Terms and Conditions of appointment of Independent Directors

1. **Period of Appointment**:

   Pursuant to the provisions of Section 149 and other applicable provisions, if any, of Companies Act, 2013 ("the Act") and subject to the provisions of Section 152 of the Act, the appointment shall be for a term of upto 5 (five) consecutive years.

   Notwithstanding the other provisions of this letter, the appointment may be terminated at any time by the Company in accordance with the provisions of the Act or Articles of Association or the Director may resign by written notice. It is desirable that the Director gives the Chairman reasonable forewarning of his/her intention to resign or to not seek re-election (where that is possible) so that the Company can plan for succession of skills and experience on the board. Upon such termination or resignation for any reason, the Director shall not be entitled to any damages for loss of office and no fee will be payable to the Director in respect of any unexpired portion of the term of appointment.

2. **Board's expectation:**

   The Board expects from the appointed Independent Director that he/she shall –

   - comply with the provisions of the Act read with the rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") (including any statutory modification or re-enactment thereof) as applicable to him/her as an Independent Director.
   - understand and carry out diligently, his roles & functions and duties as provided under Schedule IV to the Act.
   - adhere to the Code of Conduct of the Company for the members of the Board and Senior Management Personnel as laid down by the Board and confirm adherence of the same on an annual basis.
   - shall avoid conflict of interest with the overall interests of the Company.
   - shall apply the highest standards of confidentiality and not disclose to any person or entity (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any group Companies which he may come to know by virtue of his position as Independent Director of the Company.
   - shall act diligently and in good faith for the interest of the Company.

3. **Appointment in Board Level Committees and its tasks**

   During the tenure as Independent Director, he/she may be requested to serve on one or more Committees of the Board. The Director is expected to carry out his duties / tasks as member/chairman of such Committee(s) of the Board as per the terms of reference of such committee(s).

4. The fiduciary duties that come with such appointment along with accompanying liabilities

The Director:

a. being at a statutory position and appointed pursuant to requirements of the laws, the appointment comes with fiduciary duties of a director as a trustee of the interests of the Company.
b. shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, community and for the protection of environment.
c. shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
d. shall disclose interest in any of the contract or arrangements and also disclose the interest on periodical basis as required under law.
e. shall not misuse the assets, property, information or any other matter that he/she may have access to, in the capacity as a Director of the Company. The Director shall not engage in Insider Trading activities.

The above list is only indicative and not exhaustive.

Any breach of fiduciary duties would warrant civil and criminal action or both by the Company, its shareholders, statutory authorities and others. The Act envisages huge penalties and imprisonment for such breaches.

The Directors are also exposed to class action suit by the Shareholders.

5. Provision for Directors and Officers (D and O) insurance, if any:

At present, the Company has not obtained a Directors and Officers (D&O) Liability Insurance Policy. However, the Company may review this position periodically in line with applicable laws, regulatory requirements, and governance practices.

6. The list of actions that a director should not do while functioning as such in the Company:

The Director shall not:

a. misuse the information in his/her possession.
b. engage in any way (both directly and indirectly) in any activity having conflict of interest with that of the Company.
c. break any law of the land or indulge or provoke the co-directors or employees to do the same.
d. enter into any contract or arrangement wherein he is directly or indirectly interested as per the provisions of the Act.
e. achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
f. assign his office and any assignment so made shall be void.

The above list is only indicative and not exhaustive.

7. The remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any:

The Independent Directors shall be paid sitting fee, as may be determined by the Board, for attending the meetings of the Board or Committee thereof, reimbursement of expenses for participating in the Board and other meetings participating in the Board, Committee or other Meetings.

8. Confidentiality:

The Directors must apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the Appointment or at any time after its termination) any confidential information concerning the Company and any Group Companies with which the Director comes into contact by virtue of his/her position as an Independent Director of the Company.

The attention is drawn to the requirements under the applicable laws as to the disclosure of price-sensitive information. Consequently he/she should avoid making any statements that might risk a breach of these requirements without prior clearance from the other members of the Board of Directors of the Company. On termination of the appointment, the Director will deliver to the Company all books, document, papers and other property of or relating to the business of the Company which are in his/her possession, custody or power by virtue of his/her position as an Independent Director of the Company.

The Company may arrange the disposal of papers that the Director no longer require.

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