

**Terms of Appointment of Independent Director**

**TERM OF APPOINTMENT:**

1. As per the provisions of sub-section (10) of Section 149 of the Companies Act, 2013 ('Act') and in accordance with the resolution passed at the Annual General Meeting held on September 29, 2014, your appointment will commence on September 29, 2014 and will continue until the 25<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2019. At that meeting you shall cease to hold office of independent director.
2. Your appointment shall not be subject to rotation as per the provisions of sub-section (6) of Section 152 of Companies Act, 2013.
3. Your appointment as Independent Director of the Company was based, inter alia, on declaration by you that you comply with the conditions of independence as listed in Section 149 (6) of the Act read with relevant rules, and the Listing Agreement. If there is any change in circumstances affecting your independence, you are required to immediately let the Board of Directors ('Board') know of the same, in terms of Section 149 (7) of the Act.
4. Your appointment will terminate automatically on the expiry of the term of appointment as above, or if you vacate your office in terms of Section 167 of the Act. There is no compensation for termination of office in any circumstance.

**Expectation of Board**

5. As an Independent Director you are expected to bring objectivity and independent view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board generally meets four to five times in a year. Additionally, committee meetings like Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and other committees takes place as and when required. You are expected to attend Board and Board Committee meetings to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively.

**Role and Duties**

6. Your role and duties will be those normally required of an Independent Director under the Companies Act, 2013 and the Listing Agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are summarised as under:

- (i) You shall act in accordance with the Company's Articles of Association.
- (ii) You 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 interest of the Company.
- (iii) You shall discharge your duties with due and reasonable care, skill and diligence.
- (iv) You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- (v) You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.
- (vi) You shall not assign your office as Director and any assignments so made shall be void.

In addition to the above requirements, the Board also expects you to perform following functions:

- (i) You should constructively challenge and help develop proposals on strategy for growth of the Company.
- (ii) You should evaluate the performance of management.
- (iii) You should satisfy yourself on the integrity of financial information and that financial controls and systems of risk management are robust and defensible.
- (iv) You should advise for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary, removing Executive Directors and in succession planning;
- (v) You should advise the processes for accurately reporting on performance and the financial position of Company;

### **Status of Appointment / remuneration**

- 7. You will not be an employee of the Company and this letter shall not constitute a contract of employment.
- 8. You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board from time to time.
- 9. You will have no entitlement for any bonus or employee stock option scheme.
- 10. In addition to the sitting fee, the Company will, for the period of your appointment, reimburse you for all travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

### **Independent Professional Advice**

- 11. There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at the Company's expense.

### **Insurance**

- 12. Presently, Company doesn't have any Directors' and Officers' liability insurance, however, if in future Company opt for taking such insurance policy, it will be endeavour of the Company to cover you for the full term of your appointment.

### **Conflict of Interest**

- 13. It is accepted that you may have business interests other than those of the Company. You are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment and at subsequent applicable times.
- 14. In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to the Chairman or Company Secretary.

### **Evaluation**

- 15. The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. Your re-appointment, if any on the Board shall be subject to the outcome of the yearly evaluation process.

### **Confidentiality**

- 16. All information acquired during your appointment is confidential to Company and should not be released, either during your appointment or afterwards unless required by law or by the rules of any stock exchange or regulatory body.

### **Code of Conduct**

17. During your tenure as Director, you are required to comply with the regulations as contained in Schedule IV under Companies Act, 2013 (Code for Independent Directors) and the following codes of conduct of the Company:

(i) Code of Conduct for Board Members and Senior Management;

(ii) Code of Conduct for Prevention of Insider Trading in securities of the Company; and such other requirements as the Company / Board of Directors may specify.

#### **Publication of Letter of Appointment**

18. In terms of the provisions of Clause IV sub-clause 6 Schedule IV, under Companies Act, 2013, the Company will make public these terms and conditions of appointment and also display the appointment letter to the Company's website.

#### **Membership of Committees**

19. The Board of Directors may appoint you as Member / Chairman of one or more of its committees

#### **Resignation / Termination**

20. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board. Further, in terms of provisions of the Companies Act, 2013, you are required to file a copy of your resignation letter with the Registrar of Companies.

#### **General**

21. This letter is governed by and will be interpreted in accordance with Indian laws and will be subject to jurisdiction of the Indian courts.

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