which he is chairperson or member.
- xix. Strive to attend the general meetings of the Company.
- xx. 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.
- xxi. Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- xxii. 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.