

Terms and conditions of appointment of Independent Directors of the Company

(Pursuant to the provisions of Schedule IV to the Companies Act, 2013 (“the Act”) and Regulation 17 (5) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The broad terms and conditions of their appointment as Independent Directors are reproduced hereunder:

1. Appointment

- The appointment as an Independent Director (ID) on the Board will be effective from **(date of appointment)**, for a period of **(terms of appointment)**.
- The appointment is in compliance with provision Section 149(13) of the Companies Act, 2013, Independent Directors are not liable to retire by rotation.
- Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The re-appointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria as envisaged in SEBI (LODR) (Amendment) Regulations, 2018 and the Companies Act, 2013.
- The appointment may be terminated in accordance with the provisions of the Articles of Association of the Company or on failure to meet the parameters of independence as defined in Section 149(6) of the Companies Act 2013 or Regulation 16(1)(b) of SEBI LODR or on the occurrence of any event as defined in section 167 of the Companies Act, 2013.

2. Board Committee

The Board may, if it deems fit, invite them for being appointed on one or more existing Board Committees or any such Committee that may be set up in the future. Their appointment on such Committee(s) will be subject to the applicable regulations. They are expected to attend Board, Board Committees, to which they may be appointed and Shareholders’ meetings and to devote such time to their duties as deemed appropriate for discharge of their duties effectively. Ordinarily all meetings are held in Nagpur, unless determined otherwise. Recommendations/Minutes of the Meetings of the Committees are submitted to the Board for approval.

3. Role, Duties and Responsibilities

As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which includes:

- The Independent Director shall act in accordance with the Articles of Association of the Company and while discharging his/her duties, comply with the requirements of Section 166 and Schedule IV to the Companies Act, 2013 (“the Act”).
- Obligations with respect to independent directors as envisaged in SEBI LODR Regulation 25.

- Accountability under the Director's Responsibility Statement.
- The role and duties of Independent Directors will be those normally required of a Non- Executive Independent Director under the Companies Act, 2013 and SEBI LODR. There are certain duties prescribed for all Directors, both Executive and Non-Executive.
- The Independent Director to be held liable only in respect of such acts of omission or commission by the Company which have occurred with his/her knowledge, attributable through Board processes, and with his/her consent or where Independent Director has not acted diligently.

4. Code of conduct for Independent Directors

They will follow the Code of Conduct of the Company and furnish annual affirmation of the same. They will apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after its cessation) any confidential information concerning the Company including any subsidiary or associate thereof with which they come into contact by virtue of their position as a Director, except as permitted by law or with prior clearance from the Chairman of the Board.

As per the provision of Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992 (as enclosed), which inter-alia prohibits disclosure or use of unpublished price sensitive information. They should not make any statement(s) that might risk a breach of the requirements specified under the said statute unless the same is required under any law or the same is required for the purpose of compliance of any direction, order, etc. issued/given by any judicial authority. Additionally, they shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

The Independent Director will be required to abide by the guidelines as to professional conduct for independent directors as set out in Section 149(8) read with Schedule IV to the Act.

5. Time Commitment

By accepting the appointment the Independent Director confirms that he / she will be able to allocate sufficient time to perform his/her duties as a director and attend meetings of the Board or any committee thereof. In addition to such attendances, Independent Director will be expected to devote appropriate preparation time ahead of each meeting.

6. Status of Appointment and Remuneration

- Independent Directors will not be employees of the Company and their appointment letter shall not constitute a contract of employment. They 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.
- Independent Directors have no entitlement to any bonus during the appointment and no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

7. Training And Development

The Company may, if required, conduct formal training program for its Independent Directors. The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

8. Disclosure of other Directorships and Business Interests

- During their Term, Independent Directors agree to promptly notify the Company of any change in their directorships, Committee positions and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Managing Director and the Company Secretary.
- During their Term, Independent Directors agree to promptly provide a declaration under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI LODR, upon any change in circumstances which may affect their status as an Independent Director.

9. Changes of Personal Details

During the Term, Independent Directors 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.

10. Performance Appraisal / Evaluation Process

As a member of the Board, their performance shall be evaluated annually. Evaluation shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination & Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

11. Termination

Their Directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the Act, their Directorship may be terminated for violation of any provision of the Code of Conduct of the Company. They 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 the term, there is a change that may affect their status as an Independent Director as envisaged in Section 149(6) of the Act, or if applicable, they fail to meet the criteria for "independence" under the provisions of provided in SEBI LODR under clause (b) of sub-regulation (1) of regulation 16 they agree to promptly submit their resignation to the Company with effect from the date of such change.

12. Sitting Fees

They 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. The sitting fees presently paid to the Non-Executive Independent Director is Rs.60,000/- per meeting of the Board, Rs.20,000/- per meeting of Audit Committee and Rs.6000/- thereof for other committees.

13. Insurance

The Company has Directors' and Officers' ("D&O") liability insurance and it is intended to maintain such cover for the full term of the Appointment.

The Independent Director may obtain details of such insurance from the Company Secretary.

14. Conflict of Interest

It is accepted and acknowledged that Independent Directors may have business interests other than those of the Company. As a condition to appointment, they are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of appointment.

In the event that 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 they are independent, this should be disclosed to both the Managing Director and the Company Secretary.

15. Confidentiality

The Independent Director agrees that both during and after the term of Appointment, Independent Directors will not use for his/her own, or for another's benefit, or disclose or permit the disclosure of any confidential information relating to the Company, subsidiary or any group or associate Companies of the Company, which he/she may acquire by virtue of his/her position as an independent director, including without limitation, any information about the deliberations of the Board. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of this term), become available to the public generally.

16. Cooperation

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on their part during their Term, they agree to render all reasonable assistance and cooperation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.